



**NAPS GLOBAL INDIA LIMITED**

Corporate Identity Number is U51595MH2014PLC255128

REGISTERED OFFICE		CONTACT PERSON		EMAIL AND TELEPHONE		WEBSITE	
Office No. 11, 2nd Floor, 436 Shree Nath Bhuvan, Kalbadevi Road, Mumbai City, Mumbai, Maharashtra, India, 400002		Priyanka Marvania Company Secretary and Compliance Officer		Email: <a href="mailto:napsglobalindia@gmail.com">napsglobalindia@gmail.com</a> Telephone: 022-49794323		<a href="http://www.napsglobalindia.com">www.napsglobalindia.com</a>	
THE PROMOTERS OF OUR COMPANY							
Pankaj Jain and Ronak Mistry							
DETAILS OF ISSUE							
TYPE	FRESH ISSUE SIZE (IN LAKHS)	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE	ELIGIBILITY 229(1) / 229(2) & SHARE RESERVATION AMONG NII &RII			
Fresh Issue	Fresh Issue of Upto 13,20,000 Equity Shares of ₹ 10 each aggregating [●] Lakhs	Not Applicable	Total Issue of Upto 13,20,000 Equity Shares of ₹ 10 each aggregating [●] Lakhs	The Issue is being made pursuant to Regulation 229(1) of SEBI ICDR Regulations. As the Company's post issue face value capital does not exceed ₹10.00 Crores			
DETAILS OF OFFER FOR SALE BY THE SELLING SHAREHOLDERS							
NAME OF SELLING SHAREHOLDERS	TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT			AVERAGE COST OF ACQUISITION ON FULLY DILUTED BASIS* (IN ₹ PER EQUITY SHARE)		
Not Applicable							
RISK IN RELATION TO THE FIRST ISSUE							
This being the first Public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each and the Issue Price is [●] times the face value. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under "Basis of Issue Price" beginning on page no. 68. of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.							
GENERAL RISK							
Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page no. 23 of this Draft Prospectus.							
ISSUER'S ABSOLUTE RESPONSIBILITY							
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.							
LISTING							
The Equity Shares Issued through this Draft Prospectus is proposed to be listed on the SME Platform of BSE Limited ("BSE"). Our Company has received an in-principle approval letter dated [●] from BSE for using its name in this issue document for listing our shares on the SME Platform of the BSE Limited. For the purpose of this Issue, the Designated Stock Exchange will be BSE Limited ("BSE").							
LEAD MANAGER TO THE ISSUE				REGISTRAR TO THE ISSUE			
<p><b>ARYAMAN</b> FINANCIAL SERVICES LTD</p>				<p><b>CAMEO</b></p>			
<p><b>ARYAMAN FINANCIAL SERVICES LIMITED</b>                      60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg Fort, Mumbai – 400 001.                      Tel No.: +91 22 6216 6999                      Email: <a href="mailto:ipo@afsl.co.in">ipo@afsl.co.in</a>                      Website: <a href="http://www.afsl.co.in">www.afsl.co.in</a>                      Investor Grievance Email: <a href="mailto:feedback@afsl.co.in">feedback@afsl.co.in</a>                      Contact Person: Vatsal Ganatra/ Harsha Lohia                      SEBI Registration No. INM000011344</p>				<p><b>CAMEO CORPORATE SERVICES LIMITED</b>                      Subramanian Building, No. 1, Club House Road, Chennai – 600 002.                      Tel.: +91 - 44 - 40020700 (5 Lines)                      E-mail: <a href="mailto:priya@cameoindia.com">priya@cameoindia.com</a>                      Investor Grievance Email: <a href="mailto:investor@cameodina.com">investor@cameodina.com</a>                      Website: <a href="http://www.cameoindia.com">www.cameoindia.com</a>                      Contact Person: K. Sreepriya                      SEBI Registration. No.: INR000003753</p>			
ISSUE OPENS ON				ISSUE CLOSES ON			
[●]				[●]			



**NAPS GLOBAL INDIA LIMITED**

Our Company was incorporated as NAPS Trading Private Limited on March 28, 2014 under the Companies Act, 1956 with the Registrar of Companies, Mumbai bearing Registration number 255128. The name of our Company was changed to “NAPS Global India Private Limited” vide Special Resolution dated December 02, 2023 and a fresh certificate of incorporation was issued on January 02, 2024 by the Registrar of Companies, Mumbai. Thereafter, the status of the Company was changed to Public Limited and the name of our Company was changed to “NAPS Global India Limited” vide Special Resolution dated March 22, 2024 and a fresh certificate of incorporation consequent to conversion was issued on June 20, 2024 by the Central Processing Centre, Haryana. The Corporate Identification Number of our Company is U51595MH2014PLC255128. For further details, please refer the chapter —History and Certain Corporate Matters on page no. of this Draft Prospectus.

**Registered Office:** Office No. 11, 2nd Floor, 436 Shree Nath Bhuvan, Kalbadevi Road, Mumbai City, Mumbai, Maharashtra, India, 400002  
**Tel No.:** 022-49794323; **Email:** napsglobalindia@gmail.com; **Website:** www.napsglobalindia.com  
**Contact Person:** Priyanka Marvania, Company Secretary and Compliance Officer.  
**Our Promoters:** Pankaj Jain and Ronak Mistry

**THE ISSUE**

**INITIAL PUBLIC ISSUE OF UPTO 13,20,000 EQUITY SHARES OF ₹ 10 EACH (“EQUITY SHARES”) OF NAPS GLOBAL INDIA LIMITED (“NAPS” OR THE “COMPANY”) FOR CASH AT A PRICE OF ₹ [●] PER SHARE (THE “ISSUE PRICE”), AGGREGATING TO ₹ [●] LAKHS (“THE ISSUE”), CONSISTING OF FRESH ISSUE OF UPTO 13,20,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS, OF WHICH UPTO 72,000 EQUITY SHARES OF ₹ 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY AGGREGATING MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THAN THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UPTO 12,48,000 EQUITY SHARES OF ₹10 EACH IS HERINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 29.80% AND 28.17% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY**

**THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE**

In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price. Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. For further details please refer the section titled “Issue Information” beginning on page no. 10 of this Draft Prospectus.

All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details of the respective bank accounts and / or UPI IDs, in case of UPI Bidders, if applicable, which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page no.191 of this Draft Prospectus. A copy will be filed with the Registrar of Companies as required under Section 26 and Section 28 of the Companies Act, 2013.

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each and the Issue Price is [●] times the face value. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under “Basis of Issue Price” beginning on page no. 68 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Prospectus. Specific attention of the investors is invited to “Risk Factors” beginning on page no. 23 of this Draft Prospectus.

**ISSUER’S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

**LISTING**

The Equity Shares Issued through this Draft Prospectus is proposed to be listed on the SME Platform of BSE Limited. Our Company has received an in-principle approval letter dated [●] from BSE for using its name in this issue document for listing our shares on the SME Platform of the BSE Limited. For the purpose of this Issue, the Designated Stock Exchange will be BSE Limited (“BSE”).

**LEAD MANAGER TO THE ISSUE**

**REGISTRAR TO THE ISSUE**



**ARYAMAN FINANCIAL SERVICES LIMITED**  
 60, Khatau Building, Ground Floor,  
 Alkesh Dinesh Modi Marg  
 Fort, Mumbai – 400 001  
**Tel No.:** +91 22 6216 6999  
**Email:** [ipo@afsl.co.in](mailto:ipo@afsl.co.in)  
**Website:** [www.afsl.co.in](http://www.afsl.co.in)  
**Investor Grievance Email:** [feedback@afsl.co.in](mailto:feedback@afsl.co.in)  
**Contact Person:** Vatsal Ganatra/ Harsha Lohia  
**SEBI Registration No.** INM000011344

**CAMEO CORPORATE SERVICES LIMITED**  
 Subramanian Building, No. 1, Club House Road,  
 Chennai – 600 002.  
**Tel.:** +91 - 44 – 40020700 (5 Lines)  
**E-mail:** [priya@cameoindia.com](mailto:priya@cameoindia.com)  
**Investor Grievance Email:** [investor@cameodina.com](mailto:investor@cameodina.com)  
**Website:** [www.cameoindia.com](http://www.cameoindia.com)  
**Contact Person:** K. Sreepriya  
**SEBI Registration. No.:** INR000003753

**ISSUE OPENS ON**

**ISSUE CLOSES ON**

[●]

[●]

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## SECTION II - SUMMARY OF ISSUE DOCUMENT

### A. Summary of Business

Our Company is a wholesale importer of textile products and acts as an established player in the garment manufacturing supply chain in Maharashtra, India. We primarily import cotton and man-made fabrics from manufacturers in China and Hongkong in bulk quantities and provide timely supply to vendors of large garment manufacturing companies in Maharashtra, India.

For more details, please refer chapter titled “Our Business” beginning on page 87 of this Draft Prospectus.

### B. Summary of Industry

In 2023, the global textile market was valued at USD 1,837.27 billion and is expected to grow at a 7.4% CAGR through 2030, fueled by increasing apparel demand and e-commerce expansion. The ever-increasing apparel demand from the fashion industry and the meteoric growth of e-commerce platforms are expected to drive market growth over the forecast period.

For more details, please refer chapter titled “Industry Overview” beginning on page 76 of this Draft Prospectus.

## SECTION III- RISK FACTORS

*An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Draft Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment.*

*This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties, including those we are not aware of or deem immaterial, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the Offer, including the merits and risks involved. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. Investors should not invest in this Offer unless they are prepared to accept the risk of losing all or part of their investment, and they should consult their tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.*

*To obtain a better understanding of our business, you should read this section in conjunction with other chapters of this Draft Prospectus, including the chapters titled “Our Business”, Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Industry Overview” and “Financial Information” on page no’s 87, 147, 76 and 127 respectively of this Draft Prospectus, together with all other financial information contained in this Draft Prospectus. Our actual results could differ materially from those anticipated in these forward looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus Unless otherwise stated, the financial data in this chapter is derived from our Restated Financial Statements for the year ended, March 31, 2024, March 31, 2023 and March 31, 2022 as included in “Financial Information” on page no.127 of this Draft Prospectus.*

### INTERNAL RISK FACTORS

- 4. Our company is significantly dependent on few customers for our revenue in a particular financial year. The loss of any one or more of such customers may have a material effect on our business operations and profitability.**

The percentage of revenue derived from our top five and top ten customers for year ended 2023-24, 2022-23, 2021-22 are given below:

*(Rs in lakhs)*

Sr. No	Particulars	F.Y 2023-24		F.Y 2022-23		F.Y 2021-22	
		Revenue	Percentage (%)	Revenue	Percentage (%)	Revenue	Percentage (%)
1	Income from Top 5 Customer	3,006.53	63.55%	1,473.18	56.90%	906.87	67.96%
2	Income from Top 10 Customer	3,728.66	78.81%	2,153.33	83.16%	1,244.62	93.27%

Our top five and ten customers may vary from period to period depending on the demand and thus the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. Since our business is dependent among few significant customers, we could experience a reduction in our results of operations, cash flows and liquidity if we lose one or more of these customers or the amount of business we obtain from them is reduced for any reason.

Further, in the event of loss of one or more set of such customers on whom we are dependent for our business, we cannot assure you that we may be able to offset such loss of business by identifying a new customer of our products. Our Company does business with customers on Purchase Order basis and do not enter into any

agreement with our customer and we not have fixed customer base. There can be no assurance that we shall get repeat order flow from our customers. Further, we also cannot assure you that the customers which contribute to the major part of our revenue stream will pay us the amounts due to us on time, or at all. In the event any of our significant customers fail to fulfil their respective obligations, our business, financial condition and results of operations would be adversely affected. While we believe we have maintained good and long-term relationships with our customers, there can be no assurance that we will continue to have such long-term relationship with them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

**5. We have reported negative net cash flows in the past and may do so in the future.**

The following table sets forth net cash inflow/(outflow) from operating, investing and financing activities for Fiscals 2024, 2023 and 2022:

(₹ in lakhs)

Particulars	For the year ended March 31		
	2024	2023	2022
Net Cash from Operating Activities	(39.35)	39.74	1.07
Net Cash from Investing Activities	17.86	(20.32)	(14.34)
Net Cash used in Financing Activities	112.58	(12.42)	(12.42)
<b>Net Increase / (Decrease) in Cash and Cash equivalents</b>	<b>91.09</b>	<b>7.00</b>	<b>(25.69)</b>

We have negative cash flows from investing activities for the financial year 2022-23 and 2021-22, since the Company has invested in securities and office equipment during this period.

We have negative cash flows from financing activities for the financial year 2022-23 and 2021-22, since the Company has repaid its loans during this period.

We cannot assure you that our net cash flows will be positive in the future. If our Company is not able to generate sufficient cash flows, our Company may not be able to generate sufficient amounts of cash flow to finance our projects, make new capital expenditure, pay dividends, make new investments or fund other liquidity needs which could have a material adverse effect on our business and results of operations.

**11. Our director is involved in certain legal proceeding. In case of litigations against the Company, Promoters, Directors, Group Companies and any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.**

Name of Entity	Criminal Proceeding	Tax Proceeding	Statutory or Regulatory Proceeding	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation / Other Litigations	Aggregate amount involved (Rs in lakhs) to the extent quantifiable
<b>Company</b>						
By the Company	-	-	-	-	-	-
Against the Company	-	-	-	-	-	-
<b>Promoters and Directors</b>						
By our Directors	-	-	-	-	-	-
Against the Directors	-	1	-	-	-	13.52
<b>Group Companies</b>						
By Group Companies	-	-	-	-	-	-
Against Group	-	-	-	-	-	-

Name of Entity	Criminal Proceeding	Tax Proceeding	Statutory or Regulatory Proceeding	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation / Other Litigations	Aggregate amount involved (Rs in lakhs) to the extent quantifiable
Companies						
*For further details of the outstanding litigation proceedings, see “Outstanding Litigations and Material Developments” beginning on page 162 of this Draft Prospectus.						

There can be no assurance that the litigation will be decided in favour of our Promoter, Director and consequently our Director and Promoter may incur significant expenses in such proceedings. As on the date of Draft Prospectus, there are no litigations against the Company but we cannot assure that there will be no litigations in future against the Company. For the details of the cases filed by and against our Company, our Promoters and Directors, please refer to the chapter titled “Outstanding Litigations and Material Developments” on page no 162 of this Draft Prospectus.

21. *There have been past instances of delays in making payment of the Tax Deposited at Source and Goods and Service Tax during Fiscals 2024, 2023, 2022 is approximately Rs. 1.63 lakhs, Rs.2.19 lakhs and Rs.0.11 lakhs. Any future instances of such delays may result in levy of penalties on the Company from the government authorities and in turn may have a material adverse impact on our financial condition and cash flows.*

During Fiscals 2024, 2023, 2022 , Company have had instances of delays in the payment of statutory dues with respect to TDS and GST. The table below sets forth the details of the statutory dues paid by us in relation to our statutory dues for the Fiscals 2024, 2023, 2022.

*(Rs in lakhs)*

Particulars	FY 23-24	FY 22-23	FY 21-22
Interest on delay in payment of TDS	0.01	0.02	0.03
Interest on delay in payment of GST	1.10	1.73	0.08
GST paid as per notice	0.52	0.44	0.00
<b>Total</b>	<b>1.63</b>	<b>2.19</b>	<b>0.11</b>

“There can be no assurance that we would not be subject to such penalties or fines in the future. Further, there can be no assurance that there will be no delays or non-compliances with the filing of certain documents in the future.”



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**SECTION V- PARTICULARS OF THE ISSUE**
**OBJECTS OF THE ISSUE**
**Requirements of Funds and Means of Finance**

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates and other commercial and technical factors. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with suppliers, variation in cost estimates on account of factors, including changes in design or configuration of the equipment and other external factors including changes in the price of the equipment due to variation in commodity prices which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, subject to compliance with applicable law. For further details, see “Risk Factors – The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds is entirely at the discretion of our management and as per the details mentioned in the section titled “Objects of the Issue”. Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings”. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects of the Issue, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Fiscals towards the aforementioned objects.

The fund requirements for all objects are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by our internal accruals and/ or debt, as required. If the actual utilization towards any of the objects is lower than the proposed deployment, such balance will be used for funding other objects as mentioned above or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the gross proceeds from the Issue in accordance with the SEBI ICDR Regulations.

***“Existing and Projected Working Capital***

Our Company proposes to utilize ₹ 925.00 lakhs of the Net Proceeds for our working capital requirements. The entire amount will be utilized during Financial Year 2024-25 towards our Company’s working capital requirements. The incremental and proposed working capital requirements, as approved by the Board pursuant to a resolution dated August 16, 2024 and key assumptions with respect to the determination of the same are mentioned below. The details of Company’s existing working capital gap and source of their funding based on restated financials for the Financial Year 2021-22, 2022-23 and 2023-24 and expected working capital requirements for Financial Year 2024-25 and the proposed funding of such working capital requirements are as set out in the table below. These working capital gaps are certified by the Statutory Auditors, pursuant to a certificate dated August 16, 2024.

*(Rs in Lakhs)*

<b>Particulars</b>	<b>Fiscal 2021-22 (Restated)</b>	<b>Fiscal 2022-23 (Restated)</b>	<b>Fiscal 2023-24 (Restated)</b>	<b>Fiscal 2024-25 (Projected)</b>
<b>Current Assets</b>				
Inventories	48.32	84.62	87.56	854.79
Trade Receivables	209.42	309.33	596.59	790.68
Cash and Cash Equivalents	14.89	21.89	112.98	50.00
Short Term Loans and Advances and other current assets	48.88	75.07	101.04	100.00
<b>Total Current Assets</b>	<b>321.51</b>	<b>490.91</b>	<b>898.17</b>	<b>1,795.48</b>
<b>Current Liabilities</b>				
Trade Payables	265.85	400.20	638.29	576.99
Other Current Liabilities and Short	50.82	39.36	113.70	147.31



Term Provisions				
<b>Total Current Liabilities</b>	<b>316.67</b>	<b>439.56</b>	<b>751.99</b>	<b>724.30</b>
<b>Working Capital Gap</b>	<b>4.85</b>	<b>51.35</b>	<b>146.18</b>	<b>1,071.18</b>
<b>Funding Pattern</b>				
Owned Funds	4.85	51.35	146.18	146.18
IPO	-	-	-	925.00

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**SECTION VI – ABOUT OUR COMPANY**

**OUR BUSINESS**

**Human Resource**

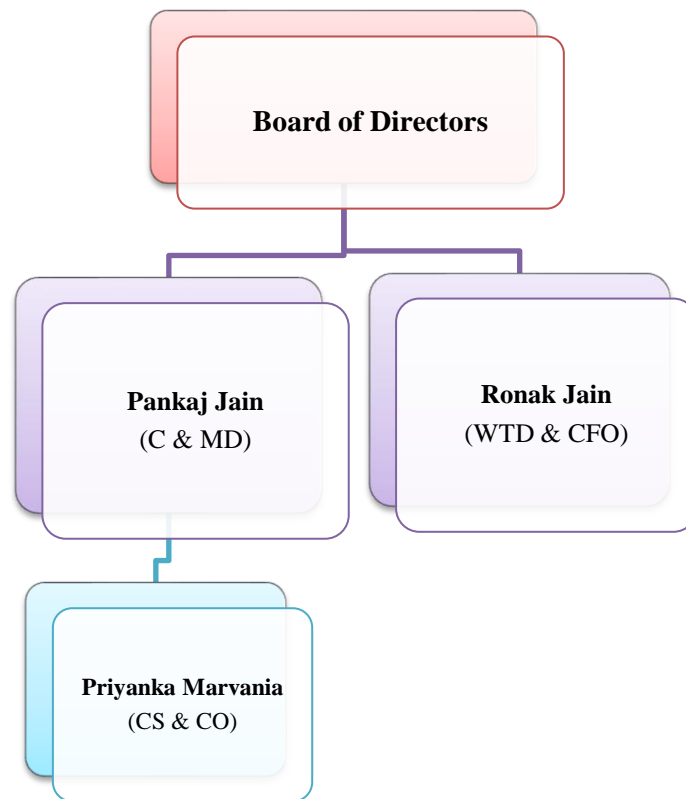
Our company believes that our ability to maintain growth depends on our strength in attracting, training, motivating and retaining employees. We have 7 employees as on March 31, 2024 and 10 employees as on August 31, 2024. Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, execution of services within time and quality. Our skilled resources together with our strong management team have enabled us to successfully implement our growth plans. Details of employee along with Department for the period ended August 31, 2024 are as below:

<b>Sl. No</b>	<b>Particulars</b>	<b>No of Employees</b>
1.	Key Managerial Personnel	3
2.	Finance and Accounts	2
3.	Procurement	2
4.	Design	1
5.	Administration	1
6.	Sales and Marketing	1
	<b>Total</b>	<b>10</b>

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OUR MANAGEMENT

ORGANIZATIONAL STRUCTURE



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**OUR PROMOTER AND PROMOTER GROUP**

**OUR PROMOTERS GROUP**

***B. Companies / Corporate Entities Forming Part of the Promoter Group***

As per Regulation 2(1)(pp)(iv) of the SEBI (ICDR) Regulations, 2018, the following Companies/ Trusts/ Partnership firms/ HUFs or Sole Proprietorships are forming part of our Promoter Group:

Sr. No.	Name of Promoter Group Entity/Company
1.	Pankaj Jain HUF
2.	Ratan Trading Private Limited
3.	Eternal Offshore Services Private Limited

We hereby confirm that none of the promoter group entities are listed on the stock exchange.

**SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY**

Shareholding of the HUF is as mentioned below:

Particulars	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
Pankaj Jain HUF	1,55,000	4.98%	1,55,000	3.50%

For details of shareholding of members of our Promoter Group as on the date of this Draft Prospectus, please see the chapter titled “*Capital Structure – Notes to Capital Structure*” beginning on page no. 53 of this Draft Prospectus.

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**SECTION X – ISSUE INFORMATION**
**TERMS OF THE ISSUE**
**MIGRATION TO MAIN BOARD**

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the BSE SME for a minimum period of three years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI ICDR Regulations.

If the paid-up Capital of our company is more than ₹ 1,000 Lakh but below ₹ 2,500 Lakh, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal. Any company voluntarily desiring to migrate to the Main board from the SME Platform, amongst others, has to fulfill following conditions:

<b>Eligibility Criteria</b>	<b>Details</b>
<b>Paid up capital and market capitalization</b>	Paid-up capital of more than 10 Crores and Market Capitalisation should be minimum ₹ 25 Crores <i>(Market Capitalisation will be the product of the price (average of the weekly high and low of the closing price of the related shares quoted on the stock exchange during 3 (Three) months prior to the date of the application) and the post issue number of equity shares.)</i>
<b>Promoter holding</b>	Promoter(s) shall be holding at least 20% of equity share capital of the company at the time of making application.
<b>Financial Parameters</b>	<ul style="list-style-type: none"> <li>The applicant company should have positive operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years and has positive Profit after tax (PAT) in the immediate preceding Financial Year of making the migration application to Exchange.</li> <li>The applicant company should have a Net worth of at least ₹ 15 crores for 2 preceding full financial years.</li> </ul>
<b>Track record of the company in terms of listing/ regulatory actions, etc</b>	The applicant company is listed on SME Exchange/ Platform having nationwide terminals for atleast 3 years.
<b>Regulatory action</b>	<ul style="list-style-type: none"> <li>No material regulatory action in the past 3 years like suspension of trading against the applicant company, promoters/promoter group by any stock Exchange having nationwide trading terminals.</li> <li>No Debarment of company, promoters/promoter group, subsidiary company by SEBI.</li> <li>No Disqualification/Debarment of directors of the company by any regulatory authority.</li> <li>The applicant company has not received any winding up petition admitted by a NCLT.</li> </ul>
<b>Public Shareholder</b>	The applicant company shall have a minimum of 250 public shareholders as per the latest shareholding pattern.
<b>Other parameters like No. of shareholders, utilization of funds</b>	<ul style="list-style-type: none"> <li>No proceedings have been admitted under the Insolvency and Bankruptcy Code against the applicant company and Promoting companies.</li> <li>No pending Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant, promoters/promoter group /promoting company(ies), Subsidiary Companies.</li> <li>The applicant company shall obtain a certificate from a credit rating agency registered with SEBI with respect to utilization of funds as</li> </ul>

Eligibility Criteria	Details
	<p>per the stated objective pursuant to IPO and/or further funds raised by the company, if any post listing on SME platform.</p> <ul style="list-style-type: none"> <li>• The applicant company has no pending investor complaints.</li> <li>• Cooling off period of 2 months from the date the security has come out of trade-to- trade category or any other surveillance action.</li> </ul>



**NAPS GLOBAL INDIA LIMITED**  
Corporate Identity Number is U51595MH2014PLC255128

REGISTERED OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Office No. 11, 2nd Floor, 436 Shree Nath Bhuvan, Kalbadevi Road, Mumbai City, Mumbai, Maharashtra, India, 400002	Priyanka Marvania Company Secretary and Compliance Officer	Email: <a href="mailto:napsglobalindia@gmail.com">napsglobalindia@gmail.com</a> Telephone: 022-49794323	<a href="http://www.napsglobalindia.com">www.napsglobalindia.com</a>

**THE PROMOTERS OF OUR COMPANY**

Pankaj Jain and Ronak Mistry

**DETAILS OF ISSUE**

TYPE	FRESH ISSUE SIZE (IN LAKHS)	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE	ELIGIBILITY 229(1) / 229(2) & SHARE RESERVATION AMONG NII & RII
Fresh Issue	Fresh Issue of Upto 13,20,000 Equity Shares of ₹ 10 each aggregating [●] Lakhs	Not Applicable	Total Issue of Upto 13,20,000 Equity Shares of ₹ 10 each aggregating [●] Lakhs	The Issue is being made pursuant to Regulation 229(1) of SEBI ICDR Regulations. As the Company's post issue face value capital does not exceed ₹10.00 Crores

**DETAILS OF OFFER FOR SALE BY THE SELLING SHAREHOLDERS**

NAME OF SELLING SHAREHOLDERS	TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT	AVERAGE COST OF ACQUISITION ON FULLY DILUTED BASIS* (IN ₹ PER EQUITY SHARE)
Not Applicable			

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each and the Issue Price is [●] times the face value. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under "Basis of Issue Price" beginning on page no. 68 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISK**

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page no. 23 of this Draft Prospectus.

**ISSUER'S ABSOLUTE RESPONSIBILITY**



Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

**LISTING**

The Equity Shares Issued through this Draft Prospectus is proposed to be listed on the SME Platform of BSE Limited ("BSE"). Our Company has received an in-principle approval letter dated [●] from BSE for using its name in this issue document for listing our shares on the SME Platform of the BSE Limited. For the purpose of this Issue, the Designated Stock Exchange will be BSE Limited ("BSE").

**LEAD MANAGER TO THE ISSUE**

**REGISTRAR TO THE ISSUE**

 <b>ARYAMAN</b> FINANCIAL SERVICES LTD	 <b>CAMEO</b>
<b>ARYAMAN FINANCIAL SERVICES LIMITED</b> 60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg Fort, Mumbai – 400 001. Tel No.: +91 22 6216 6999 Email: <a href="mailto:ipo@afsl.co.in">ipo@afsl.co.in</a> Website: <a href="http://www.afsl.co.in">www.afsl.co.in</a> Investor Grievance Email: <a href="mailto:feedback@afsl.co.in">feedback@afsl.co.in</a> Contact Person: Vatsal Ganatra/ Harsha Lohia SEBI Registration No. INM000011344	<b>CAMEO CORPORATE SERVICES LIMITED</b> Subramanian Building, No. 1, Club House Road, Chennai – 600 002. Tel.: +91 - 44 - 40020700 (5 Lines) E-mail: <a href="mailto:priya@cameoindia.com">priya@cameoindia.com</a> Investor Grievance Email: <a href="mailto:investor@cameodina.com">investor@cameodina.com</a> Website: <a href="http://www.cameoindia.com">www.cameoindia.com</a> Contact Person: K. Sreepriya SEBI Registration. No.: INR000003753

**ISSUE OPENS ON**

**ISSUE CLOSES ON**

[●]

[●]





### NAPS GLOBAL INDIA LIMITED

Our Company was incorporated as NAPS Trading Private Limited on March 28, 2014 under the Companies Act, 1956 with the Registrar of Companies, Mumbai bearing Registration number 255128. The name of our Company was changed to “NAPS Global India Private Limited” vide Special Resolution dated December 02, 2023 and a fresh certificate of incorporation was issued on January 02, 2024 by the Registrar of Companies, Mumbai. Thereafter, the status of the Company was changed to Public Limited and the name of our Company was changed to “NAPS Global India Limited” vide Special Resolution dated March 22, 2024 and a fresh certificate of incorporation consequent to conversion was issued on June 20, 2024 by the Central Processing Centre, Haryana. The Corporate Identification Number of our Company is U51595MH2014PLC255128. For further details, please refer the chapter —History and Certain Corporate Matters on page no. 105 of this Draft Prospectus.

**Registered Office:** Office No. 11, 2nd Floor, 436 Shree Nath Bhuvan, Kalbadevi Road, Mumbai City, Mumbai, Maharashtra, India, 400002  
**Tel No.:** 022-49794323; **Email:** napsglobalindia@gmail.com; **Website:** www.napsglobalindia.com  
**Contact Person:** Priyanka Marvania, Company Secretary and Compliance Officer.  
**Our Promoters:** Pankaj Jain and Ronak Mistry

#### THE ISSUE

**INITIAL PUBLIC ISSUE OF UPTO 13,20,000 EQUITY SHARES OF ₹ 10 EACH (“EQUITY SHARES”) OF NAPS GLOBAL INDIA LIMITED (“NAPS” OR THE “COMPANY”) FOR CASH AT A PRICE OF ₹ [●] PER SHARE (THE “ISSUE PRICE”), AGGREGATING TO ₹ [●] LAKHS (“THE ISSUE”), CONSISTING OF FRESH ISSUE OF UPTO 13,20,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS, OF WHICH UPTO 72,000 EQUITY SHARES OF ₹ 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY AGGREGATING MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THAN THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UPTO 12,48,000 EQUITY SHARES OF ₹10 EACH IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 29.80% AND 28.17% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY**

#### THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE

In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price. Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. For further details please refer the section titled “Issue Information” beginning on page no. 181 of this Draft Prospectus.

All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details of the respective bank accounts and / or UPI IDs, in case of UPI Bidders, if applicable, which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page no. 191 of this Draft Prospectus. A copy will be filed with the Registrar of Companies as required under Section 26 and Section 28 of the Companies Act, 2013.

#### RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each and the Issue Price is [●] times the face value. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under “Basis of Issue Price” beginning on page no. 68 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

#### GENERAL RISKS

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Prospectus. Specific attention of the investors is invited to “Risk Factors” beginning on page no. 23 of this Draft Prospectus.

#### ISSUER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect..

#### LISTING

The Equity Shares Issued through this Draft Prospectus is proposed to be listed on the SME Platform of BSE Limited. Our Company has received an in-principle approval letter dated [●] from BSE for using its name in this issue document for listing our shares on the SME Platform of the BSE Limited. For the purpose of this Issue, the Designated Stock Exchange will be BSE Limited (“BSE”).

#### LEAD MANAGER TO THE ISSUE

#### REGISTRAR TO THE ISSUE



**ARYAMAN FINANCIAL SERVICES LIMITED**  
60, Khatau Building, Ground Floor,  
Alkesh Dinesh Modi Marg  
Fort, Mumbai – 400 001  
**Tel No.:** +91 22 6216 6999  
**Email:** ipo@afsl.co.in  
**Website:** www.afsl.co.in  
**Investor Grievance Email:** feedback@afsl.co.in  
**Contact Person:** Vatsal Ganatra/ Harsha Lohia  
**SEBI Registration No.** INM000011344

**CAMEO CORPORATE SERVICES LIMITED**  
Subramanian Building, No. 1, Club House Road,  
Chennai – 600 002.  
**Tel.:** +91 - 44 – 40020700 (5 Lines)  
**E-mail:** priya@cameoindia.com  
**Investor Grievance Email:** investor@cameodina.com  
**Website:** www.cameoindia.com  
**Contact Person:** K. Sreepriya  
**SEBI Registration. No.:** INR000003753

#### ISSUE OPENS ON

#### ISSUE CLOSSES ON

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policies shall be to such legislation, act, regulation, rule, guideline or policies, as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made, from time to time, under such provision.

The words and expressions used in this Draft Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under. If there is any inconsistency between the definitions given below and the definitions contained in the General Information Document (defined hereinafter), the following definitions shall prevail.

#### GENERAL TERMS

Term	Description
NAPS Global India Limited / NGIL/ The Company / The Issuer / We / Us / Our Company	Unless the context otherwise indicates or implies refers to NAPS Global India Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 with its registered office in the Mumbai.
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company.
“you”, “your”, or “yours”	Prospective Investor in this issue

#### COMPANY RELATED TERMS

Term	Description
AoA/ Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of NAPS Global India Limited
Audit Committee	The committee of the Board of Directors constituted on June 28, 2024 in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, as described in “ <i>Our Management</i> ” on page no. 108 of this Draft Prospectus.
Board of Directors / Board	The Board of Directors of NAPS Global India Limited, including all duly constituted Committees thereof.
Chairman / Chairman	The Chairman / Chairman of Board of Directors of our Company being Pankaj Jain.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company is Ronak Mistry
Company Secretary and Compliance Officer	The Company Secretary and Compliance officer of our Company is Priyanka Marvania.
Corporate Identification Number/ CIN	U51595MH2014PLC255128
Director(s)/ Our Directors	Director(s) of NAPS Global India Limited unless otherwise specified.
Executive Directors	Executive Directors are the Managing Directors of our Company.
Equity Shares	Equity Shares of our Company of Face Value of 10 each unless otherwise specified in the context thereof.
Equity Shareholders / Shareholders	Persons holding Equity Share of our Company
Group Companies	In terms of SEBI ICDR Regulations, the term — <i>Group Companies</i> includes companies with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and any other companies as considered material by our Board, in accordance with the Materiality Policy, as described in — <i>Our Group Companies</i> on page no. 125 of this Draft Prospectus.
Independent Director(s)	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For

<b>Term</b>	<b>Description</b>
	details of the Independent Directors, please refer chapter titled “ <i>Our Management</i> ” beginning on page no. 108 of this Draft Prospectus
ISIN	International Securities Identification Number. In this case being INE0VNH01014.
Key Management Personnel / KMP	Key managerial personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations, together with the Key Managerial Personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled “ <i>Our Management</i> ” on page no. 108 of this Draft Prospectus.
Materiality Policy	The policy adopted by our Board for identification of Group Company, material outstanding litigation and material dues outstanding to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI ICDR Regulations.
MD or Managing Director	The Managing Director of our Company being Pankaj Jain.
MOA / Memorandum / Memorandum of Association	The memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Company, constituted June 28, 2024 in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” on page no. 108 of this Draft Prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director
Promoter(s) / Core Promoter	The Promoters of our Company are: <ul style="list-style-type: none"> <li>• Pankaj Jain</li> <li>• Ronak Mistry</li> </ul>
Promoters Group	Such persons, entities and companies constituting our promoter’s group pursuant to Regulation 2(1) (pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “ <i>Our Promoters and Promoters Group</i> ” on page no. 121 of this Draft Prospectus
Registered Office	Office No. 11, 2nd Floor, 436 Shree Nath Bhuvan, Kalbadevi Road, Mumbai City, Mumbai, Maharashtra, India, 400002
Registrar of Companies / RoC	Registrar of Companies, Mumbai situated at 100, Everest, Marine Drive, Mumbai – 400002.
Restated Financial Statements	The Restated Financial Statements of our Company for Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022, which comprises of the Restated Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement, together with the annexures and notes thereto, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations.
Stakeholders’ Relationship Committee	The stakeholder’s relationship committee of our Company, constituted on June 28, 2024 in accordance with Regulation 20 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” on page no. 108 of this Draft Prospectus.
Shareholders	Shareholders of our Company
Statutory Auditors	The statutory auditors of our Company, currently being M/s D S M R & Co., Chartered Accountants, having their office at 204, 2 <sup>nd</sup> Floor, ‘A’ Wing, Surya Kiran Building, Behind, Behind HDFC Bank, Near Chamunda Circle, SVP Road, Borivali West, Mumbai -400 092, Maharashtra.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.

#### ISSUE RELATED TERM

<b>Term</b>	<b>Description</b>
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form.
Allot / Allotment of Equity shares/ Allotted	Unless the context otherwise requires, allotment of the Equity Shares to successful Applicants pursuant to the Fresh Issue the successful Applicants, pursuant to the Issue
Allotment Advice	A note or advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the

<b>Term</b>	<b>Description</b>
	Designated Stock Exchange.
Allotment Date	Date on which the Allotment is made
Allottees	The successful applicant(s) to whom the Equity Shares are being / have been allotted.
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus.
Application Amount	The amount at which the prospective investors shall apply for Equity Shares of our Company in terms of the Prospectus.
Application Supported by Blocked Amount/ ASBA	An application whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include applications made by UPI Bidders using the UPI Mechanism, where the Application Amount shall be blocked upon acceptance of UPI Mandate Request by UPI Bidders using UPI Mechanism.
ASBA Account	A bank account maintained by ASBA Applicant with an SCSB and specified in the ASBA Form submitted by such ASBA Applicant in which funds will be blocked by such SCSB to the extent of the amount specified in the ASBA Form submitted by such ASBA Applicant and includes a bank account maintained by a UPI Bidders linked to a UPI ID, which will be blocked by the SCSB upon acceptance of the UPI Mandate Request in relation to an Application by a UPI Bidders.
ASBA Applicant(s)	Any prospective investors in the Issue who intend to submit the Application through the ASBA process.
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus.
ASBA Form/ Application Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Applicants and which will be considered as an application for Allotment in terms of the Prospectus.
Banker(s) to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled “General Information” on page no 44 of this Draft Prospectus.
Banker(s) to the Issue	Collectively, Escrow Collection Bank, Public Issue Bank, Sponsor Bank and Refund Bank, as the case may be, which are Clearing Members and registered with SEBI as Banker to the Issue with whom the Escrow Agreement is entered and in this case being [●].
Banker(s) to the Issue and Sponsor Bank Agreement	The agreement dated [●] entered into amongst our Company, the Registrar to the Issue, the LM, and Banker(s) to the Issue in accordance with the UPI Circulars, transfer of funds to the Public Issue Account(s) and where applicable remitting refunds, if any, to Applicants, on the terms and conditions thereof
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in the chapter titled “Issue Procedure” beginning on page no 191 of this Draft Prospectus.
Broker Centres	Broker centres notified by the Stock Exchanges where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN / Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and the UPI Circulars issued by SEBI as per the list available on the websites of Stock Exchange.
Collecting Registrar and Share Transfer Agents / CRTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars issued by SEBI

<b>Term</b>	<b>Description</b>
Controlling Branches	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Collection Centres	Centres at which the Designated intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation, Bank Account details and UPI ID (if applicable).
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 i.e. CDSL and NSDL.
Depository Participant / DP	A depository participant as defined under the Depositories Act
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms and in case of UPI Bidders only ASBA Forms with UPI.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the website of the Stock Exchange.
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of UPI Bidders using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in Equity Shares will be Allotted in the Issue.
Designated Intermediaries / Collecting Agent	In relation to ASBA Forms submitted by RIIs and NIIs with an application size of upto ₹ 500,000 (not using the UPI Mechanism) authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.  In relation to ASBA Forms submitted by UPI bidders where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.  In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.
Designated Market Maker	[•] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by UPI applicants where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such UPI applicants using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	BSE Limited (“BSE”)
Draft Prospectus	This Draft Prospectus issued in accordance with the SEBI ICDR Regulations which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue, including any addenda or corrigenda thereto.

<b>Term</b>	<b>Description</b>
Eligible NRI(s)	An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to purchase the equity shares.
Escrow Account(s)	Account(s) to be opened with the Escrow Collection Bank(s) will transfer money through NACH/ direct credit/ NEFT/ RTGS in respect of the Application Amount when submitting an Applicant.
First or Sole Applicant	Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint Applicants, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Foreign Institutional Investors/ FII	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
Fresh Issue	Fresh Issue of upto 12,48,000 Equity Shares of face value ₹ 10 each for cash at a price of ₹ [●] per Equity Shares aggregating ₹ [●] lakhs by our Company
Fresh Issue Proceeds	The proceeds of the Fresh Issue as stipulated by the Company. For further information about use of the Fresh Issue Proceeds please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 62 of this Draft Prospectus
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
Fraudulent Borrower	Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
General Information Document or GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019 and circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, issued by SEBI. The General Information Document is available on the websites of the Stock Exchanges and the LM
Issue	The Initial Public Issue of upto 13,20,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] each (including securities premium of ₹ [●] per Equity Share) aggregating to ₹ [●] lakhs.
Issue Agreement	The agreement dated August 9, 2024 entered amongst our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing date	The date on which the Issue closes for subscription being [●]
Issue Opening date	The date on which the Issue opens for subscription being [●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications, including any revisions thereof.
Issue Price	The Price at which the Equity Shares are being Issued by our Company in consultation with the Lead Manager under this Draft Prospectus being ₹ [●] per equity share
Issue Proceeds	The proceeds of the Issue that will be available to our Company. For further information about use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” on page no. 62 of this Draft Prospectus.
Issue Size	The Public Issue upto 13,20,000 Equity shares of ₹10 each at price of ₹ [●] per Equity share, aggregating to ₹ [●] lakhs by our Company.
LM / Lead Manager	Lead Manager to the Issue, in this case being Aryaman Financial Services Limited
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and BSE Limited.
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.



<b>Term</b>	<b>Description</b>
Market Maker	Member Brokers registered as Market Makers with the SME Platform of BSE
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company dated [●]
Market Maker Reservation Portion	The Reserved portion of upto 72,000 Equity shares of ₹10 each at an Issue Price of ₹ [●] per share aggregating to ₹ [●] lakhs for Designated Market Maker in the Public Issue of our Company.
Minimum Promoters' Contribution	Aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters which shall be provided towards minimum promoters' of 20% and locked-in for a period of three years from the date of Allotment.
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by UPI applicants to submit Applications using the UPI Mechanism
Mutual Fund	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Issue	The Net Issue of upto 12,48,000 Equity Shares of ₹ 10 each at price of ₹ [●] per Equity Shares aggregating to ₹ [●] lakhs by our Company.
Net Proceeds	Proceeds of the Issue that will be available to our Company i.e. gross proceeds of the Fresh Issue, less Issue expenses to the extent applicable to the Fresh Issue. For further details regarding the use of the Net Proceeds and the Issue expenses, see " <i>Objects of the Issue</i> " beginning on page no. 62 of this Draft Prospectus.
Non-Institutional Applicant/ NIIs	All Applicants including FPIs that are not Qualified Institutional Buyers or Retail Individual Applicants and who have Applied for Equity Shares for a cumulative amount more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs).
Non-Resident or NRI	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs registered with SEBI and FVCIs registered with SEBI
OCB / Overseas Corporate Body	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue. (A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue.)
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus, to be filed with the RoC containing, inter alia, the Issue opening and Closing date and other information.
Public Issue Account	A bank account opened with Bankers to the Issue under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and ASBA Accounts on the Designated Date
Public Issue Bank	A bank which is a clearing member and registered with SEBI as a Banker to an Issue and with whom the Public Issue Account will be opened, in this case being [●]
Qualified Institutional Buyers / QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Refund Account	The account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Application Amount to the Applicants shall be made. Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable
Refund Bank(s)	The bank which is a clearing member and registered with SEBI as a Banker to an Issue and with whom the Refund Account will be opened, in this case being [●].

<b>Term</b>	<b>Description</b>
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate eligible to procure Applications in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 issued by SEBI.
Registrar Agreement	The agreement dated September 3, 2024 among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents/ RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar / Registrar to the Issue	Registrar to the Issue being Cameo Corporate Services Limited.
Retail Individual Investors / RII(s)	Individual Applicants, who have Application for the Equity Shares for an amount not more than ₹2,00,000 in any of the applying options in the Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s).  QIB Applicants and Non-Institutional Applicants are not allowed to withdraw or lower their Applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period or withdraw their Applications until Issue Closing Date.
Self-Certified Syndicate Bank(s) / SCSBs	The banks registered with SEBI, which offer services, (i) in relation to ASBA, where the Application Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI applicants using the UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time.  Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is appearing in the “list of mobile applications for using UPI in public issues” displayed on the SEBI website. The said list shall be updated on the SEBI website.
Specified Locations	Bidding centers where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is included in the Bid cum Application Form.
Sponsor Bank	A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the LM's to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of UPI Bidder as per the UPI Mechanism, in this case being [●].
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
TRS / Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	The underwriters in this case are [●].
Underwriting Agreement	The Agreement among our Company and the Underwriters dated [●].
“Unified Payments Interface” or “UPI”	Unified payments interface which is an instant payment mechanism, developed by NPCI

Term	Description
UPI Bidders/ UPI Applicants	<p>Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion; and (ii) Non-Institutional Bidders with an application size of upto ₹ 500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agent.</p> <p>Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is upto ₹ 500,000 shall use UPI and shall provide their UPI ID in the Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)</p>
UPI Circulars	<p>Circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as amended by its Circular number SEBI/HO/CED/DIL/CIR/2016/26 dated January 21, 2016 and Circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/ HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular. No. SEBI/HO/CFD/TPD1 /CIR/P/2023/140 dated August 9, 2023 along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.</p>
UPI ID	<p>ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).</p>
UPI Mandate Request	<p>A request (intimating the UPI applicant by way of a notification on the UPI application and by way of a SMS directing the UPI applicant to such UPI application) to the UPI applicant initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment. In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors, Using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=40</a>) and (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=43</a>) respectively, as updated from time to time</p>
UPI mechanism	<p>The Application mechanism that may be used by an UPI applicant to make an Application in the Issue in accordance the UPI Circulars to make an ASBA Applicant in the Issue</p>
UPI PIN	<p>Password to authenticate UPI transaction.</p>
U.S. Securities Act	<p>U.S. Securities Act of 1933, as amended.</p>

<b>Term</b>	<b>Description</b>
Working Day	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Issue Period, “Working Day” shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to (iii) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, including the UPI Circulars

## KEY PERFORMANCE INDICATORS

<b>Key Financial Performance</b>	<b>Explanations</b>
Revenue from Operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps to assess the overall financial performance of the Company and volume of the business.
EBITDA	EBITDA provides information regarding the operational efficiency of the business. EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business. EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of the business. PAT Margin is calculated as PAT for the period/year divided by revenue from operations
Debt / Equity Ratio	Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers
Current Ratio	The current ratio is a liquidity ratio that measures our company’s ability to pay short-term obligations or those due within one year

## TECHNICAL / INDUSTRY RELATED TERMS

<b>Term</b>	<b>Description</b>
WEO	World Economic Outlook
GDP	Gross domestic product
FRE	First Revised Estimates
CAD	Current Account Deficit
HSBC	Hong Kong and Shanghai Banking Corporation.
IIP	Index of Industrial Production
MoSPI	Ministry of Statistics & Programme Implementation
CPI	Consumer Price Index
PM-DevINE	Prime Minister’s Development Initiative for North-East Region
DPIIT	Department for Promotion of Industry, and Internal Trade
CGSS	Credit Guarantee Scheme for Start-ups
SEBI	Securities and Exchange Board of India
RBI	Reserve Bank of India
MSME	Micro, Small and Medium Enterprises
SDLs	State Development Loans
G-secs	government securities
CAGR	compound annual growth rate
SITP	Scheme for Integrated Textile Parks
MITRA	Mega Integrated Textile Region and Apparel
CAGR	Compound Annual Growth Rate
CAI	Cotton Association of India
FDI	Foreign Direct Investment

<b>Term</b>	<b>Description</b>
ICAC	International Cotton Advisory Committee
SVPISTM	Sardar Vallabhbhai Patel International School of Textiles and Management
MBA	Master of Business Administration
B.Sc	Bachelor of Science
PPE	Personal Protective Equipment

#### CONVENTIONAL TERMS / GENERAL TERMS / ABBREVIATIONS

<b>Term</b>	<b>Description</b>
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations
AOA	Article of Association
AS/Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
Amt	Amount
Approx	Approximately
B. A	Bachelor of Arts
B.B.A	Bachelor of Business Administration
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Banking Regulation Act	Banking Regulation Act, 1949
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CAGR	Compound Annual Growth Rate
CARO	Companies (Auditor's Report) Order, 2016, as amended
Category I Alternate Investment Fund / Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations.
Category I foreign portfolio investor(s) / Category I FPIs	FPIs who are registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II Alternate Investment Fund / Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations.
Category II foreign portfolio investor(s) / Category II FPIs	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III Alternate Investment Fund / Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations.
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CFO	Chief Financial Officer

<b>Term</b>	<b>Description</b>
CIBIL	Credit Information Bureau (India) Limited
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification
Companies Act, 1956	The Companies Act, 1956, as amended from time to time
Companies Act, 2013	The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date
COVID – 19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CPI	Consumer Price Index
CS	Company Secretary
CSR	Corporate social responsibility.
CS & CO	Company Secretary & Compliance Officer
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
CST	Central Sales Tax
CY	Calendar Year
Depositories	Together, NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry
DP	Depository Participant, as defined under the Depositories Act 1996
DP ID	Depository Participant's identification
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
ECS	Electronic Clearing System
EMDEs	Emerging Markets and Developing Economies
EGM/ EoGM	Extraordinary General Meeting
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPFO	Employees' Provident Fund Organization
EPS	Earnings Per Share
ESIC	Employee's State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations.
FTA	Foreign Trade Agreement.
FTP	Foreign Trade Policy
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations.
FV	Face Value

<b>Term</b>	<b>Description</b>
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GAAP	Generally Accepted Accounting Principles in India
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods & Services Tax
GVA	Gross Value Added
HNIs	High Networth Individuals
HUF	Hindu Undivided Family
i.e	That is
IAS Rules	Indian Accounting Standards, Rules 2015
ICAI	The Institute of Chartered Accountants of India
ICAI (Previously known as ICWAI)	The Institute of Cost Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IGST	Integrated Goods and Services Tax Act, 2017
IIP	Index of Industrial Production
IMF	International Monetary Fund
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015
INR / ₹/ Rupees/Rs.	Indian Rupees, the legal currency of the Republic of India
IPO	Initial Public Offer
IRDA	Insurance Regulatory and Development Authority
IRDAI Investment Regulations	Insurance Regulatory and Development Authority (Investment) Regulations, 2016
ISIN	International Securities Identification Number. In this case being INEQ01S01010.
ISO	International Organization for Standardization
IST	Indian Standard Time
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
KM / Km / km	Kilo Meter
KMP	Key Managerial Personnel
LM	Lead Manager
Ltd.	Limited
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
M. E	Master of Engineering
M. Tech	Masters of Technology
MAT	Minimum Alternate Tax
MAPIN	Market Participants and Investors Database
MCA	Ministry of Corporate Affairs, Government of India
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
M-o-M	Month-On-Month
MICR	Magnetic Ink Character Recognition
MoA	Memorandum of Association
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
Mn	Million
MRP	Maximum Retail Price
MSMEs	Micro, Small and medium Enterprises
NA/ N.A.	Not Applicable
NACH	National Automated Clearing House



<b>Term</b>	<b>Description</b>
NAV	Net Asset Value
NCPI	National Payments Corporation of India
NECS	National Electronic Clearing System
NEFT	National Electronic Funds Transfer
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account
NOC	No Objection Certificate
NPV	Net Present Value
NRE Account	Non-Resident External Account
NRIs	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
OPC	One Person Company as defined under section 2(62) of The Companies Act, 2013
P.A.	Per Annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PF	Provident Fund
PG	Post Graduate
PLI	Postal Life Insurance
PLR	Prime Lending Rate
PMI	Purchasing Managers' Index
POA	Power of Attorney
PPP	Purchasing power parity
PSU	Public Sector Undertaking(s)
Pvt.	Private
R&D	Research & Development
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoC	Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
Rupees / Rs. / ₹	Rupees, the official currency of the Republic of India
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self-Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended from time to time
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time

<b>Term</b>	<b>Description</b>
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI MB Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI PIT Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended
Sec.	Section
SGST	State Goods and Services Tax Act, 2017
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
SPV	Special Purpose Vehicle
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
TIN	Taxpayers Identification Number
TRS	Transaction Registration Slip
UGST	Union Territory Goods and Services Tax Act, 2017
UPI	Unified Payments Interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account.
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VAT	Value Added Tax
VC	Venture Capital
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
w.e.f.	With effect from
WHO	World Health Organization
Wilful Defaulter or Fraudulent Borrower	Wilful defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
WIP	Work in process
YoY	Year over Year

## CERTAIN CONVENTIONS AND PRESENTATION OF FINANCIAL

### Certain Conventions

All references in this Draft Prospectus to 'India' are to the Republic of India and its territories and possessions and all references herein to the 'Government', 'Indian Government', 'GoI', 'Central Government' or the 'State Government' are to the GoI, central or state, as applicable

Unless otherwise specified, any time mentioned in this Draft Prospectus is in Indian Standard Time ("IST").

Unless stated otherwise, all references to page numbers in this Draft Prospectus are to the page numbers of this Draft Prospectus. In this Draft Prospectus, our Company has presented numerical information in "lakhs" units. One lakh represents 1,00,000.

### Financial Data

Unless stated otherwise, the financial information in this Draft Prospectus is derived from our Restated Financial Statements. The Restated Financial Statements included in this Draft Prospectus are for Fiscals ended March 31, 2024, March 31, 2023, and March 31, 2022, and have been prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations. For further information, see please refer - Financial Information beginning on page no. 127 of this Draft Prospectus.

In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 month period ended on March 31 of that year. Unless stated otherwise, or the context requires otherwise, all references to a "year" in this Draft Prospectus are to a calendar year.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company's financial data. Accordingly to what extent, the financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" on page nos. 23, 87, and 147, respectively, of this Draft Prospectus, and elsewhere in this Draft Prospectus have been calculated on the basis of the Restated Financial Statements of our Company.

### Currency and Units of Presentation

All references to "Rupees", "Rs." or "₹" are to Indian Rupees, the official currency of the Republic of India. All references to "US\$" or "US Dollars" or "USD" are to United States Dollars, the official currency of the United States of America.

This Draft Prospectus may contain conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

### Definitions

For definitions, please refer the Chapter titled "*Definitions and Abbreviations*" on page no. 1 of this Draft Prospectus. In the Section titled "*Main Provisions of the Articles of Association of Our Company*" beginning on page no. 214 of this Draft Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

## **Industry and Market Data**

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Further, the extent to which the industry and market data presented in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

## FORWARD-LOOKING STATEMENTS

All statements contained in this Draft Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Inability to identify the new premises may adversely affect the operations, finances and profitability of the Company;
- Increased competition in Textile and Garment Industry
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Our inability to maintain or enhance our brand recognition;
- Inability to adequately protect our Intellectual Property Rights
- Changes in consumer demand
- Inability to identify or effectively respond to customer needs, expectations or trends in a timely manner;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects;
- Volatility of loan interest rates and inflation;
- Our failure to keep pace with rapid changes in technology;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Conflict of Interest with affiliated companies, the promoter group and other related parties;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in government policies and regulatory actions that apply to or affect our business;
- The occurrence of natural disasters or calamities; and

For further discussions of factors that could cause our actual results to differ, please refer the section titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos 23, 87 and 147 of this Draft Prospectus, respectively.

Neither our Company, our Directors, our Promoters, the Lead Manager nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company will ensure that investors in India are informed of material developments from the date of this Draft Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges.

## SECTION II - SUMMARY OF ISSUE DOCUMENT

### A. Summary of Business

Our company imports bulk cotton and man-made fabrics from China and Hong Kong, efficiently supplying to garment vendors throughout Maharashtra.

For more details, please refer chapter titled “Our Business” beginning on page 87 of this Draft Prospectus.

### B. Summary of Industry

In 2023, the global textile market was valued at USD 1,837.27 billion and is expected to grow at a 7.4% CAGR through 2030, fueled by increasing apparel demand and e-commerce expansion.

For more details, please refer chapter titled “Industry Overview” beginning on page 76 of this Draft Prospectus.

### C. Our Promoters

Our Company is promoted by Pankaj Jain and Ronak Mistry.

### D. Size of Issue

<b>Fresh Issue</b>	
Fresh Issue	Upto 13,20,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs
<b>of Which:</b>	
Market Reservation	Maker Upto 72,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share, aggregating to ₹ [●] lakhs
Net Issue	Upto 12,48,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share, aggregating to ₹ [●] lakhs

### E. Object of the Issue

The fund requirements for each of the Object of the Issue are stated as below:

(₹ In lakhs)

Particulars	Amount
Gross Proceeds of the Issue	[●]
Less: Issue related expenses <sup>(1)</sup>	[●]
<b>Net Proceeds of the Issue</b>	<b>[●]</b>

<sup>(1)</sup> The Issue expenses are estimated expenses and subject to change.

The Net Proceeds of the Issue (“Net Proceeds”) are currently expected to be deployed in accordance with the schedule as stated below:

(₹ in lakhs)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Amount to be deployed from the Net Proceeds in FY 2024-25
1.	Funding Working Capital Requirements	925.00	925.00
2.	General Corporate Purpose	[●]	[●]
<b>Total</b>		<b>[●]</b>	<b>[●]</b>

### F. Pre-Issue Shareholding of our Promoters and Promoters Group as a percentage of the paid-up share capital of the Company

Set forth is the Pre-Issue shareholding of our Promoters, Promoters Group as a percentage of the paid-up share capital of the Company

Category of Promoters	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
<b>1. Promoters</b>				
Pankaj Jain	16,47,400	52.97	16,47,400	37.19
Ronak Mistry	6,07,600	19.54	6,07,600	13.72
<b>2. Promoters Group (as per defined by Reg. 2(1)(pp) of SEBI ICDR Regulations)</b>				
Soniya P Jain	2,70,000	8.68	2,70,000	6.09
Ansh Jain	2,20,000	7.07	2,20,000	4.97
Pankaj Jain HUF	1,55,000	4.98	1,55,000	3.50
Smita Ronak Mistry	1,55,000	4.98	1,55,000	3.50
Sunderlal Madanlal Jain	55,000	1.77	55,000	1.24
<b>Total Promoters &amp; Promoters Group Holding</b>	<b>31,10,000</b>	<b>100.00</b>	<b>31,10,000</b>	<b>70.20</b>
<b>Total Paid up Capital</b>	<b>31,10,000</b>	<b>100.00</b>	<b>44,30,000</b>	<b>100.00</b>

### G. Summary of Restated Financial Statement

(₹ in lakhs)

Particulars	For the year ended March 31,		
	2024	2023	2022
Share Capital	311.00	1.00	1.00
Net Worth	380.62	110.40	83.23
Total Income	4,788.30	2,600.75	1,348.42
Profit after Tax	145.22	27.17	18.26
Basic & Diluted EPS	6.96	1.35	0.91
Net Asset Value Per Share (₹)-based on actual no. of equity shares at the end of the year	12.24	1103.96	832.29
Total Borrowings	-	-	11.77

### H. There are no Auditor's Qualifications in any of the Financial Statements of the Company.

### I. Summary of Outstanding Litigation are as follows:

(₹ in lakhs)

Name of Entity	Criminal Proceeding	Tax Proceeding	Statutory or Regulatory Proceeding	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation	Aggregate amount involved (Rs in lakhs) to the extent quantifiable
<b>Company</b>						
By the Company	-	-	-	-	-	-
Against the Company	-	-	-	-	-	-
<b>Promotes and Directors</b>						
By our Promoters & Directors	-	-	-	-	-	-
Against the Promoters & Directors	-	1	-	-	-	13.52
<b>Group Companies</b>						
By Group Companies	-	-	-	-	-	-
Against Group Companies	-	-	-	-	-	-

\*For further details of the outstanding litigation proceedings, see "Outstanding Litigations and Material



<i>Name of Entity</i>	<i>Criminal Proceeding</i>	<i>Tax Proceeding</i>	<i>Statutory or Regulatory Proceeding</i>	<i>Disciplinary actions by the SEBI or Stock Exchanges against our Promoters</i>	<i>Material Civil Litigation</i>	<i>Aggregate amount involved (Rs in lakhs) to the extent quantifiable</i>
<i>Developments” beginning on page 162 of this Draft Prospectus.</i>						

#### **J. Risk Factors**

Investors should read chapter titled “*Risk Factors*” beginning on page no. 23 of this Draft Prospectus to get a more informed view before making any investment decisions.

#### **K. Summary of contingent liabilities**

There are no material contingent liabilities as of March 31, 2024.

#### **L. Summary of Related Party Transactions**

As per the Restated Financial Information as at and for the Financial Years ended on March 31, 2024, March 31, 2023 and March 31, 2022, following are the details of the related party transactions of our Company:

(₹ in lakhs)

<b>Particulars</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
<b>Directors &amp; Relatives</b>			
Loan taken	129.50	25.00	30.00
Loan repaid	4.50	25.00	30.00
Loan adjusted against issue of shares	125.00	-	-
Advances Given	1.55	3.65	0.56
Advances Received	11.42	-	1.50
Managerial Remuneration	25.20	25.80	18.00
Salary to Relative	28.20	26.15	18.60
<b>Balances at the end</b>			
Deposit for office to Director	25.00	25.00	25.00
Salary Payable	-	1.20	1.00
Advances to Directors & Relatives against salary and expenses	-	9.88	6.22

*For further information, please refer “Note 27 - Related Party Transactions” in the chapter titled “Financial Statements as Restated” beginning from page no. 127 of this Draft Prospectus*

**M.** There are no financing arrangements whereby our Promoters, the Promoters Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of 6 (six) months immediately preceding the date of this Draft Prospectus.

**N.** The weighted average price of acquisition of Equity Shares by our Promoters in last one year preceding the date of this Draft Prospectus is below:

<b>Name of Promoters</b>	<b>Number of Equity Shares acquired</b>	<b>Weighted Average price of Acquisition (₹)</b>
Pankaj Jain	16,41,500	3.35
Ronak Mistry	6,03,500	Nil

**O.** The average cost of acquisition of Equity Shares by our Promoters is:

<b>Name of Promoters</b>	<b>Number of Equity Shares acquired</b>	<b>Average price of Acquisition (₹)</b>
Pankaj Jain	16,47,400	3.37
Ronak Mistry	6,07,600	0.07

*The average cost of acquisition of Equity Shares by our Promoters have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired.*

- P.** Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Prospectus till the listing of the Equity Shares.
- Q.** Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Prospectus except Bonus Issue and rights as stated under chapter titled “Capital Structure” beginning from page 53 of this Draft Prospectus.
- R.** Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Prospectus.
- S.** Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

### SECTION III- RISK FACTORS

*An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Draft Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment.*

*This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties, including those we are not aware of or deem immaterial, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the Offer, including the merits and risks involved. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. Investors should not invest in this Offer unless they are prepared to accept the risk of losing all or part of their investment, and they should consult their tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.*

*To obtain a better understanding of our business, you should read this section in conjunction with other chapters of this Draft Prospectus, including the chapters titled “Our Business”, Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Industry Overview” and “Financial Information” on page no’s 87, 147, 76 and 127 respectively of this Draft Prospectus, together with all other financial information contained in this Draft Prospectus. Our actual results could differ materially from those anticipated in these forward looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus Unless otherwise stated, the financial data in this chapter is derived from our Restated Financial Statements for the year ended, March 31, 2024, March 31, 2023 and March 31, 2022 as included in “Financial Information” on page no. 127 of this Draft Prospectus.*

#### INTERNAL RISK FACTORS

1. ***Our Company, Group Companies, Promoters and Directors are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.***

Name of Entity	Criminal Proceeding	Tax Proceeding	Statutory or Regulatory Proceeding	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation / Other Litigations	Aggregate amount involved (Rs in lakhs) to the extent quantifiable
<b>Company</b>						
By the Company	-	-	-	-	-	-
Against the Company	-	-	-	-	-	-
<b>Promoters and Directors</b>						
By our Directors	-	-	-	-	-	-
Against the Directors	-	1	-	-	-	13.52
<b>Group Companies</b>						
By Group Companies	-	-	-	-	-	-
Against	-	-	-	-	-	-

Name of Entity	Criminal Proceeding	Tax Proceeding	Statutory or Regulatory Proceeding	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation / Other Litigations	Aggregate amount involved (Rs in lakhs) to the extent quantifiable
Group Companies						
*For further details of the outstanding litigation proceedings, see “Outstanding Litigations and Material Developments” beginning on page 162 of this Draft Prospectus.						

There can be no assurance that these litigations will be decided in favour of our Promoter, Director, Promoter Group Entity and consequently it may divert the attention of our management and Promoter and waste our corporate resources and our Director and Promoter may incur significant expenses in such proceedings. If such claims are determined against our Director and Promoter, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares. For the details of the cases filed by and against our Company, Group Companies, our Promoters and Directors, please refer to the chapter titled “Outstanding Litigations and Material Developments” on page no 162 of this Draft Prospectus.

2. *We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses or comply with such rules and regulations, and the failure to obtain or retain them in a timely manner or at all may adversely affect our operations.*

Our Company requires certain statutory and regulatory permits, licenses and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our Company’s operations, thereby having a material adverse effect on our business, results of operations and financial condition.

Further, there can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Furthermore, our regulatory permits and approvals are subject to numerous conditions, some of which are onerous and require us to make substantial expenditure and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of the relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on our business. If we fail to comply with all the regulations applicable to us or if the regulations governing our business or their manner of implementation change, we may incur increased costs, or be subject to penalties or may suffer a disruption in our business activities, any of which, could adversely affect our business or results of operations. For further details, please see “Key Industry Regulations and Policies” and “Government and Other Statutory Approvals” beginning on page nos. 97 and 166 respectively of this Draft Prospectus.

3. *We derive a significant portion of our revenue from the sale of fabrics and any reduction in demand of such products could have an adverse effect on our business, results of operations and financial condition.*

Our total revenue from sale of goods in the last three years were Rs. 4,731.29 lakhs in FY 2023-24, Rs. 2,589.26 lakhs in FY 2022-23 and Rs. 1,334.40 lakhs in FY 2021-22. We derive a significant portion of our revenue from fabric business. The product wise break up of our sale of goods is entailed below:

(Rs in lakhs)

Products	FY 23-24	Percentage %	FY 22-23	Percentage %	FY 21-22	Percentage %
Fabrics	4,407.91	93.17%	2,588.90	99.99%	1,334.40	100.00%
Ready-made Garments	323.38	6.83%	0.36	0.01%	-	-
<b>Total</b>	<b>4,731.29</b>	<b>100.00%</b>	<b>2,589.26</b>	<b>100.00%</b>	<b>1,334.40</b>	<b>100.00%</b>

Our failure to effectively react to demand and supply situations or to successfully introduce new products in the markets could adversely affect our business, prospects, results of operations, financial condition, and cash flows. Any factor which affects the demand for our products would lead us to change our networks as well as marketing strategies and set ups and could entail additional cost outlay and losses. Since we specifically cater to the market of fabrics significantly, which is a segment of the vast textile and apparel market, if our customers are not satisfied with our products, or there is lack of customer demand for our products, it may adversely affect our business, financial conditions, and results of operations. Further, any materially adverse social, political or economic development, natural calamities, civil disruptions, regulatory developments or changes in the policies of the government could adversely affect our business operation, further resulting in modification of our business strategy, or require us to incur significant capital expenditure, which will in turn have a material adverse effect on our business, financial condition, results of operations, and cash flows. The occurrence of, or our inability to effectively respond to, any unfavorable events or effectively manage the competition in the region, could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects.

**4. *We are dependent on a few suppliers for supply of raw materials and any major disruption to the timely and adequate supplies of our raw materials could adversely affect our business, results of operations and financial condition.***

Our Company is dependent on a few suppliers for procuring the fabrics for supply of its products. For the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022, our top ten suppliers accounted for approximately 91.82%, 84.16% and 99.81% of our total purchases. We believe that the quality of materials, the transparent pricing, location advantage, etc. are also some of the major reasons our Company prefers to procure these raw materials from these suppliers. Our Company has developed a robust network chain with our suppliers which has ensured a consistent and reliable flow of goods thereby reducing the risk of stockouts, disruption in supply chain and quality issues. Any failure of the supplier to deliver the raw materials in the necessary quantities or to adhere to delivery schedules or specified quality standards and technical specifications would adversely affect our business operations and our ability to deliver orders on time and at the desired level of quality. As a result, we may lose customers and incur liabilities for failure to execute orders, which could have a material adverse effect on our business financial condition and results of operations.

**5. *Trade Receivables, Inventories and Short- term loans and advances form a substantial part of our total assets and net worth. Failure to manage our trade receivables, inventories and short-term loans and advances could have an adverse effect on our net sales, profitability, cash flow and liquidity.***

Our business is working capital intensive and hence, Trade Receivables, Inventories and other current assets form substantial part of our current assets and net worth. Our, Trade Receivables, Inventories, Short-term Loans and Advances and other current assets as on March 31, 2024 were ₹ 596.59 lakhs, ₹ 87.56 lakhs, ₹ 94.69 lakhs and ₹ 6.35 lakhs respectively which comprises of 66.94% of Total Assets and as on March 31, 2023 were ₹ 309.33 lakhs, 84.62 lakhs, ₹ 75.07 lakhs and Nil respectively which comprises of 71.93% of Total Assets. The results of operations of our business are dependent on our ability to effectively manage our inventory, other current assets and trade receivables. We generally procure materials on the basis of management estimates based on past requirements and future estimates. In case we fail to sell the products, we order based on the specific requirement of our customers, we may be required to write-down our inventory or create additional vendor financing, all of which could have an adverse impact on our income and cash flows. To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. We run a risk to accurately evaluate the credit worthiness of our customers moreover because they are foreign customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

**6. *Majority of revenue contribution comes from the Maharashtra which contributed 95.48%,85.23% and 82.09% of our revenue from operations in Fiscal 2024, 2023 and 2022, respectively.***

Our operations are susceptible to local and regional factors, such as accidents, political factors, economic and weather conditions, natural disasters, and demographic and population changes, the outbreak of infectious diseases and other unforeseen events and circumstances. The table below sets forth our revenues generated from various states/ union territory and as a percentage of our revenue from operations for the Fiscals indicated:

(Rs in lakhs)

States of INDIA	FY 23-24	Percentage %	FY 22-23	Percentage %	FY 21-22	Percentage %
Maharashtra	4,517.46	95.48%	2,206.81	85.23%	1,095.44	82.09%
Gujarat	148.34	3.14%	205.91	7.95%	236.02	17.69%
Madhya Pradesh	22.72	0.48%	129.76	5.01%	-	-
Punjab	20.15	0.43%	-	-	-	-
Delhi	11.93	0.25%	46.77	1.81%	2.94	0.22%
Karnataka	10.69	0.23%	-	-	-	-
<b>Total</b>	<b>4,731.29</b>	<b>100.00%</b>	<b>2,589.26</b>	<b>100.00%</b>	<b>1,334.40</b>	<b>100.00%</b>

Further, we have not entered into any agreement with our customers for long term sales. Any change in governmental policies or occurrence of natural disasters in any of this states/ union territory may impact our impact on our business, results of operations and cash flows.

7. ***Our company is significantly dependent on few customers for our revenue in a particular financial year. The loss of any one or more of such customers may have a material effect on our business operations and profitability.***

The percentage of revenue derived from our top five and top ten customers for year ended 2023-24, 2022-23, 2021-22 are given below:

(Rs in lakhs)

Sr. No	Particulars	F.Y 2023-24		F.Y 2022-23		F.Y 2021-22	
		Revenue	Percentage (%)	Revenue	Percentage (%)	Revenue	Percentage (%)
1	Income from Top 5 Customer	3,006.53	63.55%	1,473.18	56.90%	906.87	67.96%
2	Income from Top 10 Customer	3,728.66	78.81%	2,153.33	83.16%	1,244.62	93.27%

Our top five and ten customers may vary from period to period depending on the demand and thus the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. Since our business is dependent among few significant customers, we could experience a reduction in our results of operations, cash flows and liquidity if we lose one or more of these customers or the amount of business we obtain from them is reduced for any reason.

Further, in the event of loss of one or more set of such customers on whom we are dependent for our business, we cannot assure you that we may be able to offset such loss of business by identifying a new customer of our products. Our Company does business with customers on Purchase Order basis and do not enter into any agreement with our customer and we not have fixed customer base. There can be no assurance that we shall get repeat order flow from our customers. Further, we also cannot assure you that the customers which contribute to the major part of our revenue stream will pay us the amounts due to us on time, or at all. In the event any of our significant customers fail to fulfil their respective obligations, our business, financial condition and results of operations would be adversely affected. While we believe we have maintained good and long-term relationships with our customers, there can be no assurance that we will continue to have such long-term relationship with them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

8. ***Our Registered Office and warehouse are not owned by us. In the event we lose or are unable to renew such rent agreements, our business, results of operations, financial condition and cash flows may be adversely affected.***

Presently, our company has registered office at Office No. 11, 2nd Floor, 436 Shree Nath Bhuvan, Kalba Devi Road, Mumbai, Maharashtra, India, 400002 and is owned by our director Pankaj Jain. Our Company has given security deposit of Rs. 25.00 lakhs and obtained a Non- Objection Certificate for the use of office. Our warehouse is located at House No 206/A 1, Gupta compound, Thane Road, Rahanal Village Bhiwandi Thane – 421302 and is taken on lease for a period of 3 years valid up to December 31, 2026. Upon the termination of the lease agreement, we are required to return the said premise to the licensor. Further, the term of the lease agreement may or may not be renewed. We cannot assure you that we will be able to renew our rent agreement on commercially acceptable terms or at all. In the event that we are required to vacate our current premises, we would be required to make alternative arrangements for

our infrastructure and we cannot assure that the new arrangements will be on commercially acceptable terms. If we are required to relocate our business operations, we may suffer a disruption in our operations or have to pay increased charges, which could have an adverse effect on our business, results of operations, financial condition and cash flows.

**9. If we are unable to accurately identify customer demand and maintain an optimal level of inventory in our warehouse, our business, results of operations and cash flows may be adversely affected.**

The success of our business depends upon our ability to anticipate and forecast customer demand and trends. While we aim to accurately forecast the demand for our products and avoid under-stocking and over-stocking, our estimates and forecasts may not always be accurate. Critical factor to ensure success in our line of business is timely supply of products. Higher waiting time, late delivery, wrong product or out of stock can directly lead to walkouts of our valuable customers. If we over-stock inventory across the board, our capital requirements may increase and we may incur costs relating to aging and obsolesce of inventory as well as excess raw material. Our inability to accurately forecast demand for our products and manage our inventory may therefore have an adverse effect on our business, results of operations and cash flows.

**10. In addition to normal remuneration our Key Management Personnel (including our promoters) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company. Further we have entered in related party transaction with them.**

Some of our Directors, Key Management Personnel and Promoters are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. Our Promoter and promoter group currently holds 100.00% of shareholding of our Company and will hold 70.20% of post issue shareholding of our Company. We cannot assure you that our directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our promoters will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other shareholders may be unable to affect the outcome of such voting. Our directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our directors will always act to resolve any conflicts of interest in our favor, thereby adversely affecting our business and results of operations and prospects.

We have entered into related party transactions which are at an arm's length basis from time to time with our directors. A summary statement of the related party transactions is as follows:

(in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Directors &amp; Relatives</b>			
Loan taken	129.50	25.00	30.00
Loan repaid	4.50	25.00	30.00
Loan adjusted against issue of shares	125.00	-	-
Advances Given	1.55	3.65	0.56
Advances Received	11.42	-	1.50
Managerial Remuneration	25.20	25.80	18.00
Salary to Relative	28.20	26.15	18.60
<b>Balances at the end</b>			
Deposit for office to Director	25.00	25.00	25.00
Salary Payable	-	1.20	1.00
Advances to Directors & Relatives against salary and expenses	-	9.88	6.22

**11. Our promoters play key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that they remain associated with us.**

Our success also depends upon the continued services of our promoters and our ability to retain them. Our performance depends largely on the efforts and abilities of our promoters. The inputs and experience of our promoters are valuable for the development of business and operations and the strategic decisions taken by our Company. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

Further, our promoter have also promoted other companies and may continue to do so. If they divert their attention to the other companies, we may not be able to function as efficiently and profitably as before. We may have to incur additional costs to replace the services of our promoters or we may not be able to do so at all, which could adversely affect our business operations and affect our ability to continue to manage and expand our business. Any inability to attract and retain talented employees or the resignation or loss of key management personnel, may have an adverse impact on our business, future financial performance and the price of our Equity Shares.

**12. We face foreign exchange risks, primarily in our import and procurement operations that could adversely affect our results of operations.**

We are exposed to foreign currency exchange risk as we have imported our materials from foreign countries, in particular China and Hongkong. We deal with supplier in foreign currency and are affected with its fluctuation. For Fiscals 2024, 2023 and 2022, import purchases was ₹ 3,584.94 lakhs, ₹ 1,744.12 lakhs and ₹ 659.53 lakhs, constituting 79.58%, 70.18% and 54.80%, respectively, of our total purchases. We have even recorded foreign fluctuation gain and losses in our financial statement.

Fluctuation in currency exchange rates influences our results of operations. As and when outflows are incurred, the required foreign exchange is bought from market at the then prevailing exchange rate. In future we may continue to incur purchases cost of materials denominated in foreign currencies. The exchange rates between Rupee and USD and between Rupee have changed substantially in recent years and may continue to fluctuate significantly in the future. Accordingly, any decline in the value of the Rupee against the U.S. Dollar or any other foreign currency would increase the Rupee cost of such raw materials.

Although we closely follow our exposure to foreign currencies in an attempt to reduce the risks of currency fluctuations, these activities are not always sufficient to protect us against incurring potential losses if currencies fluctuate significantly. Any such losses on account of foreign exchange fluctuations may affect our results of operations.

**13. We have reported negative net cash flows in the past and may do so in the future.**

The following table sets forth net cash inflow/(outflow) from operating, investing and financing activities for Fiscals 2024, 2023 and 2022:

(₹ in lakhs)

Particulars	For the year ended March 31		
	2024	2023	2022
Net Cash from Operating Activities	(39.35)	39.74	1.07
Net Cash from Investing Activities	17.86	(20.32)	(14.34)
Net Cash used in Financing Activities	112.58	(12.42)	(12.42)
<b>Net Increase / (Decrease) in Cash and Cash equivalents</b>	<b>91.09</b>	<b>7.00</b>	<b>(25.69)</b>

We have negative cash flows from investing activities for the financial year 2022-23 and 2021-22, since the Company has invested in securities and office equipment during this period.

We have negative cash flows from financing activities for the financial year 2022-23 and 2021-22, since the Company has repaid its loans during this period.

We cannot assure you that our net cash flows will be positive in the future. If our Company is not able to generate sufficient cash flows, our Company may not be able to generate sufficient amounts of cash flow to finance our projects, make new capital expenditure, pay dividends, make new investments or fund other liquidity needs which could have a material adverse effect on our business and results of operations.

**14. Restrictions on the import of our materials and other regulations could adversely affect our business, results of operations and financial condition.**

We procure our material from China and Hongkong. Our major product is imported, therefore limitation or withdrawal, if any (in the case, for example, of embargoes or geopolitical conflicts), of the authorization to import the products might have a negative impact on our operations and financial situation. Further, failure to comply with the regulations and requirements could result in contract modifications or termination and the imposition of penalties, fines and withdrawal of authorizations, which could negatively affect our business, results of operations and financial



condition. Authorizations can be revoked which may change in response to international conflicts or other political or geopolitical factors. Such factors could have a material adverse effect on our business and results of operations.

**15. We have offered Equity Shares during the last one year at a price below the Offer Price.**

Our Company had issued Bonus shares of 7,50,000 equity shares and 11,00,000 equity shares on January 29, 2024 and October 10, 2023 in ratio of 75:111 and 110:1 respectively and Right Issue of 12,50,000 shares in the ratio of 186:125 on March 06, 2024 in the last 12 months which is lower than the Offer Price. The Equity Shares allotted to shareholders pursuant to this Offer may be priced significantly higher due to various reasons including better performance by the Company, better economic conditions and passage of time. For further details, see “Capital Structure” on page 53 of this Draft Prospectus.

**16. The average cost of acquisition of Equity Shares by our Promoters could be lower than the price determined at time of registering the Draft Prospectus.**

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Price as may be decided by the Company in consultation with the LM. The average cost of acquisition of equity shares of the Promoters is as under:

Name of Promoter	Number of Equity Shares Held	Average Cost of Acquisition (₹)
Pankaj Jain	16,47,400	3.37
Ronak Mistry	6,07,600	0.07

For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title “Capital Structure” beginning on page 53 of this Draft Prospectus.

**17. Our growth and profitability depend on the level of consumer confidence and spending in India.**

Our results of operations are sensitive to changes in overall economic and political conditions that impact consumer spending. The textile and garment industry, in particular, is very sensitive to broad economic changes, and retail purchases tend to decline during recessionary periods. Substantially all of our revenues from operations are derived from sales in India. Many factors outside of our control, including interest rates, volatility of India’s and the world’s stock markets, inflation, tax rates and other government policies, and unemployment rates can affect consumer confidence and spending. The domestic and international political environments, including conflicts, political turmoil or social instability, may also affect consumer confidence and reduce spending, which could affect our growth and profitability.

**18. The deployment of the Net Proceeds from the Fresh Issue are based on management estimates and have not been independently appraised by any bank or financial institution and is not subject to any monitoring by any independent agency and our Company’s management will have flexibility in utilizing the Net Proceeds from the Fresh Issue.**

The deployment of the funds towards the objects of the Issue is entirely at the discretion of the Board and our Board will monitor the utilization of Net Proceeds. Also, in terms of Regulation 262 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Fresh Issue size is not in excess of ₹ 100 crores. The management of our Company will have discretion to use the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company’s management regarding the application of the Net Proceeds from the Issue.

Given the dynamic nature of our business, we may have to revise our business plan from time to time and consequently our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors such as market conditions, competitive environment, costs of commodities and interest/ exchange rate fluctuations which may not be within the control of our management. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our operational and financial performance.


Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the Objects of the Issue, at a price and manner as specified in the SEBI ICDR Regulations. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to

such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of our Net Proceeds, even if such variation is in our interest. Further, we cannot assure you that our Promoters or the controlling shareholders will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price which may be prescribed by SEBI. Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of Net Proceeds.

**19. We are dependent on third party transportation providers for the delivery of our products to our customers.**

We rely substantially on third party transportation providers for the supply of our products to our customers and purchases from our suppliers. Transportation strikes / non-availability of Transportation could have an adverse effect on our ability to deliver the same to our customers. Increase in transportation costs or unavailability of transportation services for our products, as well the extent and reliability of Indian infrastructure and global infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects. In addition, transportation costs in India have been steadily increasing over the past several years. While usually the end consumer bears the freight cost, we may not always be able to pass on these costs to our customers. In addition, India's physical infrastructure is less developed than that of many developed nations, and problems with its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including delivery of our products to customers by third-party transportation providers. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition.



**20. We are yet to make an application seeking registration of trademark of our “  ” There is no assurance that this application shall result in us being granted registration in a timely manner.**

Failure to protect our intellectual property may adversely affect our reputation, goodwill and business operations. We have not yet applied for registration of our name and logo under the provisions of the Trademarks Act, 1999. As such, we do not enjoy the statutory protection accorded to a registered trademark as on date. There can be no assurance that we will be able to register the trademark in future or that, third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill.

Further, we cannot assure you that any application for registration of our trademark in future by our Company will be granted by the relevant authorities in a timely manner or at all. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property.

**21. We have not commissioned an industry report for the disclosures made in the section titled 'Industry Overview' and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.**

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the section titled "Industry Overview" beginning on page 76 of this Draft Prospectus. We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Prospectus. Further, the industry data mentioned in this Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Prospectus in this context.

**22. Our cost of purchases is exposed to fluctuations in the prices of fabrics required for our business as well as its availability.**

Our company is exposed to fluctuations in the prices of our product fabric as well as its availability, particularly as we typically do not enter into any supply agreements with our suppliers and fabrics and garments are bought by our Company from suppliers on an order to order basis. The prices of the fabrics are subject to fluctuations in the prices due to changes in core prices of minerals as a natural resource etc. We may be unable to make adequate provisions for

the price fluctuations and, consequently, any adverse fluctuations that we have not factored in or provided for may adversely affect the results of our operations and our financial conditions. We also face the risks associated with compensating for or passing on such increase in our cost of purchases on account of such fluctuations in prices to our customers. These factors could adversely affect our business, results of operations, financial condition and cash flows.

**23. *We have not made any alternate arrangements for financing the ‘Objects of the Issue’. Any shortfall in raising or meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for our working capital requirements as per the Objects of the Issue. Over the period of time, we have met our capital requirements through funding from our internal accruals. Any shortfall in our net cash flows, internal accruals and our inability to raise institutional debt in future would result in us to borrow fund, which may be repayable on demand, which in turn may increase our financial costs, affect our Promoter’s group entity’s liquidity and restrict future funding from them in urgent situations, thus negatively affecting our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer “Objects of the Issue” on page no 62 of this Draft Prospectus.

**24. *We have not made any provision for decline in value of our investment in securities. Any fall in value of investment may affect our financial performance.***

As on date, we have not made any provision for decline in value of our other Non-current investment. Other Non-Current Investment as on Fiscal 2024, Fiscal 2023 and Fiscal 2022 are Rs. 141.25 lakhs, Rs. 114.06 lakhs and Rs.89.23 lakhs respectively. Our Company has earned income on sale of such investments during the last three fiscals. As per the valuation, the market value is higher than book value in all three fiscals. We cannot assure you that the market value will not decline as it is affected by many factors out of our control. In case of decline, we may face losses on the sale of securities and it may affect our performance.

**25. *If we are unable to manage our growth effectively or raise additional capital, our business, future financial performance and results of operations could be materially and adversely affected.***

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. As part of our growth strategy, we aim to, among other things. For details, see “Our Business – Our Business Strategy” on page 87. This could place significant demands on our operational, credit, financial and other internal risk controls. In pursuing our growth strategy, we will require additional capital investments and cash outlays, which may have a material impact on our cash flows and results of operations

Our ability to manage our growth effectively requires us to forecast accurately our sales, growth and to expand funds to improve our operational, financial and management controls, reporting systems and procedures. Moreover, even if we secure the required funding, there is no assurance that we will be able to successfully implement our strategies. An inability to implement our future business plan, manage our growth effectively or failure to secure the required funding on favorable terms or at all could have a material and adverse effect on our business, future financial performance and results of operations.

**26. *Our Company may not be able to bring growth or successfully implement our business plan which could have an effect on our business, results of operations and financial condition.***

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy involves focusing on Optimal Utilization of Resources and to develop relationships with customer and suppliers. For further details, see the section titled “Our Business – Our Strategies” on page no. 87 of this Draft Prospectus. Our success in implementing our growth strategies may be affected by:

- Our ability to identify new markets to expand;
- Our ability to maintain the quality of our products;
- Changes in the Indian regulatory environment field;

If our Company is not able to execute our strategy on time and within our estimated budget, any of these factors could impact our results of operations. Further, we expect our growth strategy to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational,

financial and other internal controls. Our inability to manage our business and implement our growth strategy could have an effect on our business, financial condition and profitability.

**27. *Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.***

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may result in write-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

**28. *We may also be unable to obtain future financing to fund our operations, and working capital requirements on favorable terms, or at all.***

Our business requires funding for working capital requirements which are currently met by internal accruals. In case there is insufficient cash flow to meet our working capital requirement or we are unable to arrange the same from other sources or there is delay in disbursement of arranged funds, or there is any increase in interest rate on our borrowings, it may adversely affect our operations and profitability. These factors may result in an increased amount of short-term borrowings. Continuous increase of our working capital requirements may have an adverse effect on our results of operations and financial condition. Further our ability to arrange for additional funds on acceptable terms is subject to a variety of uncertainties, including future results of operations, financial condition and cash flows; economic, political conditions and market scenario for our products; costs of financing, liquidity and overall condition of financial and capital markets in India; issuance of necessary business/government licenses, approvals and other risks associated with our businesses; and limitations on our ability to raise capital in capital markets and conditions of the Indian and other capital markets in which we may seek to raise funds. Any such inability to raise sufficient funds could have a material adverse effect on our business and results of operations.

**29. *Any delay or defaults in receipt of payments or dues from our customers could result in a reduction of our profits.***

We regularly commit resources prior to receiving payments from our customer. We may be subject to working capital shortages due to delays or defaults in receipt of payments or dues from such customers. If our customers default in their payments or if any order/ assignment in which we have invested significant resources is delayed, cancelled or curtailed, it could have a material adverse effect on our business, financial condition and results of operations.

**30. *Any future issuance of Equity Shares may dilute your shareholding and sale of Equity Shares by the Promoter may adversely affect the trading price of the Equity Shares.***

We may be required to finance our growth, whether organic or inorganic, through future equity offerings. Any future equity issuances by us, including a primary offering or through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us (including under an employee stock option scheme) or disposal of our Equity Shares by the Promoters or any of our other principal shareholders or any other change in our shareholding structure to comply with minimum public shareholding norms applicable to listed companies in India or any public perception regarding such issuance or sales may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that our existing shareholders including our Promoters will not dispose of further Equity Shares after the completion of the Offer (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations) or pledge or encumber their Equity Shares. Any future issuances could also dilute the value of shareholder's investment in the Equity Shares and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the Offer Price. We may also issue convertible debt securities to finance our future growth or fund our business activities. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

**31. *Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.***

Our future ability to pay dividends will depend on the earnings, financial condition and capital requirements of our Company. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time. We cannot assure you that we will generate sufficient income to cover our operating expenses and pay dividends to our shareholders, or at all. Our business is working capital intensive and we may plan to invest additional working capital expenditures to effect purchase of inventory or pay creditors. Our ability to pay dividends could also be restricted under certain financing arrangements that we may enter into. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements for the products proposed to be purchased, financial condition and results of operations.

**32. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of BSE in a timely manner, or at all.***

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

**33. *Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (“ASM”) and Graded Surveillance Measures (“GSM”) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.***

SEBI and the Stock Exchanges, in the past, have introduced various pre-emptive surveillance measures with respect to the shares of listed companies in India (the “Listed Securities”) in order to enhance market integrity, safeguard the interests of investors and potential market abuses. In addition to various surveillance measures already implemented, and in order to further safeguard the interest of investors, the SEBI and the Stock Exchanges have introduced additional surveillance measures (“ASM”) and graded surveillance measures (“GSM”).

ASM is conducted by the Stock Exchanges on Listed Securities with surveillance concerns based on certain objective parameters such as share price, price-to-earnings ratio, percentage of delivery, client concentration, variation in volume of shares and volatility of shares, among other things. GSM is conducted by the Stock Exchanges on Listed Securities where their price quoted on the Stock Exchanges is not commensurate with, among other things, the financial performance and financial condition measures such as earnings, book value, fixed assets, net-worth, other measures such as price-to-earnings multiple and market capitalization and overall financial position of the concerned listed company, the Listed Securities of which are subject to GSM.

Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, low trading volumes, and a large concentration of client accounts as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include requiring higher margin requirements, requirement of settlement on a trade for trade basis without netting off, limiting trading frequency, reduction of applicable price band, requirement of settlement on gross basis or freezing of price on upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company. Any such instance may result in a loss of our reputation and diversion of our management’s attention and may also decrease the market price of our Equity Shares which could cause you to lose some or all of your investment.

**34. *Non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, might adversely affect Our Company’s results of operations and its financial condition.***

We are subject to Indian laws and government regulations, including laws in relation to safety, health and environmental protection. These safety, health and environmental protection laws and regulations inter alia impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and

other aspects of our Company's operations and products. In addition, storage and distribution of our products, are subject to numerous laws and regulations in relation to quality, safety and health.

For further details, please see "Key Industry Regulation and Policies" on page no. 97 of this Draft Prospectus. Failure to comply with any existing or future regulations applicable to us might result in levy of fines, commencement of judicial proceedings and/or third party claims, and might adversely affect our results of operations and financials.

## **EXTERNAL RISK FACTORS**

**35. *Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations, financial condition and prospects.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

**36. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

**37. *If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate thereby reducing our margins.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages and other expenses relevant to our business. Further, a rise in inflation in other countries, such as in the United States of America or United Kingdom, may lead to an increase in the interest rates in India and depreciation in the value of the Rupee which in turn make the components imported by our Company costlier. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

**38. *System failures or inadequacy and security breaches in computer systems may adversely affect our business.***

Our business is increasingly dependent on our ability to process, on a daily basis, a large number of transactions. Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond our control, including a disruption of electrical or communication services. We may experience difficulties in upgrading, developing and expanding our systems quickly enough to accommodate our growing customer base and range of services our computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security. Any failure to effectively maintain or improve or upgrade our systems in a timely manner could materially and adversely affect our competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our businesses and the localities in which we are located.

**39. *Natural or man-made disasters could adversely affect our business.***

Natural disasters (such as cyclones, flooding, and/or earthquakes), epidemics, pandemics and man-made disasters, including acts of war, terrorist attacks, and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn adversely affect our business, financial condition, and results of operations. Our operations may be adversely affected by natural disasters, and/or severe weather, which can result in damage to our property generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic, and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1, and H1N1 strains of influenza in birds and swine and more recently, the SARS-CoV-2 virus and the monkeypox virus. Another outbreak of the COVID-19 pandemic or future outbreaks of SARS-CoV-2 virus or a similar contagious disease could adversely affect the global economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have an adverse effect on our business and the trading price of the Equity Shares.

**40. *With time we might be liable to other labor laws which were not applicable before leading to increase cost and time to be invested in its compliance.***

Employees form the integral part of the operation of our business. We are also subject to state and local laws and regulations. If labor laws become more stringent or are more strictly enforced, it may become difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have an adverse effect on our business, results of operations, financial condition and cash flows. Any organizational changes, including changes in salaries and wages and other employee benefits that are, or are perceived to be negative, could result in an increased attrition rate. We cannot assure you that there may not be incidences of labor unrest and absenteeism from work by some of our employees. Labour shortages could increase the cost of labor and hinder our productivity and ability to adhere to our delivery schedules for our projects, which would materially and adversely affect our business, financial condition, results of operations and prospects.

**41. *Our Company is subject to risk arising from changes in interest rates and banking policies.***

Increased interest rates will have a bearing on profitability and credit controls will have an effect on our liquidity and will have serious effects on adequate working capital requirements. We are dependent on various banks for arranging of our working capital requirement etc. Accordingly, any change in the existing banking policies or increase in interest rates may have an adverse impact on profitability of our company.

**42. *We may, from time to time, look for opportunities to enter strategic alliances, acquire businesses or enter into joint venture arrangements. Any failure to manage the integration of the businesses or facilities post such acquisition or joint venture may cause our profitability to suffer.***

We may, from time to time, look for opportunities to acquire businesses or enter into strategic partnerships or alliances. Such acquisitions may not contribute to our profitability, and we may be required to incur or assume debt or additional expenses beyond our forecasts or assume contingent liabilities, as part of any acquisition. Further, the acquisitions may give rise to unforeseen contingent risks relating to these businesses that may only become apparent after the merger or the acquisition is finalized. We may also face difficulty in assimilating and retaining the personnel, operations and assets of the acquired company. Further, we may not be able to accurately identify or forge an alliance with appropriate companies in line with our growth strategy. In the event that the alliance does not perform as estimated, or the inability on the part of our joint venture partner to meet the customer requirements may lead to a failure of such an arrangement which may adversely affect our business.

**43. *The outbreak of COVID-19 or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations.***

An outbreak of a novel strain of corona virus (COVID-19) was recognized by the World Health Organization as a public health emergency of international concern on January 30, 2020, and as a pandemic on March 11, 2020. The outbreak of COVID-19 has significantly and adversely impacted and will likely continue to impact economic activity and has contributed to significant volatility in global financial markets and led to operational challenges. It is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis, stagnation, recession or depression,

despite monetary and fiscal interventions by governments and central banks globally. In particular, a number of governments and organizations have revised GDP growth forecasts for 2021 downwards in response to the economic slowdown caused by the spread of COVID-19, and it is possible that the COVID-19 pandemic will cause a prolonged global economic crisis or recession. In response to the COVID-19 outbreak, the governments of many countries, including India have taken preventive or protective actions, such as issuing advisories and imposing country or state wide lockdowns, including restrictions on travel and temporary closure of business operations and increased remote working protocols, which have significantly slowed down economic activity.

On March 14, 2020, India declared COVID-19 as a “notified disaster” and imposed a nationwide lockdown announced on March 24, 2020. While there have been progressive relaxations and calibrated easing of lockdown measures by the Government, we cannot predict if stricter lockdowns will not be re-introduced or extended in the future. On account of the government-imposed lockdown in India, operations at our registered office and warehouse was temporarily shut down. The COVID-19 pandemic and resulting government actions may affect our business, results of operations and financial condition, in the future, in a number of ways such as requiring a complete or partial closure of our operations. The pandemic outbreak has caused an economic downturn on a global scale, including closures of many businesses and reduced consumer spending, as well as significant market disruption and volatility. The demand for our products is dependent on and directly affected by factors affecting industries where our products are supplied. We continue to closely monitor the impact that COVID-19 may have on our business and results of operations.

It is difficult for us to predict the impact that COVID-19 will have on us, our customers or suppliers in the future. Further, due to the rising number of infected cases of COVID-19 in the country, there is no certainty if additional restrictions will be put back in place or if another lockdown would be re-imposed to control the spread of the pandemic. We cannot assure you that we may not face any difficulty in our operations due to such restrictions and such prolonged instances of lockdown may adversely affect our business, financial condition and results of operations.

**44. *A decline in economic growth or political instability nationally or internationally or changes in the Government in India could adversely affect our business.***

Our performance and the growth of our business are necessarily dependent on the health and performance of the overall Indian economy. In the recent past, Indian economy has been affected by global economic uncertainties and liquidity crisis, domestic policy and political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture, rising inflation rates and various other factors. Risk management initiatives by banks and lenders in such circumstances could affect the availability of funds in the future or the withdrawal of our existing credit facilities. The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India’s sovereign debt rating or a decline in India’s foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operation and the trading price of our Equity Shares. Volatility, negativity, or uncertain economic conditions could undermine the business confidence and could have a significant impact on our results of operations. Changing demand patterns from economic volatility and uncertainty could have a significant negative impact on our results of operations.

Further, our performance and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The GoI has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, the market price and liquidity of the Equity Shares may be affected by changes in GoI policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

**45. *Any disproportionate increase in labor costs including increase in wage/salary demand, labor unrest or labor claims arising from accidents may adversely affect our business operations and financial conditions.***

Our increasing business operations may require our employee strength to increase in future. In the past our Company has not experienced any labor unrest, but there is no assurance that it will not experience the same at any time in the future. Also, there is a possibility that the labour costs increase disproportionately due to increase in wage/salary demand. In this event, if our Company is unable to pass on the increased costs to our customers, our business operations and financial conditions may be adversely affected.



**46. Any Penalty or demand raised by statutory authorities in future will affect our financial position of the Company.**

Our Company is engaged in the fabric and garment business, which attracts tax liability such as Goods and Service tax and Income tax as per the applicable provisions of Law. Any demand or penalty raised by the concerned authority in future for any previous year and current year will affect the financial position of the Company.

**47. Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.**

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. In addition, the Asian region has from time to time experienced instances of civil unrest and hostilities among neighboring countries. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the world, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

**48. There is no existing market for our Equity Shares, and we do not know if one will develop. Our stock price may be highly volatile after the Issue and, as a result, you could lose a significant portion or all of your investment.**

There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares. Further, we cannot predict the extent to which investor interest will lead to the development of an active trading market on the Stock Exchanges or how liquid that market will become. If an active market does not develop, you may experience difficulty selling the Equity Shares that you purchased. The Issue Price is not indicative of prices that will prevail in the open market following the Issue. Consequently, you may not be able to sell your Equity Shares at prices equal to or greater than the Issue Price. The market price of the Equity Shares on the Stock Exchanges may fluctuate after listing as a result of several factors, including the following:

- Volatility in the Indian and other Global Securities Markets;
- The performance of the Indian and Global Economy;
- Risks relating to our business and industry, including those discussed in this Draft Prospectus;
- Strategic actions by us or our competitors;
- Investor perception of the investment opportunity associated with our future performance;
- Adverse media reports about us, our shareholders or Group Companies;
- Future sales of the Equity Shares;
- Variations in our half-yearly results of operations;
- Differences between our actual financial and operating results and those expected by investors and analysts;
- Our future expansion plans;
- Perceptions about the performance of companies engaged in textile sector generally;
- Perception in the market about investments in the textile sector;
- Significant developments in the regulation of the trading and distribution industry in our key trade locations;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Significant developments in India's economic liberalization and deregulation policies; and
- Significant developments in India's fiscal and environmental regulations.

There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share. Price could fluctuate significantly as a result of market volatility. A decrease in the market price of the Equity Shares could cause you to lose some or all of your investment.

**49. Investors can be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares**

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and is taxable at 12.5%, in excess of ₹ 1,25,000. Any long-term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital

gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

**50. *The ability of Indian companies to raise foreign capital may be constrained by Indian law.***

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

**51. *Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our Company's business.***

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our Company's business and financial performance and ability to obtain financing for capital expenditures.

**52. *Conditions in the Indian securities market and stock exchanges may affect the price and liquidity of our Equity Shares.***

Indian stock exchanges, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. Further, a closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares.

**53. *Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on our operations and financial performance.***

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

## SECTION IV: INTRODUCTION

### THE ISSUE

<b>Equity Shares:</b> <sup>(1)</sup> Present Issue of Equity Shares by our Company	Upto 13,20,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs
<b>Consisting of:</b>	
<b>Fresh Issue</b> <sup>(1)</sup>	Upto 13,20,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs
<b>Which Comprises:</b>	
<b>Market Maker Reservation Portion</b>	Upto 72,000 Equity Shares of face value of ₹10 each for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs.
<b>Net Issue to Public</b>	Upto 12,48,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs.
	<b>Of which</b> <sup>(3)</sup> :
	Upto 6,24,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of upto ₹ 2.00 lakhs
	Upto 6,24,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs
<b>Equity shares outstanding prior to the Issue</b>	31,10,000 Equity Shares of face value of ₹10 each
<b>Equity shares outstanding after the Issue</b>	Upto 44,30,000 Equity Shares of face value of ₹10 each
<b>Use of Net Proceeds</b>	Please refer to the section titled “ <i>Objects of the Issue</i> ” beginning on page no. 62 of this Draft Prospectus.

<sup>(1)</sup> This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please see the section titled “Issue Information” beginning on page no. 181 of this Draft Prospectus.

<sup>(2)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated June 25, 2024 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held with a shorter notice on June 27, 2024.

<sup>(3)</sup> The allocation’ is the net Issue to the public category shall be made as per the requirements of Regulation 253(2) of SEBI (ICDR) Regulations, as amended from time to time:

a) Minimum fifty percent to retail individual investors; and

b) Remaining to

(i) Individual applicants other than retail individual investors; and

(ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for

The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

For further details please refer to the chapter titled “Issue Structure” beginning on page no. 188 of this Draft Prospectus.

**SUMMARY OF FINANCIAL INFORMATION**  
**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

*(Rs in Lakhs)*

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Fund</b>			
Equity share capital	311.00	1.00	1.00
Reserves and Surplus	69.62	109.40	82.23
<b>Total Equity</b>	<b>380.62</b>	<b>110.40</b>	<b>83.23</b>
<b>Non-Current Liabilities</b>			
Long term Borrowings	-	-	11.77
Other long term liability	40.35	90.35	40.35
<b>Total Non-Current Liabilities</b>	<b>40.35</b>	<b>90.35</b>	<b>52.12</b>
<b>Current Liabilities</b>			
Short term Borrowings	-	11.77	10.66
Trade Payables			
Dues of Micro enterprises and Small enterprises	-	-	-
Dues of Others	638.29	400.20	265.85
Other Current Liabilities	105.79	35.18	50.30
Short-term Provisions	7.91	4.17	0.52
<b>Total Current Liabilities</b>	<b>751.99</b>	<b>451.33</b>	<b>327.32</b>
<b>Total Equity and Liabilities</b>	<b>1,172.96</b>	<b>652.07</b>	<b>462.68</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment	19.96	19.25	24.98
Intangible Assets	-	-	-
Long term loans and advances	25.00	25.00	25.00
Non Current Investments	141.25	114.06	89.23
Deferred tax Assets (Net)	3.53	2.85	1.94
Other Non Current Asset	85.04	-	-
<b>Total Non-Current Assets</b>	<b>274.79</b>	<b>161.167</b>	<b>141.15</b>
<b>Current Assets</b>			
Inventories	87.56	84.62	48.32
Trade Receivables	596.59	309.33	209.42
Cash and Cash Equivalents	112.98	21.89	14.89
Short-term Loans and Advances	94.69	75.07	48.88
Other Current Assets	6.35	-	-
<b>Total Current Assets</b>	<b>898.17</b>	<b>490.91</b>	<b>321.52</b>
<b>Total Assets</b>	<b>1,172.96</b>	<b>652.07</b>	<b>462.68</b>

**RESTATED STATEMENT OF PROFIT AND LOSS**

*(Rs in Lakhs)*

<b>Particulars</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
<b>INCOME</b>			
Revenue from Operations	4,731.29	2,589.26	1,334.40
Other Income	57.01	11.49	14.02
<b>Total Income</b>	<b>4,788.30</b>	<b>2,600.75</b>	<b>1,348.42</b>
<b>EXPENSES</b>			
Purchase of Traded goods	4,504.96	2,485.31	1,203.56
Change in Inventories	(2.94)	(36.29)	19.01
Employee Benefit Expenses	66.20	60.76	44.61
Finance Costs	0.65	1.77	2.78
Depreciation & Ammortisation Expenses	7.86	8.36	11.95
Other Expenses	31.52	36.78	41.05
<b>Total Expenses</b>	<b>4,608.25</b>	<b>2,556.68</b>	<b>1,322.96</b>
<b>Profit/(Loss) before exceptional and Exceptional items</b>	<b>180.05</b>	<b>44.07</b>	<b>25.47</b>
Exceptional items	-	-	-
<b>Profit/(Loss) Before Tax</b>	<b>180.05</b>	<b>44.07</b>	<b>25.47</b>
Current Tax	35.50	12.07	7.11
Short/Excess Income Tax	-	5.75	1.78
Deffered Tax	(0.68)	(0.91)	(1.68)
<b>Total tax</b>	<b>34.82</b>	<b>16.90</b>	<b>7.21</b>
<b>Profit/(Loss) for the year</b>	<b>145.22</b>	<b>27.17</b>	<b>18.26</b>
Earning per share (Face Value-10)*			
Basic	6.96	1.35	0.91
Diluted	6.96	1.35	0.91

**RESTATED STATEMENT OF CASH FLOWS**

(Rs in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit/(Loss) before tax	180.05	44.07	25.47
<u>Adjustments</u>			
Add: Depreciation	7.86	8.36	11.95
Less: Gain on sale of securities	(50.13)	(5.47)	(10.77)
Add: Interest Income	(2.15)	(0.05)	(0.59)
Less: Dividend Income	(1.34)	(1.62)	(2.66)
Add: Finance cost	0.65	1.77	2.78
<b>Operating profit before working capital changes</b>	<b>134.93</b>	<b>47.06</b>	<b>26.17</b>
Increase/ (Decrease) in Trade payables	238.10	134.35	(336.18)
Increase/ (Decrease) in Short -term provisions	3.74	3.65	0.52
Increase/ (Decrease) in Other long term Liability	(50.00)	50.00	40.35
Increase/ (Decrease) in Other Current liability	70.61	(15.11)	29.98
(Increase)/ Decrease in Inventory	(2.94)	(36.29)	19.01
(Increase)/ Decrease in Trade Receivables	(287.26)	(99.91)	202.71
(Increase)/ Decrease in Short Term Loans and advances	(19.63)	(26.18)	17.62
(Increase)/ Decrease in Deferred Tax Asset/Liabilities	(0.68)	(0.91)	(1.68)
(Increase)/ Decrease in Current Asset	(6.35)	-	9.77
(Increase)/ Decrease in Other Non-Current Assets	(85.04)	-	-
<b>Cash flow from operations</b>	<b>(4.53)</b>	<b>56.65</b>	<b>8.28</b>
Less: Tax paid during the year	34.82	16.90	7.21
<b>Net Cash Flow from Operating Activities</b>	<b>(39.35)</b>	<b>39.74</b>	<b>1.07</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Tangible and Intangible assets	(8.57)	(2.63)	(1.05)
Purchase / (Sale) of Investment	22.94	(19.36)	(16.53)
Interest Income	2.15	0.05	0.59
Dividend Income	1.34	1.62	2.66
<b>Net Cash Flow from Investing Activities</b>	<b>17.86</b>	<b>(20.32)</b>	<b>(14.34)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Increase in Share Capital - Right Share Issue Proceeds received	125.00	-	-
Finance cost	(0.65)	(1.77)	(2.78)
Proceeds/(Repayment) from Long-term borrowings	-	(11.77)	(20.30)
Proceeds/(Repayment) from Short -term	(11.77)	1.12	10.66

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
borrowings			
<b>Net Cash Flow from Financing Activities</b>	<b>112.58</b>	<b>(12.42)</b>	<b>(12.42)</b>
<b>Net change in Cash and Cash Equivalents (I+II+III)</b>	<b>91.09</b>	<b>7.00</b>	<b>(25.69)</b>
<b>Reconciliation of Cash and Cash Equivalents (IV)</b>			
Cash and Cash Equivalents at the beginning of the year	21.89	14.89	40.58
Cash and Cash Equivalents at the end of the year	112.98	21.89	14.89
<b>Components of Cash and Cash Equivalents</b>			
Cash In Hand	0.63	0.92	0.07
Balances with banks:	-	-	-
- Current accounts	112.35	10.97	14.83
- Fixed deposits	-	10.00	-
<b>Cash and Cash Equivalents at the end of the year</b>	<b>112.98</b>	<b>21.89</b>	<b>14.89</b>

## GENERAL INFORMATION

Our Company was incorporated as NAPS Trading Private Limited on March 28, 2014 under the Companies Act, 1956 with the Registrar of Companies, Mumbai bearing Registration number 255128. The name of our Company was changed to “NAPS Global India Private Limited” vide Special Resolution dated December 02, 2023 and a fresh certificate of incorporation was issued on January 02, 2024 by the Registrar of Companies, Mumbai. Thereafter, the status of the Company was changed to Public Limited and the name of our Company was changed to “NAPS Global India Limited” vide Special Resolution dated March 22, 2024 and a fresh certificate of incorporation consequent to conversion was issued on June 20, 2024 by the Central Processing Centre, Haryana. The Corporate Identification Number of our Company is U51595MH2014PLC255128. Please refer the chapter —History and Certain Corporate Matters on page no. 105 of this Draft Prospectus.

### BRIEF COMPANY AND ISSUE INFORMATION

<b>Registered Office</b>	<b>NAPS Global India Limited</b> Office No. 11, 2nd Floor, 436 Shree Nath Bhuvan, Kalbadevi Road, Mumbai City, Mumbai, Maharashtra, India, 400002 <b>Tel No.:</b> 022-49794323 <b>Email ID:</b> <a href="mailto:napsglobalindia@gmail.com">napsglobalindia@gmail.com</a> <b>Website:</b> <a href="http://www.napsglobalindia.com">www.napsglobalindia.com</a>
<b>Date of Incorporation</b>	March 28, 2014
<b>Company Registration Number</b>	255128
<b>Company Identification Number</b>	U51595MH2014PLC255128
<b>Address of the Registrar of Companies</b>	<b>Address:</b> 100, Everest, Marine Drive, Mumbai 400 002. <b>Tel No:</b> +91- 22- 2281 2627 / 2202 0295/ 2284 6954 <b>Website:</b> <a href="http://www.mca.gov.in">www.mca.gov.in</a>
<b>Issue Programme</b>	<b>Issue Opens on:</b> [●] <b>Issue Closes on:</b> [●]
<b>Designated Stock Exchange</b>	<b>BSE Limited</b>
<b>Company Secretary and Compliance Officer</b>	<b>Priyanka Marvania</b> Office No. 11, 2nd Floor, 436 Shree Nath Bhuvan, Kalbadevi Road, Mumbai City, Mumbai, Maharashtra, India, 400002 <b>Tel No.:</b> 022-49794323; <b>Email ID:</b> <a href="mailto:napsglobalindia@gmail.com">napsglobalindia@gmail.com</a>

### BOARD OF DIRECTORS

As on the date of this Draft Prospectus, the Board of Directors of our Company comprises of the following:

Name	Designation	DIN	Residential Address
Pankaj Jain	Chairman and Managing Director	03512503	B-1506, Abrol Vastu Park, Evershine Nagar, Near Ryan International School, Malad West Dely, Malad West, Mumbai-400064, Maharashtra.
Ronak Mistry	Whole Time Director	06687171	Flat No. 701, Floor No. 7, Sai Sheetal CHSL, Daulat Nagar Road No. 5, Opp. Hanuman Temple, Daulat Nagar, Mumbai, Mumbai Suburban, Maharashtra, 400066.
Satyanarayan Punglia	Non-Executive Director	10481745	259/A, Mani Bhavan, 2nd Floor, Jagannath Shankar Sheth Marg, Girgaum, Mumbai Maharashtra, 400004.
Bhawna Hundlani	Non-Executive Independent Director	10459772	694, 9th C Road, Sardarpura, Jodhpur, Rajasthan, 342003.
Nikhil Malpani	Non-Executive Independent Director	09816032	Jawahar Colony, Kampoo, Behind Padma School, Gird, Gwalior, Madhya Pradesh, 474001.

For further details pertaining to the educational qualification and experience of our Directors, for details please refer to the chapter titled “*Our Management*” beginning on page no. 108 of this Draft Prospectus.



## CHIEF FINANCIAL OFFICER

### Ronak Mistry

Office No. 11, 2nd Floor, 436 Shree Nath Bhuvan, Kalbadevi Road,  
Mumbai City, Mumbai, Maharashtra, India, 400002

Tel No.: 022-49794323

Email ID: [napsglobalindia@gmail.com](mailto:napsglobalindia@gmail.com)

## COMPANY SECRETARY AND COMPLIANCE OFFICER

### Priyanka Marvania

Office No. 11, 2nd Floor, 436 Shree Nath Bhuvan, Kalbadevi Road,  
Mumbai City, Mumbai, Maharashtra, India, 400002

Tel No.: 022-49794323

Email ID: [napsglobalindia@gmail.com](mailto:napsglobalindia@gmail.com)

## INVESTOR GRIEVANCES

Investor are advised to contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related grievances such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders, non-receipt of funds by electronic mode, etc. For all Issue-related queries and for redressal of complaints, Investors may also write to the Lead Manager.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Application Form was submitted, giving full details such as name of the sole or First Applicant, Application Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for UPI Investors who make the payment of Application Amount through the UPI Mechanism), date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Applicant shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and subject to applicable law, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the post Offer lead manager is required to compensate the investor for delays in grievance redressal from the date on which the grievance was received until the actual date of unblock.

Further, the Applicant shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Applications submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Applicants.

## DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

### LEAD MANAGER



### ARYAMAN FINANCIAL SERVICES LIMITED

60, Khatau Building, Ground Floor

Alkesh Dinesh Modi Marg

Opp. P. J. Towers (BSE Building),

Fort, Mumbai – 400 001

Tel No.: +91 – 22 – 6216 6999

Email: [ipo@afsl.co.in](mailto:ipo@afsl.co.in)

**For Investor Grievances:** [feedback@afsl.co.in](mailto:feedback@afsl.co.in)  
**Website:** [www.afsl.co.in](http://www.afsl.co.in)  
**Contact Person:** Vatsal Ganatra/ Harsha Lohia  
**SEBI Registration No.:** INM000011344

#### REGISTRAR TO THE ISSUE



**CAMEO CORPORATE SERVICES LIMITED**  
 Subramanian Building, No. 1, Club House Road,  
 Chennai – 600 002.  
**Tel.:** +91 - 44 – 40020700 (5 Lines)  
**E-mail:** [priya@cameoindia.com](mailto:priya@cameoindia.com)  
**Investor Grievance Email:** [investor@cameodina.com](mailto:investor@cameodina.com)  
**Website:** [www.cameoindia.com](http://www.cameoindia.com)  
**Contact Person:** K. Sreepriya  
**SEBI Registration. No.:** INR 000003753

#### LEGAL COUNSEL TO THE ISSUE

**M/S. ABDUS SAMEE ABDUL QADIR MANIYAR (A. A. MANIYAR) (ADVOCATE)**  
 Office No. 2-A, Ground Floor,  
 Ali Chambers, Tamarind Street,  
 Fort, Mumbai 400 001  
**Tel No.:** +91 - 22 - 2265 5505  
**Email:** [advaamaniyar@gmail.com](mailto:advaamaniyar@gmail.com)

#### STATUTORY AUDITORS OF OUR COMPANY

**D S M R & Co., Chartered Accountants**  
 204, 2<sup>nd</sup> Floor, A Wing, Surya Kiran Building,  
 B/h HDFC bank Nr. Chamunda Circle,  
 S V P Road, Borivali West, Mumbai-400092  
**Tel:** +91 9820099062  
**Email:** [cadsonigira@gmail.com](mailto:cadsonigira@gmail.com)  
**Contact Person:** Dharmendra Singh Songira  
**Membership No.:** 113275  
**Firm Registration No.:** 128085W  
**Peer Review No.:** 015081

#### CHANGES IN THE AUDITORS

Except as disclosed below, there has been no change in the statutory auditors during the three years immediately preceding the date of this Draft Prospectus:

Date	From	To	Reason for Change
April 02, 2024	<b>Deepak SL Agarwal &amp; Co., Chartered Accountant</b> Office no. G-3, Ground Floor, Geeta Park, B Wing, Mandli Talao Road, Bhayandar(W), Thane-401101 <b>Tel:</b> +91 93211 36137 <b>Email:</b> <a href="mailto:dsagarwalca@gmail.com">dsagarwalca@gmail.com</a> <b>Contact Person:</b> CA Deepak Agarwal <b>Membership No.:</b> 110579 <b>Firm Registration No.:</b> 123094W <b>Peer Review No.:</b> NA	<b>D S M R &amp; Co., Chartered Accountant</b> 204, 2 <sup>nd</sup> Floor, A Wing, Surya Kiran Building, B/h HDFC bank Nr. Chamunda Circle, S V P Road, Borivali West, Mumbai-400092 <b>Tel:</b> +91 98200 99062 <b>Email:</b> <a href="mailto:cadsonigira@gmail.com">cadsonigira@gmail.com</a> <b>Contact Person:</b> Dharmendra Singh Songira <b>Membership No.:</b> 113275 <b>Firm Registration No.:</b> 128085W <b>Peer Review No.:</b> 015081	Appointment of Peer reviewed Certified Auditor

## **BANKERS TO OUR COMPANY**

[•]

## **BANKER(S) TO THE ISSUE / REFUND BANK / SPONSOR BANK**

[•]

## **SELF-CERTIFIED SYNDICATE BANKS**

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>. Details relating to designated branches of SCSBs collecting the ASBA application forms are available at the above-mentioned link.

The list of banks that have been notified by SEBI to act as SCSBs for the UPI process provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the designated intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and it's updated from time to time.

## **INVESTORS BANKS OR ISSUER BANKS FOR UPI**

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above mentioned SEBI link.

## **REGISTERED BROKERS**

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, Applicant can submit Application Form for the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Brokers Centres.

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)), and updated from time to time. For details on Registered Brokers, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

## **REGISTRAR AND SHARE TRANSFER AGENTS**

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)), and updated from time to time. For details on RTA, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

## **COLLECTING DEPOSITORY PARTICIPANTS**

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

## **INTER SE ALLOCATION OF RESPONSIBILITIES FOR THE ISSUE**

Aryaman Financial Services Limited (AFSL) is the sole Lead Manager (LM) to the issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them.

## **MONITORING AGENCY**

Since the proceeds from the Fresh Issue does not exceed ₹ 10,000 Lakhs in terms of Regulation 262 (1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

## **APPRAISING AUTHORITY**

The objects of the Issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

## **CREDIT RATING**

As the Issue is of Equity Shares, the appointment of a credit rating agency is not required.

## **IPO GRADING**

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations there is no requirement of appointing an IPO Grading agency.

## **GREEN SHOE OPTION**

No green shoe option is applicable for the Issue.

## **TRUSTEES**

As this is an Issue of Equity Shares, the appointment of trustees is not required.

## **TYPE OF ISSUE**

The present Issue is considered to be 100% Fixed Price Issue

## **EXPERT OPINION**

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditor namely, M/s D S M R & Co, Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect to their Report on Restated Financial Statements dated August 16, 2024 and Report on Statement of Tax Benefits dated August 16, 2024 and issued by them, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus. [Note: Auditor consent and report yet to be received]

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## **FILING OF ISSUE DOCUMENT**

The Draft Prospectus and Prospectus shall be filed on SME Platform of BSE Limited.

Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, Draft Prospectus has not been submitted to SEBI, however, soft copy of Prospectus shall be submitted to SEBI pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. SEBI will not issue any observation on the issue document in term of Regulation 246(2) of the SEBI ICDR Regulations.

A copy of the Prospectus along with the material contracts and documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Mumbai situated at 100, Everest, Marine Drive, Mumbai- 400 002, Maharashtra, India at least (3) three working days prior from the date of opening of the Issue.

## ISSUE PROGRAMME

Event	Dates
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Allotment / Refunds / Unblocking of Funds	[●]
Credit of Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of Equity Shares on the Stock Exchange	[●]

The above timetable is indicative and does not constitute any obligation on our Company, or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted only between **10.00 a.m. and 5.00 p.m.** (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 3.00 p.m.** (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Investor after taking into account the total number of applications received upto the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company, nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Investor can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

## UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of Shares Underwritten	Amount Underwritten	% of total Issue size underwritten
[●]	[●]	[●]	[●]

Note: Includes Upto 72,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended

As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account. In the opinion of the Board of Directors (based on certificate given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

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

## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would Issue a public notice in the newspapers, in which the pre- Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

## MARKET MAKER

[●]

### Details of the Market Making Arrangement for this Issue

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and the Market Maker (duly registered with BSE to fulfill the obligations of Market Making) dated [●] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares issued in this Issued.

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

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by Stock Exchange and SEBI in this matter from time to time.

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1,00,000 shall be allowed to Issue their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. The Inventory Management and Buying/ Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform of BSE Limited from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. The shares of the Company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE Limited and Market Maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
7. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems or any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
8. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
9. The Market Maker shall have the right to terminate the said arrangement by giving a one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above mentioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further the Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time.

10. **Risk containment measures and monitoring for Market Maker:** SME Platform of BSE Limited will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
11. **Punitive Action in case of default by Market Maker:** SME Platform of BSE Limited will monitor the obligations on a real-time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

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

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

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

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

Sr. No.	Market Price Slab (in ₹)	Proposed spread (in % to sale price)
1.	Upto 50	9
2.	50 to 75	8
3.	75 to 100	7
4.	Above 100	6

14. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the issue size and as follows:

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

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

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



## CAPITAL STRUCTURE

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

(₹ in lakhs except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price <sup>(3)</sup>
<b>A.</b>	<b>Authorized Share Capital</b>		
	47,50,000 Equity Shares of face value of ₹10 each	475.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Equity Capital before the Issue</b>		
	31,10,000 Equity Shares of face value of ₹10 each	311.00	-
<b>C.</b>	<b>Present Issue in Terms of this Draft Prospectus</b>		
	Issue of Upto 13,20,000 Equity Shares of face value of ₹10 each <sup>(1)</sup>	132.00	[●]
	<i>Which Comprises:</i>		
	<b>Reservation for Market Maker portion</b> 72,000 Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion	7.20	[●]
	<b>Net Issue to the Public</b> Net Issue to Public of 12,48,000 Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share to the Public	124.80	[●]
	<i>Of which<sup>(2)</sup></i>		
	6,24,000 Equity Shares of ₹. 10/- each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of upto ₹ 2.00 lakhs	62.40	[●]
	6,24,000 Equity Shares of ₹. 10/- each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	62.40	[●]
<b>D.</b>	<b>Paid-up Equity Capital after the Issue</b>		
	Upto 44,30,000 Equity Shares of face value of ₹10 each		443.00
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue		NIL
	After the Issue		[●] <sup>(3)</sup>

<sup>(1)</sup> The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held June 25, 2024 and by our Shareholders pursuant to a Special Resolution passed at the Extra-Ordinary General meeting held on June 27, 2024.

<sup>(2)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

<sup>(3)</sup> To be finalized upon determination of the Issue Price.

### **Classes of Shares:-**

Our Company has only one class of share capital i.e. Equity Shares of face value of ₹ 10/- each only. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

### **CHANGES IN AUTHORIZED SHARE CAPITAL**

- The Initial Authorized Share Capital Shares of ₹ 1,00,000 (Rupees One Lakh Only) divided into 10,000 (Ten Thousand) Equity Shares of ₹10 each was increased to ₹15,00,000 (Rupees Fifteen Lakhs Only) divided into 1,50,000

(One Lakh Fifty Thousand) Equity Shares of ₹10 each pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on December 15, 2017.

2. The Authorized Share Capital of the Company was increase further from ₹ 15,00,000 (Rupees Fifteen Lakhs Only) divided into 1,50,000 (One Lakh Fifty Thousand) Equity Shares of ₹10 each to ₹ 4,75,00,000 (Rupees Four Crore Seventy Five Lakhs Only) divided into 47,50,000 (Forty Seven Lakhs Fifty Thousand) Equity Shares of ₹10 each pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on April 24, 2023.

## NOTES TO THE CAPITAL STRUCTURE

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

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

Year/ Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid Up Equity Shares Capital (₹)	Cumulative Share Premium (₹)
Initial Subscription to MoA	10,000	10	10	Cash	Subscription to MOA <sup>(1)</sup>	10,000	1,00,000	NIL
October 10, 2023	11,00,000	10	NIL	Other than Cash	Bonus Issue <sup>(2)</sup>	11,10,000	1,11,00,000	NIL
January 29, 2024	7,50,000	10	NIL	Other than Cash	Bonus Issue <sup>(3)</sup>	18,60,000	1,86,00,000	NIL
March 06, 2024	12,50,000	10	10	Cash	Right Issue <sup>(4)</sup>	31,10,000	3,11,00,000	NIL

#### (1) Initial subscription of MOA

Sr. No	Name of Subscribers	No. of Equity Shares Allotted
1.	Pankaj Jain	5,000
2.	Ronak Mistry	5,000
<b>Total</b>		<b>10,000</b>

- (2) Bonus Issue of 11,00,000 Equity Shares of Face Value of ₹10/- each in the ratio of 110:1, allotted on October 10, 2023

Sr. No	Name of Allottees	No. of Equity Shares Allotted
1.	Pankaj Jain	6,49,000
2.	Ronak Mistry	4,51,000
<b>Total</b>		<b>11,00,000</b>

- (3) Bonus Issue of 7,50,000 Equity Shares of Face Value of ₹10/- each in the ratio of 75:111, allotted on January 29, 2024

Sr. No	Name of Allottees	No. of Equity Shares Allotted
1.	Pankaj Jain	4,42,500
2.	Ronak Mistry	3,07,500
<b>Total</b>		<b>7,50,000</b>

- (4) Right Issue of 12,50,000 Equity Shares of Face Value of ₹10/- each in the ratio of 186:125 (against conversion of loan), allotted on March 06, 2024.

Sr. No	Name of Allottees	No. of Equity Shares Allotted
1.	Pankaj Jain	5,50,000
2.	Pankaj Jain HUF	1,55,000

Sr. No	Name of Allottees	No. of Equity Shares Allotted
3.	Ansh Jain	2,20,000
4.	Soniya Jain	2,70,000
5.	Sundarlal Jain	55,000
<b>Total</b>		<b>12,50,000</b>

**2. Details of Equity Shares issued for consideration other than cash:**

Except as set out below we have not issued Equity Shares for consideration other than cash:

Date of Allotment	Number of Equity Shares	Face Value	Issue Price (₹)	Reasons for Allotment	Benefit accrued to Company
October 10, 2023	11,00,000	10	NA	Bonus Issue	Capitalisation of Reserves
January 29, 2024	7,50,000	10	NA	Bonus Issue	Capitalisation of Reserves

- No shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956 or sections 230-234 of the Companies Act, 2013.
- Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.
- Our Company has not re-valued our assets since inception and has not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
- Our Company has not issued any equity shares lower than the Issue Price during the preceding 1 (one) year except as stated below:

Date of Allotment	Name of the Allottees	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Promoters / Promoters Group	Reasons for Allotment	Benefit accrued to Company
October 10, 2024	Pankaj Jain	6,49,000	10	NA	Promoter	Bonus Issue	Capitalization of reserves
	Ronak Mistry	4,51,000			Promoter		
<b>Total</b>		<b>11,00,000</b>					
January 29, 2024	Pankaj Jain	4,42,500	10	NA	Promoter	Bonus Issue	Capitalization of reserves
	Ronak Mistry	3,07,500			Promoter		
<b>Total</b>		<b>7,50,000</b>					
March 06, 2024	Pankaj Jain	5,50,000	10	10	Promoter	Right Issue	Conversion of Loan
	Pankaj Jain HUF	1,55,000			Promoter Group		
	Ansh Jain	2,20,000			Promoter Group		
	Soniya Jain	2,70,000			Promoter Group		
	Sundarlal Jain	55,000			Promoter Group		
<b>Total</b>		<b>12,50,000</b>					

## 7. Shareholding Pattern of our Company

- a) The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of the Draft Prospectus:

Category (I)s	Category of shareholder(II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding , as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number Locked of in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)	
								Class-Equity	Class	Total								
A	Promoters & Promoters Group	7	31,10,000	-	-	31,10,000	100%	31,10,000	-	31,10,000	100%	-	100%	-	-	-	-	31,10,000
B	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	Non Promoters Non - Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C 1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C 2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>31,10,000</b>	<b>-</b>	<b>-</b>	<b>31,10,000</b>	<b>100%</b>	<b>31,10,000</b>	<b>-</b>	<b>31,10,000</b>	<b>100%</b>	<b>-</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,10,000</b>

- a) Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Draft Prospectus

Sr. No	Name of Shareholders	Number of Equity shares	Percentage of the pre-Issue Equity Share Capital (%)
1.	Pankaj Jain	16,47,400	52.97%
2.	Ronak Mistry	6,07,600	19.54%
3.	Soniya Jain	2,70,000	8.68%
4.	Ansh Jain	2,20,000	7.07%
5.	Pankaj Jain HUF	1,55,000	4.98%
6.	Smita Ronak Mistry	1,55,000	4.98%
7.	Sundarlal Jain	55,000	1.77%
<b>Total</b>		<b>31,10,000</b>	<b>100.00%</b>

- b) Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, on a fully diluted basis, as of 10 days prior to the date of this Draft Prospectus.

Sr. No	Name of Shareholders	Number of Equity shares	Percentage of the pre-Issue Equity Share Capital (%)
1.	Pankaj Jain	16,47,400	52.97%
2.	Ronak Mistry	6,07,600	19.54%
3.	Soniya Jain	2,70,000	8.68%
4.	Ansh Jain	2,20,000	7.07%
5.	Pankaj Jain HUF	1,55,000	4.98%
6.	Smita Ronak Mistry	1,55,000	4.98%
7.	Sundarlal Jain	55,000	1.77%
<b>Total</b>		<b>31,10,000</b>	<b>100.00%</b>

- c) Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of one year prior to the date of this Draft Prospectus.

Sr. No	Name of Shareholders	Number of Equity shares	Percentage of the pre-Issue Equity Share Capital (%)
1.	Pankaj Jain	5,900	59.00%
2.	Ronak Mistry	4,100	41.00%
<b>Total</b>		<b>10,000</b>	<b>100.00%</b>

- d) Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of two years prior to the date of this Draft Prospectus.

Sr. No	Name of Shareholders	Number of Equity shares	Percentage of the pre-Issue Equity Share Capital (%)
1.	Pankaj Jain	5,000	50.00%
2.	Ronak Mistry	5,000	50.00%
<b>Total</b>		<b>10,000</b>	<b>100.00%</b>

- e) Our Company has not made any public issue (including any rights issue to the public) since its incorporation.
- f) Our Company has not issued any warrants, convertible debentures, loan or any other instrument which would entitle the shareholders to equity shares upon exercise or conversion.
8. Except as disclosed in this Draft Prospectus, our Company does not have any intention or proposal to alter our capital structure within a period of 6 months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or

any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

## 9. Shareholding of our Promoters

As on the date of this Draft Prospectus, our Promoters hold 72.51% of the pre-Issued, subscribed and paid-up Equity Share capital of our Company.

Build-up of the shareholding of our Promoters in our Company since incorporation:

Date of Allotment / Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	FV (₹)	Acquisition / Transfer Price	Cumulative No. of shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
<b>Pankaj Jain</b>								
Initial Subscription to MoA	Subscription to MoA	Cash	5,000	10	10	5,000	0.16%	0.11%
April 01, 2023	Transfer	Cash*	900	10	1115	5,900	0.03%	0.02%
October 10, 2023	Bonus Issue	Other than Cash	6,49,000	10	NA	6,54,900	20.87%	14.65%
January 29, 2024	Bonus Issue	Other than Cash	4,42,500	10	NA	10,97,400	14.23%	9.99%
March 06, 2024	Right Issue	Cash	5,50,000	10	10	16,47,400	17.68%	12.42%
<b>Ronak Mistry</b>								
Initial Subscription to MoA	Subscription to MoA	Cash	5,000	10	10	5,000	0.16%	0.11%
April 01, 2023	Transfer	Cash*	(900)	10	1115	4,100	(0.03%)	(0.02%)
October 10, 2023	Bonus Issue	Other than Cash	4,51,000	10	NA	4,55,100	14.50%	10.18%
January 29, 2024	Bonus Issue	Other than Cash	3,07,500	10	NA	7,62,600	9.89%	6.94%
March 06, 2024	Gift Deed**	Other than cash	(1,55,000)	10	Nil	6,07,600	(4.98%)	(3.50%)

\* Transfer of 900 equity shares from Ronak Mistry to Pankaj Jain.

\*\* Transferred 1,55,000 equity shares from Ronak Mistry to Smita Mistry.

### Notes:

- None of the shares belonging to our Promoters have been pledged till date.
- The entire Promoters' shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Draft Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.
- Our Promoters have confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.
- All the shares held by our Promoters, were fully paid-up on the respective dates of acquisition of such shares.

a) Pre-Issue and Post-Issue Shareholding of our, Promoters and Promoters Group

Category of Promoters	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
<b>1. Promoters</b>				
Pankaj Jain	16,47,400	52.97%	16,47,400	37.19%
Ronak Mistry	6,07,600	19.54%	6,07,600	13.72%
<b>2. Promoters Group (as per defined by Reg. 2(1)(pp) of SEBI ICDR Regulations)</b>				
Soniya P Jain	2,70,000	8.68%	2,70,000	6.09%
Ansh Jain	2,20,000	7.07%	2,20,000	4.97%
Pankaj Jain HUF	1,55,000	4.98%	1,55,000	3.50%
Smita Ronak Mistry	1,55,000	4.98%	1,55,000	3.50%
Sunderlal Madanlal Jain	55,000	1.77%	55,000	1.24%
<b>Total Promoters &amp; Promoters Group Holding</b>	<b>31,10,000</b>	<b>100.00%</b>	<b>31,10,000</b>	<b>70.20%</b>
<b>Total Paid up Capital</b>	<b>31,10,000</b>	<b>100.00%</b>	<b>44,30,000</b>	<b>100.00%</b>

10. Our Company has Seven (7) shareholders, as on the date of this Draft Prospectus.

11. We hereby confirm that:

- None of the members of the Promoters, Promoters Group, Directors and their immediate relatives have purchased or sold any Equity shares of our Company within the last six months from the date of this Draft Prospectus.
- None of the members of the Promoters Group, Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of this Draft Prospectus.

**12. Promoter's Contribution and Lock-in details**

a) *Details of Promoter's Contribution locked-in for three (3) years*

Pursuant to the Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Issue Equity Share Capital held by our Promoters shall be considered as promoter's contribution ("Promoter's Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of the Promoter's Equity Shares proposed to be locked-in for a period of three years are as follows:

Name of the Promoters	Number of shares locked-in <sup>(1)</sup>	As a % of Post Issue Share Capital
Pankaj Jain	6,54,000	14.76%
Ronak Mistry	2,46,000	5.55%
<b>TOTAL</b>	<b>9,00,000</b>	<b>20.32%</b>

<sup>(1)</sup> For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired, please refer Note no.9 under "Notes to Capital Structure" on page no. 53 of this Draft Prospectus

We confirm that in compliance with Regulation 237 of SEBI ICDR Regulations, the minimum Promoters contribution of 20% as shown above which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoters during the preceding one year, at a price lower than the price at which Equity Shares are being issued to public in the Issue.

- The Equity Shares held by the Promoters and offered for minimum 20% Promoters Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters Contribution subject to lock-in.

**We further confirm that our Promoters Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.**

*1. Details of share capital locked-in for one (1) year*

- Pursuant to Regulation 238 (b) of the SEBI (ICDR) Regulations, in addition to the Promoters Contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-Issue Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this Issue
  - Pursuant to Regulation 242 of the SEBI Regulations, the Equity Shares held by our Promoters can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Issue and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Draft Prospectus, none of the Equity Shares held by our Promoters have been pledged to any person, including banks and financial institutions.
  - Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to and amongst our Promoters/ Promoters Group or to a new promoters or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
  - Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- Neither the Company, nor its Promoters, Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
  - All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful Applicants will be issued fully paid-up Equity Shares
  - As on the date of this Draft Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
  - As on date of this Draft Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOP's till date.
  - None of our Directors or Key Managerial Personnel holds Equity Shares in the Company, except as stated in the chapter titled "*Our Management*" beginning on page no. 108 of this Draft Prospectus.
  - Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under "Basis of Allotment" in the chapter titled "*Issue Procedure*" beginning on page no. 191 of this Draft Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
  - An over-subscription to the extent of 1% of the Fresh Issue subject to the maximum post issue paid up capital of ₹ 25 cr. and availability of authorized capital can be retained for the purpose of rounding off to the nearest integer during



finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 1% of the Fresh Issue, as a result of which, the post Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

- 20.** Subject to valid applications being received at or above the Issue Price, under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
- 21.** No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
- 22.** There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
- 23.** Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoters Group between the date of this Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
- 24.** Our Promoters and Promoters Group will not participate in the Issue.
- 25.** The Promoters and members of our Promoter Group will not receive any proceeds from the Issue.
- 26.** Our Company has not re-valued its assets and we do not have any revaluation reserves till date.

## SECTION V- PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

#### Issue Proceeds and Net Issue Proceeds

The details of the proceeds of the Issue are set forth in the table below:

(₹ in lakhs)

Particulars	Amount
Gross Proceeds of the Issue	[•]
Less: Issue related expenses <sup>(1)</sup>	[•]
<b>Net Proceeds of the Issue</b>	<b>[•]</b>

<sup>(1)</sup>The Issue related expenses are estimated expenses and subject to change

#### Net Issue

Our Company proposes to utilize the Net Proceeds from Issue towards funding the following objects (collectively, referred to herein as the “Objects”):

1. Funding Working Capital Requirement
2. General Corporate Purpose

Further, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchange including to enhance our visibility and our brand image among our existing and potential customers and creation of a public market for our Equity Shares in India.

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us (i) to undertake our existing business activities and (ii) to undertake the activities proposed to be funded from the Net Proceeds.

#### Proposed Schedule of Implementation and Deployment of the Net Proceeds

The Net Proceeds of the Issue (“Net Proceeds”) are currently expected to be deployed in accordance with the schedule as stated below:

(₹ in lakhs)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Amount to be deployed from the Net Proceeds in FY 2024-25
1.	Funding Working capital requirements	925.00	925.00
2.	General Corporate Purpose	[•]	[•]
<b>Total</b>		<b>[•]</b>	<b>[•]</b>

#### Requirements of Funds and Means of Finance

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, quotations from suppliers, and other commercial and technical factors. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with suppliers, variation in cost estimates on account of factors, including changes in design or configuration of the equipment and other external factors including changes in the price of the equipment due to variation in commodity prices which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, subject to compliance with applicable law. For further details, see “Risk Factors – The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds is entirely at the discretion of our management and as per the details mentioned in the section titled “Objects of the Issue”. Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings”. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects of the Issue, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Fiscals towards the aforementioned objects.

The fund requirements for all objects are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by our internal accruals and/ or debt, as required. If the actual utilization towards any of the objects is lower than the proposed deployment, such balance will be used for funding other objects as mentioned above or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the gross proceeds from the Issue in accordance with the SEBI ICDR Regulations.

## DETAILS OF THE FUND REQUIREMENTS

### 1. Funding Working capital requirements

Our company has been operating as an importer and ensuring we have least possible inventory holding costs. Further we operate on thin margins and try to match our receivables with similar credit terms as our trade payables. We are maintaining a long-standing relationship with companies in China and have been able to create a strong customer base in India operating on thin margins and still being profitable and creating a goodwill in the market. We believe that the time is now appropriate to exploit these relationships and supply chain network to scale up our business activities. Hence, we have decided to venture into forward integration program and we now intend to sell custom made garments in addition to the fabrics business. This would entail us to procure fabric and send the same to our outsourced garment manufacturers who would take 2 months approximately to deliver the custom-made garments which would then be imported to India and sold by us Thus the company would now have to account for and maintain a WIP inventory of 1 to 2 months. Further in order to improve our profit margins we intend to pay our suppliers with lesser credit periods. More favorable payment terms would help our company reduce our raw material procurement costs and hence directly impact our profit margins positively. Both these endeavors would increase our requirement of working capital.

#### Existing Working Capital

The details of Company's existing working capital gap and source of their funding based on restated financials for the Financial Year 2021-22, 2022-23 and 2023-24. These working capital gaps are certified by the Statutory Auditors, pursuant to a certificate dated August 16, 2024.

(Rs in Lakhs)

Particulars	Fiscal 2021-22 (Restated)	Fiscal 2022-23 (Restated)	Fiscal 2023-24 (Restated)
<b>Current Assets</b>			
Inventories	48.32	84.62	87.56
Trade Receivables	209.42	309.33	596.59
Cash and Cash Equivalents	14.89	21.89	112.98
Short Term Loans and Advances and other current assets	48.88	75.07	101.04
<b>Total Current Assets</b>	<b>321.51</b>	<b>490.91</b>	<b>898.17</b>
<b>Current Liabilities</b>			
Trade Payables	265.85	400.20	638.29
Other Current Liabilities and Short Term Provisions	50.82	39.36	113.70
<b>Total Current Liabilities</b>	<b>316.67</b>	<b>439.56</b>	<b>751.99</b>
<b>Working Capital Gap</b>	<b>4.85</b>	<b>51.35</b>	<b>146.18</b>
<b>Funding Pattern</b>			
Owned Funds	4.85	51.35	146.18
IPO	-	-	-

#### Basis of estimation of working capital requirements

Our Company proposes to utilize ₹ 925.00 lakhs of the Net Proceeds for our working capital requirements. The entire amount will be utilized during Financial Year 2024-25 towards our Company's working capital requirements. The incremental and proposed working capital requirements, as approved by the Board pursuant to a resolution dated

August 16, 2024 and key assumptions with respect to the determination of the same are mentioned below. Our Company's expected working capital requirements for Financial Year 2024-25 and the proposed funding of such working capital requirements are as set out in the table below:

**Basis of estimation of working capital requirements**

(Rs in lakhs)

Sr. No.	Particulars	Fiscal 2024-25 (Projected)
<b>I.</b>	<b>Current Assets:</b>	
1	Inventories	854.79
2	Trade Receivables	790.68
3	Short Term Loans and Advances	50.00
4	Other Current Assets	100.00
	<b>Total Current Assets (A)</b>	<b>1,795.48</b>
<b>II.</b>	<b>Current Liabilities</b>	
1	Trade Payables	576.99
2	Other Current Liabilities and Short Term Provisions	147.31
	<b>Total Current Liabilities (B)</b>	<b>724.30</b>
<b>III.</b>	<b>Total Working Capital Gap (A – B)</b>	<b>1,071.18</b>
<b>IV.</b>	<b>Funding Pattern:</b>	
1.	Owned Fund	146.18
2.	IPO	925.00

Our Statutory Auditor has, pursuant to a certificate dated August 16, 2024 certified the working capital requirements of our Company for the Fiscal 2025.

**Holding Period level:**

Sr. No.	Particulars	FY 2021-22 (Restated)	FY 2022-23 (Restated)	FY 2023-24 (Restated)	FY 2024-25 (Projected)
<b>A.</b>	<b>Current Assets:</b>				
1	Trade Receivables	57	44	46	37
2	Inventories	13	12	7	40
<b>B.</b>	<b>Current Liabilities</b>				
1	Trade Payables	81	59	52	30

**Justification for holding period levels**

Particulars	Details
<b>Current Assets</b>	
Inventories	Inventories consist of Fabrics which was a traded item during last 3 years and will be classified as raw material for the financial year 24-25. In Financial Year 2021-22, 2022-23 and 2023-24, our inventory holding days were 13 days, 12 days and 7 days respectively. As our Company has decided to venture into forward integration program, we now intend to sell custom made garments in addition to the fabrics business. We are expecting increase in level of holding periods of inventories as the fund will get deployed in procurement of fabric and sending fabrics to our outsourced garment manufacturers who would take 2 months approximately to deliver the custom-made garments to us. Company estimates inventories holding period to be 37 days for Financial Year 2024-25.
Trade Receivables	In Financial Year 2021-22, 2022-23 and 2023-24, our trade receivables were 57 days, 44 days and 46 days respectively. For growth in business, revenue and profit, we need to survive in competitive market. As our company deals with the customers PAN India wherein the fund gets deployed from day. With the industry practice to provide a good

Particulars	Details
	credit period, our funds get deployed in the operating cycle. With the current trends in business, the holding level for debtor is expected to be 40 days for Financial Year 2024-25.
Short term loans & advances and other current assets	The key items under this head are advance to suppliers, advances to employees, indirect tax receivable and balance with equity brokers. Based on restated financials for Financial Year 2021-22, 2022-23 and 2023-24 Short term loans and advances are 1.89%, 2.90%, 2.14% of revenue respectively. For Financial Year 2024-25, 1.28% of Revenue is projected for short term loans & advances
<b>Current Liabilities</b>	
Trade Payables	In Financial 2021-22, 2022-23 and 2023-24, our trades payable were 81 days, 59 days, 52 days respectively. Our Company intends to improve our relations and ensure timely supply which will require us to have ready inventory and paying the Creditors in short period of time will enable us to avail various trade discounts and better margins. Accordingly, we estimate that the Trade Payables be paid within a cycle of approximately 30 days for Financial Year 2024-25.
Other current liabilities and short-term provisions	Statutory tax dues payable, advance from debtors, & provision for employee benefit expenses and other expenses are included under this head. Based on restated financial for Financial Year 2021-22, 2022-23 and 2023-24, other current liabilities are 3.81%, 1.52%, 2.40% of Revenue respectively. For Financial Year 2024-25, 1.89% of Revenue is projected for other current liabilities.

## 2. General Corporate Purpose

Our management will have flexibility to deploy ₹[●] lakhs, aggregating to [●]% of the Gross Proceeds towards general corporate purposes, including but not restricted to strategic initiatives, partnerships, joint ventures and strategic entity/business acquisitions, branding, marketing, new client referral fees meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, towards brand promotion activities or any other purposes as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act.

Our management, in accordance with the policies of the Board, will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that in terms of Regulation 230(2) of the SEBI ICDR Regulations, the extent of the Net Proceeds according to this Draft Prospectus, proposed to be used for general corporate purposes, shall not exceed 25% of the amount raised by our Company through the Issue of Equity Shares.

## ISSUE RELATED EXPENSES

The total estimated Issue Expenses are ₹ [●], which is [●] % of the total Issue Size. The details of the Issue Expenses are tabulated below:

(Rs in lakhs)

Sr. No.	Particulars	Amount (₹ in lakhs) <sup>(1)</sup>	% of Total Expenses <sup>(1)</sup>	% of Total Issue size <sup>(1)</sup>
1	Issue Management fees including fees and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	[●]	[●]%	[●]%
2	Brokerage and selling commission <sup>(2)(3)(4)</sup>	[●]	[●]%	[●]%
3	Printing & Stationery, Distribution, Postage, etc.	[●]	[●]%	[●]%
4	Advertisement and Marketing Expenses	[●]	[●]%	[●]%
5	Stock Exchange Fees, Regulatory and other Expenses	[●]	[●]%	[●]%
<b>Total</b>		[●]	[●]%	[●]%

<sup>(1)</sup> Will be incorporated at the time of filing of the Prospectus and on determination of Issue Price and other details.

*(2) The SCSBs and other intermediaries will be entitled to a commission of ₹ [●]/- per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them.*

*(3) The SCSBs would be entitled to processing fees of ₹ [●]/- per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.*

*(4) Further the SCSBs and other intermediaries will be entitled to selling commission of [●]% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.*

The Issue expenses are estimated expenses and subject to change. The Issue expenses shall be payable within 30 working days post the date of receipt of the final invoice from the respective Intermediaries by our Company.

### **Appraisal and Bridge Loans**

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds.

### **Year wise Deployment of Funds / Schedule of Implementation**

As on the date of this Draft Prospectus, no funds have been deployed on these objects. The entire Issue size is proposed to be deployed in the Financial Year 2024-25.

### **Monitoring of Utilization of Funds**

Since the proceeds from the Issue do not exceed ₹10,000 lakhs, in terms of Regulation 262 of the SEBI ICDR regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee will monitor the utilisation of the proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to the SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilisation of the proceeds from the Issue from the objects of the Issue as stated above.

### **Interim Use of Funds**

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act. Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets.

### **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in Regional language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoter or controlling Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price as may be prescribed by SEBI, in this regard.

**Other Confirmations / Payment to Promoter and Promoter's Group from the IPO Proceeds**

There are no anticipated transactions in relation to utilization of Net Proceeds with our Promoters, Directors and Key Managerial Personnel. No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, our Board of Directors, our Key Management Personnel or Enterprise in which our KMP's has significant influence except in the normal course of business in compliance with applicable law.

## BASIS OF ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is ₹ 10 and Issue Price is ₹ [●] per Equity Shares and is [●] time of the face value. Investors should read the following basis with the sections titled “Risk Factors”, “Financial Information” and the chapter titled “Our Business” beginning on page nos. 23, 127 and 87 respectively, of this Draft Prospectus (“DP”) to get a more informed view before making any investment decisions. The trading price of the Equity Shares of Our Company could decline due to these risk factors and you may lose all or part of your investments.

### Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for the Issue Price are:

1. Long standing relation with suppliers
2. Experienced Promoters and Directors
3. Healthy Financial Performance

For more details on qualitative factors, refer to chapter “Our Business” on page no 87 of this Draft Prospectus (“DP”)

### Quantitative Factors

The information presented in this section is derived from our Restated Financial Statements. For more details on financial information, investors please refer the chapter titled “Financial Statements as Restated” on page no. 127 of this Draft Prospectus (“DP”).

Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy.

Some of the quantitative factors which may form the basis for computing the price are as follows:

#### 1. Basic and Diluted Earnings / Loss Per Share (“EPS”)

Year ended March 31,	Basic & Diluted	
	EPS (in ₹) <sup>(1)</sup>	Weights
2024	6.96	3
2023	1.35	2
2022	0.91	1
<b>Weighted Average</b>	<b>4.08</b>	

<sup>(1)</sup> Based on Restated Financials of our Company

#### Notes:

- a. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year/period}}$$

- b. Diluted EPS has been calculated as per the following formula:

$$\text{Diluted EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year/period}}$$

- c. Basic and Diluted EPS calculations are in accordance with Accounting Standard 20 “Earnings per Share”, notified under section 133 of Companies Act, 2013 read together with paragraph 7 of Companies (Accounting) Rules, 2014.

- d. The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Statements as appearing in “Annexure IV & V - Financial Information” beginning on page no. 127 Draft Prospectus (“DP”).



**2. Price Earnings Ratio (“P/E”) in relation to the Price of ₹[●] per share of ₹ 10 each**

Particulars	P/E*
P/E ratio based on Basic and Diluted EPS as at March 31, 2024	[●]
P/E ratio based on Weighted Average EPS	[●]

**3. Industry PE Ratio**

Particulars	P/E*
Highest	81.70
Lowest	3.2
Industry Average	21.00

Notes: The industry high, low and average has been considered from the Capital Market, Volume XXXIX/08 May 27 - June 09, 2024. Industry "Steel - Medium / Small).

**4. Return on Net worth (RoNW)**

Year ended March 31,	RoNW (%) <sup>(1)</sup>	Weight
2024	38.15%	3
2023	24.61%	2
2022	21.94%	1
<b>Weighted Average</b>	<b>30.93%</b>	

<sup>(1)</sup> Based on Restated Financials of our Company

**Note:** Return on Net worth has been calculated as per the following formula:

$$\text{RoNW} = \frac{\text{Net profit/loss after tax, as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

**5. Net Asset Value (NAV) based on actual no. of equity shares at the end of the year**

Financial Year	NAV (₹)
NAV as at March 31, 2024	12.24
NAV after Issue	[●]
Issue Price (₹)	[●]

**Note:** Net Asset Value has been calculated as per the following formula:

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares at the end of the year}}$$

**6. Key Performance Indicators**

All the KPIs disclosed below have been approved by a resolution of our Audit Committee dated August 16, 2024 and the Audit Committee has confirmed that it has verified and audited details of all the KPIs pertaining to the Company that have been disclosed to earlier investors at any point of time during the three years period prior to the date of filing of this Draft Prospectus, if any. During the three years period prior to the date of filing of this Draft Prospectus, no fresh allotment was made except for issuance of equity shares on bonus issue and right issue as disclosed in this section and section entitled “Capital Structure” on page 53 of this Draft Prospectus. s. Further, the KPIs herein have been certified by M/s. D S M R & Co., Statutory Auditor, by their certificate dated August 16 2024. For further details, please refer to the sections entitled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 87 and 147 respectively.

(Rs. in lakhs)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations	4,731.29	2,589.26	1,334.40
EBITDA <sup>(1)</sup>	188.55	54.20	40.20
EBITDA Margin (%) <sup>(2)</sup>	3.99%	2.09%	3.01%

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Restated profit for the period / year	145.22	27.17	18.26
Restated profit for the period / year Margin (%) <sup>(3)</sup>	3.07%	1.05%	1.37%
Return on Equity ("RoE") (%) <sup>(4)</sup>	59.15%	28.06%	24.64%
Return on Capital Employed ("RoCE") (%) <sup>(5)</sup>	47.47%	42.62%	30.35%

Notes:

(1) EBITDA is calculated as restated profit for the period / year plus tax expense plus depreciation and amortization plus finance costs plus exceptional items.

(2) EBITDA Margins calculated as EBITDA divided by revenue from operations.

(3) Restated profit for the period / year margins calculated as restated profit for the period / year divided by revenue from operations.

(4) RoAE is calculated as Net profit after tax divided by Average Equity.

(5) RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed.

### **Explanation for the Key Performance Indicators**

**Revenue from operations:** Revenue from operations represents the total turnover of the business as well as provides information regarding the year over year growth of our Company.

**EBITDA:** EBITDA is calculated as Restated profit / loss for the period plus tax expense plus depreciation and amortization plus finance costs and any exceptional items. EBITDA provides information regarding the operational efficiency of the business of our Company.

**EBITDA margin:** EBITDA Margin the percentage of EBITDA divided by revenue from operations and is an indicator of the operational profitability of our business before interest, depreciation, amortization, and taxes.

**Restated profit for the period / year:** Restated profit for the period / year represents the profit / loss that our Company makes for the financial year or during the a given period. It provides information regarding the profitability of the business of our Company.

**Restated profit for the period / year margin:** Restated profit for the period / year Margin is the ratio of Restated profit for the period / year to the total revenue of the Company. It provides information regarding the profitability of the business of our Company as well as to compare against the historical performance of our business.

**Return on Average Equity ("RoAE"):** RoAE refers to Restated profit for the period / year divided by Average Equity for the period. Average Equity is calculated as average of the total equity at the beginning and ending of the period. RoAE is an indicator of our Company's efficiency as it measures our Company's profitability. RoAE is indicative of the profit generation by our Company against the equity contribution.

**Return on Capital Employed ("RoCE"):** RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed by the Company for the period. RoCE is an indicator of our Company's efficiency as it measures our Company's profitability. RoCE is indicative of the profit generation by our Company against the capital employed.

**Net Debt/ EBITDA:** Net Debt to EBITDA is a measurement of leverage, calculated as a company's borrowings minus cash or cash equivalents, divided by its EBITDA. It shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant.

We shall continue to disclose these KPIs, on a half yearly basis, for a duration that is at least the later of (i) two years after the listing date; and (ii) the utilization of the issue proceeds disclosed in the objects of the issue section of the Prospectus. We confirm that the ongoing KPIs would be certified by the statutory auditor of our Company.

7. Set forth below are the details of comparison of key performance of indicators with our listed industry peer, figures are taken on standalone basis:

(in Lakhs)

Particulars	For the year ended March 31, 2024		
	NAPS Global India Limited	Alstone Textiles (India) Ltd	Soma Textiles & Industries Ltd
Revenue from Operations	4731.29	815.10	519.73
EBITDA	188.55	416.41	2,494.19
EBITDA Margin (%)	3.99%	51.09%	479.90%
Profit for the Period / Year	145.22	416.31	2,109.23
PAT margin (%)	3.07%	51.07%	405.83%
Return on Average Equity ("RoAE") (%)	59.15%	-	25.77%
Return on Capital Employed ("RoCE") (%)	47.47%	-	2.76%
Net Debt / EBITDA Ratio	NA	12007.40%	5.46%

8. Past Transfer(s) / Allotment(s)

a) Except as mentioned below we had not undertaken any new issuance of Equity Shares (other than bonus issue) or any convertible securities, whether in a single transaction or a group of transactions during the 18 months preceding the date of this Draft Prospectus.

Date of Issue	No of Equity shares	Price per Equity Shares
March 06, 2024	12,50,000	10.00

b) Except as mentioned below there have been no secondary sales / acquisitions of Equity Shares or any convertible securities (where promoter / promoter group entities or shareholder(s) selling shares through offer for sale in IPO or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company are a party to the transaction) equivalent to or exceeding 5% of the fully diluted paid-up share capital of the Company (calculated on the date of completion of the sale), whether in a single transaction or a group of transactions during the 18 months preceding the date of the Draft Prospectus or this Prospectus.

Date of Transfer	No of Equity shares	Price per Equity Shares*	Total consideration (in Lakhs)
April 01, 2023	900	1,115	10.04

\*After this transfer, the Company had issued bonus shares twice. Considering the effect of Bonus Issue, the actual price is Rs. 5.99/- per share.

Weighted Average Cost of Acquisition (WACA) based on primary / secondary transactions (secondary transactions where by promoter / promoter group entities or shareholder(s) selling shares through offer for sale in IPO or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company are a party to the transaction) during the 18 months preceding the date of the Draft Prospectus or this Prospectus (irrespective of the size of transactions) is given below:

Past Transactions	WACA	IPO Price of ₹[●]
WACA of Primary issuance	10.00	[●]
WACA of Secondary transactions*	1,115	[●]

\*After this transfer, the Company had issued bonus shares twice. Considering the effect of Bonus Issue, the actual price is Rs. 5.99/- per share.

## 9. Comparison with Industry Peers

Particulars	CMP*	EPS (₹)		PE Ratio		RONW (%)	NAV per share(₹)	Face Value (₹)	Revenue from Operations (₹in Lakhs)
		Basic	Diluted	Basic	Diluted				
NAPS Global India Limited <sup>(i)</sup>	[●]	6.96	6.96	[●]	[●]	38.15%	12.24	10	4,731.29
<b>Peer Group **</b>									
<b>Alstone Textiles (India) Ltd</b>	0.81	0.03	0.03	27	27	4.71%	0.69	10	815.10
<b>Soma Textiles &amp; Industries Ltd</b>	35.99	6.4	6.4	5.62	5.62	23.86%	26.80	10	519.73

\* CMP for our Company shall be considered as Issue Price

\*\*Source: www.bseindia.com.

Notes:

(i) The figures of NAPS Global India Limited are based on Restated Financial Statements for the year ended March 31, 2024.

(ii) Current Market Price (CMP) is the closing price of peer group scripts as on 06 September, 2024.

(iii) The figures for the peer group are based on the Consolidated Audited Financials for the year ended March 31, 2024.

10. The face value of our share is ₹10.00 per share and the Issue Price is of ₹ [●] per share are [●] times of the face value.
11. The Company in consultation with the Lead Manager believes that the Issue price of ₹ [●] per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the Company including important profitability and return ratios, as set out in the Financial Statements included in this Draft Prospectus (“DP”)/ Prospectus (“P”) to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹ 10 per share and the Issue Price is [●] times of the face value i.e. ₹ [●] per share.

## STATEMENT OF TAX BENEFITS

To,  
**The Board of Directors,**  
**NAPS Global India Limited**  
*(Formerly Known as NAPS Global India Private Limited &  
Formerly Known as NAPS Trading Private Limited)*  
Office No. 11, 2nd Floor, 436  
Shree Nath Bhuvan, Kalbadevi Road,  
Mumbai City, Maharashtra, India, 400002.

Dear Sir,

**Sub: Statement of Possible Special Tax Benefits available to NAPS Global India Limited and its shareholders prepared in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI Regulations”) and the Companies Act, 2013, as amended (the “Act”).**

We hereby report that the accompanying Statement states the possible special tax benefits available to the Company and shareholders of the Company (here in after referred to as “**the Statement**”) under the Income Tax Act, 1961 (read with Income Tax Rules, circulars, notifications) presently in force in India (together referred to as the “**Direct Tax Laws**”), the Goods and Service Tax laws & Customs Act, 1962 (read with rules, circulars, notifications) presently in force in India (together referred to as the “**Indirect Tax Laws**”).

These possible special tax benefits are dependent on the Company and/ or the Company’s shareholders fulfilling the conditions prescribed under relevant Direct Tax Laws, Indirect Tax Laws and other laws. Hence, the ability of the Company or the Company’s shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the Company’s shareholders may or may not choose to fulfill. The Company does not have any subsidiary as on date of the Draft Prospectus (DP).

The benefits discussed in the enclosed Statement are not exhaustive and only cover the possible special direct and indirect tax benefits available to the Company and the Company’s shareholders. The Statement is neither designed nor intended to be a substitute for professional tax advice and each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company.

We do not express any opinion or provide any assurance as to whether:

- a) the Company or its shareholders will continue to obtain these possible special tax benefits in future; or
- b) the conditions prescribed for availing the possible special tax benefits, where applicable, have been/would be met with; and

The contents of this Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

We conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2019)” (“**Guidance Note**”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We hereby give consent to include this Statement in the Draft Prospectus (DP) in connection with the proposed initial public offering of the Company.

Yours faithfully,

**For D S M R & CO**  
**Chartered Accountants**  
**FRN 128085W**

**Sd/-**  
CA Dharmendra Singh Songira  
Partner  
M No.: 113275  
Place: Mumbai  
Date: 16/08/2024  
UDIN: 24113275BKBFNZ5561

**Annexure to the Statement of Tax Benefits**

**STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND COMPANY'S SHAREHOLDERS.**

Outlined below are the possible special tax benefits available to NAPS Global India Limited ("the Company") and to its Shareholders under the Direct and Indirect Tax Laws in force in India.

**A. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY**

**1. Direct Tax**

There are no special direct tax benefits available to the Company.

**2. Indirect Tax**

There are no special indirect tax benefits available to the Company.

**B. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY**

**1. Direct Tax**

There are no special direct tax benefits available to the Shareholders of the Company.

**2. Indirect Tax**

There are no special indirect tax benefits available

## SECTION VI – ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications, publicly available documents and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page nos 23 and of 127 this Draft Prospectus*

### GLOBAL ECONOMIC OVERVIEW

The baseline forecast is for the world economy to continue growing at 3.2 percent during 2024 and 2025, at the same pace as in 2023. A slight acceleration for advanced economies where growth is expected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025 will be offset by a modest slowdown in emerging market and developing economies from 4.3 percent in 2023 to 4.2 percent in both 2024 and 2025. The forecast for global growth five years from now at 3.1 percents is at its lowest in decades. Global inflation is forecast to decline steadily, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually.

#### **Global Outlook: Stable But Slow**

Global growth, estimated at 3.2 percent in 2023, is projected to continue at the same pace in 2024 and 2025. The projection for 2024 is revised up by 0.1 percentage point from the January 2024 WEO Update, and by 0.3 percentage point with respect to the October 2023 WEO forecast. Nevertheless, the projection for global growth in 2024 and 2025 is below the historical (2000–19) annual average of 3.8 percent, reflecting restrictive monetary policies and withdrawal of fiscal support, as well as low underlying productivity growth. Advanced economies are expected to see growth rise slightly, with the increase mainly reflecting a recovery in the euro area from low growth in 2023, whereas emerging market and developing economies are expected to experience stable growth through 2024 and 2025, with regional differences.

#### **Disinflation Amid Economic Resilience**

Economic activity was surprisingly resilient during the global disinflation of 2022–23. Growth in employment and incomes has held steady as favorable demand and supply developments have supported major economies, despite rising central bank interest rates aimed at restoring price stability. As inflation converges toward target levels and central banks pivot toward policy easing, a tightening of fiscal policies aimed at curbing high government debt levels, with higher taxes and lower government spending, is expected to weigh on growth. The pace of expansion is also expected to remain low by historical standards as a result of factors including the long-term consequences of the COVID-19 pandemic, Russia’s invasion of Ukraine, weak growth in productivity, and increasing geoeconomic fragmentation.

In late 2023, headline inflation neared its pre pandemic level in most economies for the first time since the start of the global inflation surge. In the last quarter of 2023, headline inflation for advanced economies was 2.3 percent on a quarter-over-quarter annualized basis, down from a peak of 9.5 percent in the second quarter of 2022. For emerging market and developing economies, inflation was 9.9 percent in the last quarter of 2023, down from a peak of 13.7 percent in the first quarter of 2022, but this average was driven by high inflation in a few countries; for the median emerging market and developing economy, inflation declined to 3.9 percent. This progress notwithstanding, inflation is not yet at target in most economies.

( Source : <https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>)



# World Economic Outlook Growth Projections

(Real GDP, annual percent change)	PROJECTIONS		
	2023	2024	2025
<b>World Output</b>	<b>3.3</b>	<b>3.2</b>	<b>3.3</b>
<b>Advanced Economies</b>	<b>1.7</b>	<b>1.7</b>	<b>1.8</b>
United States	2.5	2.6	1.9
Euro Area	0.5	0.9	1.5
Germany	-0.2	0.2	1.3
France	1.1	0.9	1.3
Italy	0.9	0.7	0.9
Spain	2.5	2.4	2.1
Japan	1.9	0.7	1.0
United Kingdom	0.1	0.7	1.5
Canada	1.2	1.3	2.4
Other Advanced Economies	1.8	2.0	2.2
<b>Emerging Market and Developing Economies</b>	<b>4.4</b>	<b>4.3</b>	<b>4.3</b>
Emerging and Developing Asia	5.7	5.4	5.1
China	5.2	5.0	4.5
India	8.2	7.0	6.5
Emerging and Developing Europe	3.2	3.2	2.6
Russia	3.6	3.2	1.5
Latin America and the Caribbean	2.3	1.9	2.7
Brazil	2.9	2.1	2.4
Mexico	3.2	2.2	1.6
Middle East and Central Asia	2.0	2.4	4.0
Saudi Arabia	-0.8	1.7	4.7
Sub-Saharan Africa	3.4	3.7	4.1
Nigeria	2.9	3.1	3.0
South Africa	0.7	0.9	1.2
<b>Memorandum</b>			
Emerging Market and Middle-Income Economies	4.4	4.2	4.2
Low-Income Developing Countries	3.9	4.4	5.3

Source: IMF, *World Economic Outlook Update*, July 2024

Note: For India, data and forecasts are presented on a fiscal year basis, with FY 2023/2024 (starting in April 2023) shown in the 2023 column. India's growth projections are 7.3 percent in 2024 and 6.5 percent in 2025 based on calendar year.

INTERNATIONAL MONETARY FUND

IMF.org

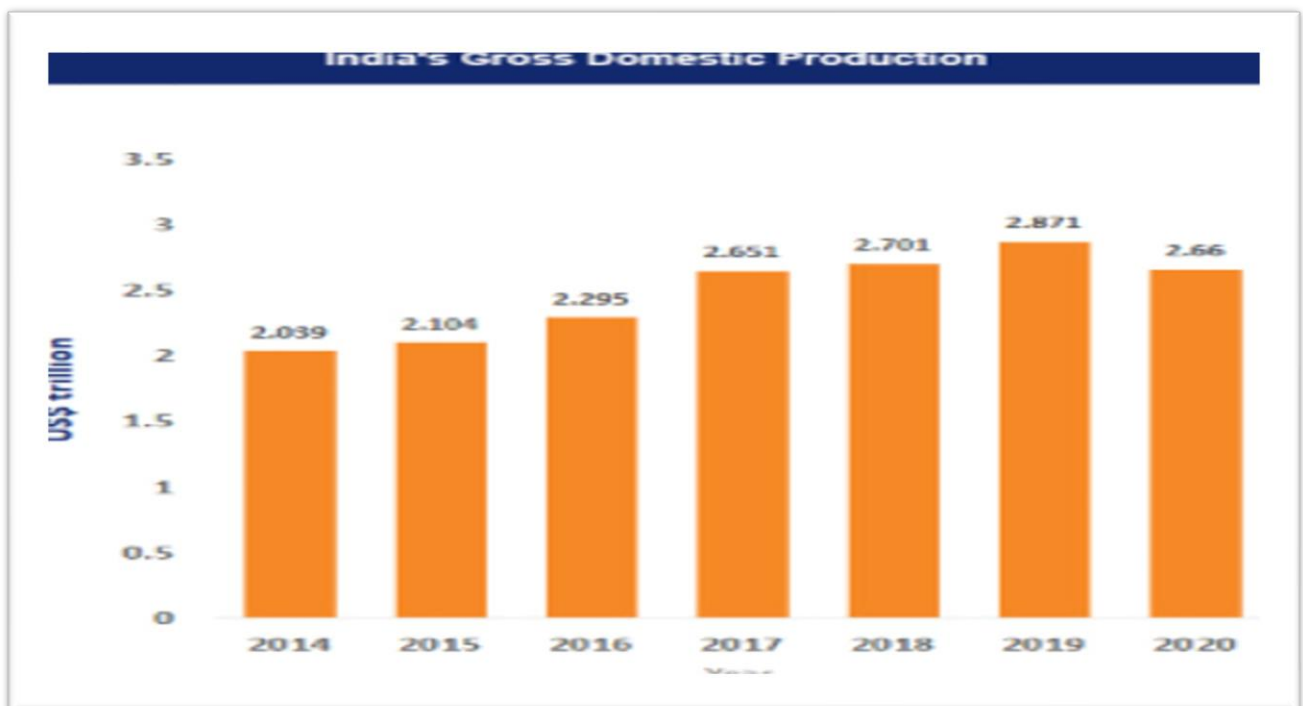
## INDIAN ECONOMIC OVERVIEW

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 295.36 lakh crores (US\$ 3.54 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.6% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of FY24. During the period April-June 2025, India's exports stood at US\$ 109.11 billion, with Engineering Goods (25.35%), Petroleum Products (18.33%) and electronic goods (7.73%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

**Market Size**



Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 173.82 lakh crores (US\$ 2.08 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 8.2% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time periods. India's current account deficit (CAD) narrowed to 0.7% of GDP in FY24. The CAD stood at US\$ 23.2 billion for the 2023-24 compared to US\$ 67.0 billion or 2.0% of GDP in the preceding year. This was largely due to decrease in merchandise trade deficit.

## **Recent Developments**

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below:

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of July 5, 2024, India's foreign exchange reserves stood at US\$ 657.15 billion.
- In May 2024, India saw a total of US\$ 6.9 billion in PE-VC investments.
- Merchandise exports in June 2024 stood at US\$ 35.20 billion, with total merchandise exports of US\$ 109.96 billion during the period of April 2024 to June 2024.
- In June 2024, the gross Goods and Services Tax (GST) stood at highest monthly revenue collection at Rs. 1.74 lakh crore (US\$ 20.83 billion) vs Rs. 1.73 lakh crore (US\$ 20.71 billion)
- In May 2024, the overall IIP (Index of Industrial Production) stood at 154.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 136.5, 149.7 and 229.3, respectively, in May 2024.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.08% (Provisional) for June 2024.

## **Government Initiatives**

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

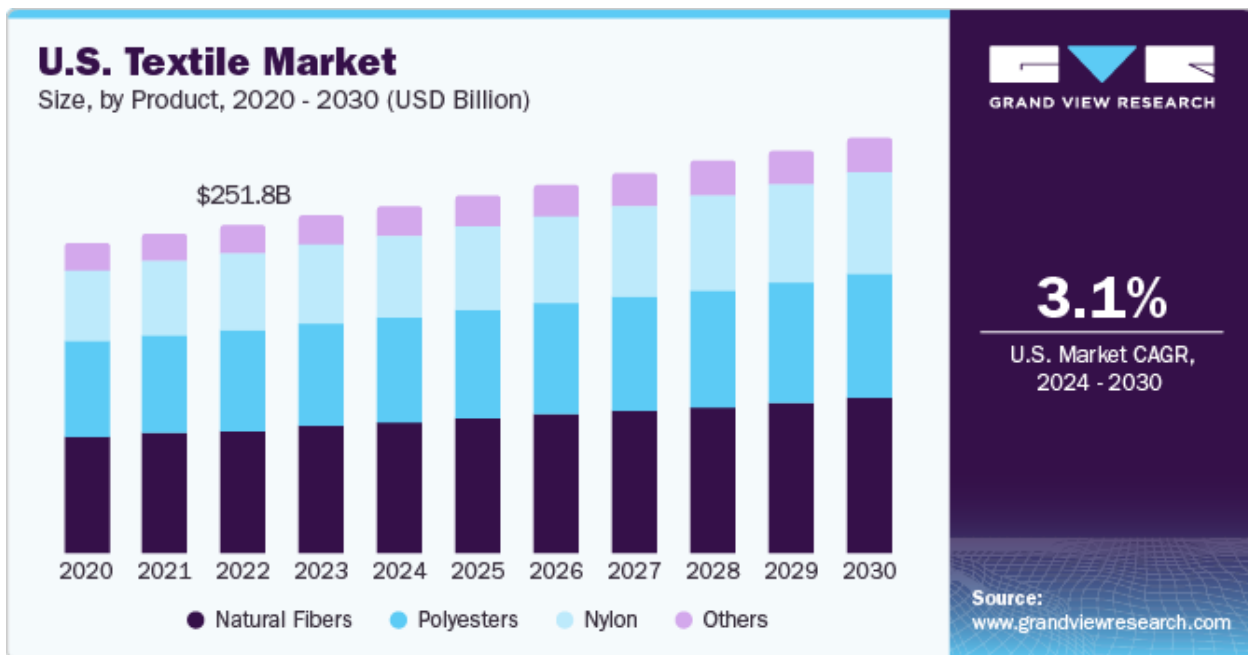
- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- On October 7, 2022, the Department for Promotion of Industry, and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (Rs.) to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.

- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defense & Aerospace, and Handloom & Textiles.
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.

(Source : <https://www.ibef.org/economy/indian-economy-overview>)

## **TEXTILE MARKET GLOBALLY**

The global textile market size was valued at USD 1,837.27 billion in 2023 and is anticipated to grow at a compound annual growth rate (CAGR) of 7.4% in revenue from 2024 to 2030. The ever-increasing apparel demand from the fashion industry and the meteoric growth of e-commerce platforms are expected to drive market growth over the forecast period. The textile industry works on three major principles: designing, producing, and distributing different flexible materials such as yarn and clothing. Many processes, such as knitting, crocheting, weaving, and others, are primarily used to manufacture a wide range of finished and semi-finished goods in bedding, clothing, apparel, medical, and other accessories.



The U.S. is anticipated to be the largest market for textiles in the North American region. It is one of the largest producers, raw cotton exporters, and top raw textile importers. Fashion is the largest application segment in the region, owing to the fast-changing fashionable trends and ease of adoption due to the rapidly emerging online fast fashion companies. There has been an increasing trend in the use of smart textiles in the market that use optical fibers, metals, and various conductive polymers to interact with the environment. These help detect and react to various physical stimuli such as mechanical, thermal, or chemical & electric sources. This is expected to propel the growth of the technical application segment in the textiles market during the forecast period.

The rapidly growing consumer preference towards sustainable products is forcing major textile companies to focus on restructuring their business and investing in manufacturing practices that target sustainable products. Fashion is gaining increasingly higher importance in consumers' lifestyles. This can be attributed to the constant exposure to advertisements that results in impulsive buying. In addition, social media is another major factor adding to the rising demand for fashionable wear. Companies such as H&M and Zara are utilizing social media platforms to reach potential customers and gain higher market shares.

The recent coronavirus pandemic has acted as a restraint to the global market growth for textiles. Global trade restrictions due to a disrupted supply chain and the decline in textile product consumption amid the imposed lockdowns further negatively impacted the market progress. However, the industry is expected to recover strongly during the forecast period, aided by government support and increasing public awareness regarding effective precautionary measures.

### **Market Concentration**

Market growth stage is medium, and pace of the market growth is accelerating. The market is fragmented due to several small- and medium-sized manufacturers, especially in countries such as China and India. Moreover, the easy availability of low-cost labor, coupled with strengthening government support to establish the business units of various major players in these countries, is expected to bring healthy growth to the market. The textile industry utilizes a number of technologies to manufacture textile products for their use in applications including household, technical, fashion, and others. The major technologies incorporated by the textile manufacturers include spun bond, melt-blown, air-laid, needle punch, wet-laid, and others.

### **Raw-materials**

The cotton segment led the market and accounted for over 38% of the overall revenue share in 2023. Cotton is the world's most important natural fiber, attributed to its superior properties, such as high strength, absorption, and color retention. China, India, and the U.S. primarily produce cotton and cotton-based products worldwide. The expansion of

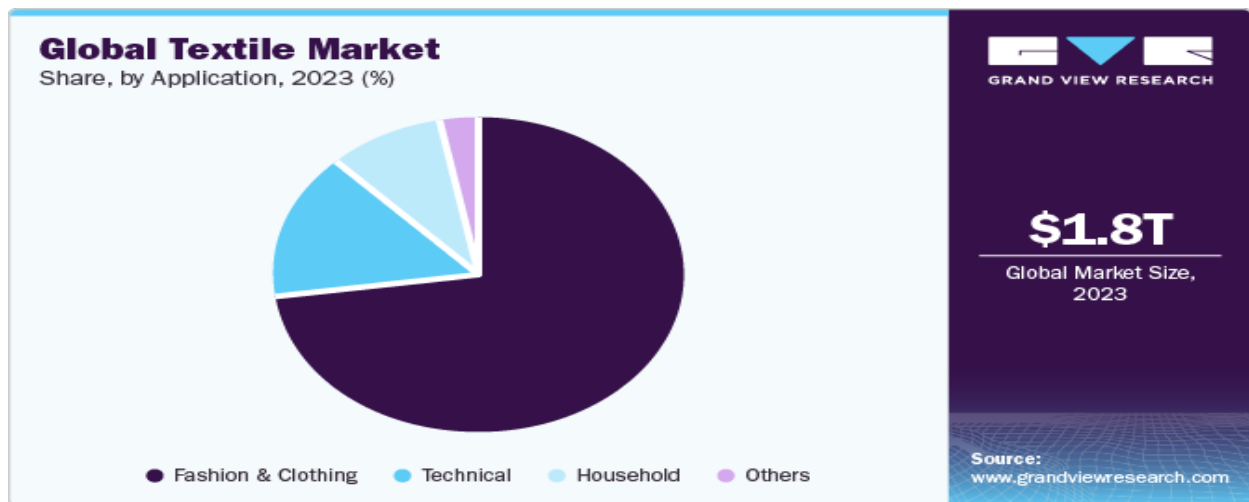
the textile industry, on account of the rising demand for garments and apparel in these countries, is likely to augment the demand for cotton, which is expected to drive segment growth over the forecast period. According to a report published by the Textile Exchange, more than 95% of all industry-grade cotton is grown in Brazil, India, China, Pakistan, the U.S., Australia, Cameroon, and Côte d'Ivoire.

Wool-based textiles segment is expected to grow at a significant rate over the forecast period. Wool, primarily composed of hydrogen, carbon, sulfur, and nitrogen, is extensively used to manufacture insulation products such as winter wear, blankets, carpeting, upholstery, etc. In addition, the same raw material-based products are used to absorb odor and noise in heavy machinery, thereby contributing to the growth of the technical application segment.

Some other raw materials used in the production of textiles are silk, minerals such as glass fibers and asbestos, and other synthetic materials. Silk finds extensive use in manufacturing clothing items, surgical sutures, parachutes, silk comforters, and other products having high strength and elasticity, which is expected to drive the segment growth over the forecast period.

### **Application**

The fashion segment dominated the market in 2023, owing to the increasing consumer spending on clothing and apparel. In addition, high consumer requirements for crease-free suiting & shirting fabrics and quality dyed & printed fabrics across the globe are likely to drive the global market demand for textiles over the forecast period.



An increase in demand for formal & casual wear and other fashionable clothing among all age groups in the global population is a major driver for the textiles market growth. Moreover, increasing population and urbanization in emerging economies such as India, Bangladesh, Vietnam, Brazil, and others will likely propel the demand for clothing and apparel, positively contributing to market advancement.

Demand for textiles in the technical segment is expected to grow at the fastest rate over the projected period, owing to its high-performance properties and end-user applications. In addition, increasing application in construction, transportation, medical and protective clothing have boosted their use, consequently driving the textiles market.

The use of textiles in different areas of a household is one of the prominent growth drivers. This includes its utilization in bedding, upholstery, carpets, kitchen cloths, towels, and others. In addition, the high consumption of natural fibers,

such as linen and cotton, along with synthetic fibers used for household textiles, further propels the segment's growth. (Source : <https://www.grandviewresearch.com/industry-analysis/textile-market> )

## **TEXTILES INDUSTRY IN INDIA**

### **About the Industry**

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the

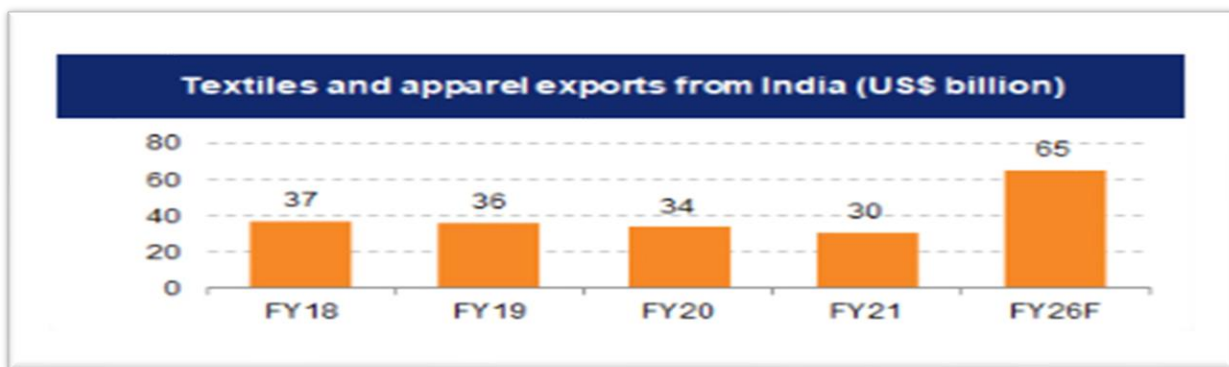


capital-intensive sophisticated mills sector at the other end. The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibres like cotton, jute, silk, and wool, to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.

The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world.

In order to attract private equity and employ more people, the government introduced various schemes such as the Scheme for Integrated Textile Parks (SITP), Technology Upgradation Fund Scheme (TUFS) and Mega Integrated Textile Region and Apparel (MITRA) Park scheme.

**Market Size**



The market for Indian textiles and apparel is projected to grow at a 10% CAGR to reach US\$ 350 billion by 2030. Moreover, India is the world's 3rd largest exporter of Textiles and Apparel. India ranks among the top five global exporters in several textile categories, with exports expected to reach US\$100 billion.

The textiles and apparel industry contributes 2.3% to the country's GDP, 13% to industrial production and 12% to exports. The textile industry in India is predicted to double its contribution to the GDP, rising from 2.3% to approximately 5% by the end of this decade. Textile manufacturing in India has been steadily recovering amid the pandemic. The Manufacturing of Textiles Index for the month of April 2024 is 105.9.

Global apparel market is expected to grow at a CAGR of around 8% to reach US\$ 2.37 trillion by 2030 and the Global Textile & Apparel trade is expected to grow at a CAGR of 4% to reach US\$ 1.2 trillion by 2030. The Indian Technical Textile market has a huge potential of a 10% growth rate, increased penetration level of 9-10% and is the 5th largest technical textiles market in the world. India's sportech industry is estimated around US\$ 1.17 million in 2022-23.

The Indian Medical Textiles market for drapes and gowns is around US\$ 9.71 million in 2022 and is expected to grow at 15% to reach US\$ 22.45 million by 2027. The Indian composites market is expected to reach an estimated value of US\$ 1.9 billion by 2026 with a CAGR of 16.3% from 2021 to 2026 and the Indian consumption of composite materials will touch 7,68,200 tonnes in 2027.

India is the world's largest producer of cotton. In the first advances, the agriculture ministry projected cotton output for 2023-24 at 31.6 million bales. According to the Cotton Association of India (CAI), the total availability of cotton in the 2023-24 season has been pegged at 34.6 million bales, against 31.1 million bales of domestic demand, including 28 million bales for mills, 1.5 million for small-scale industries, and 1.6 million bales for non-mills. Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers. It is expected to surpass US\$ 30 billion by 2027, with an estimated 4.6-4.9% share globally.

In 2022-23, the production of fibre in India stood at 2.15 million tonnes. While for yarn, the production stood at 5,185 million kgs during the same period. Natural fibres are regarded as the backbone of the Indian textile industry, which is expected to grow from US\$ 138 billion to US\$ 195 billion by 2025. During FY24, the total exports of textiles (including handicrafts) stood at US\$ 35.9 billion. Exports of textiles (RMG of all textiles, cotton yarns/fabs/made-

ups/handloom products, man-made yarns/fabs/made-ups, handicrafts excl. handmade carpets, carpets and jute mfg. including floor coverings) stood at US\$ 35.90 billion in FY24. In FY24, exports of readymade garments including accessories stood at US\$ 14.23 billion. India’s textile and apparel exports to the US, its single largest market, stood at 32.7% of the total export value in FY24. India’s textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country.

## GROWTH OF TEXTILE INDUSTRY

ROBUST DEMAND	COMPETATIVE ADVANTAGE	POLICY SUPPORT	INCREASING INVESTMENTS
<ul style="list-style-type: none"> <li>• Cotton production in India is projected to reach 7.2 million tonnes by 2030, driven by increasing demand from consumers.</li> <li>• The market for Indian textiles and apparel is projected to grow at a 10% CAGR to reach US\$ 350 billion by 2030, with exports expected to reach US\$100 billion.</li> </ul>	<ul style="list-style-type: none"> <li>• India enjoys a comparative advantage in terms of skilled manpower and in cost of production, relative to major textile producers.</li> <li>• In June 2022, Minister of Textiles, Commerce and Industry, Consumer Affairs &amp; Food and Public Distribution, Mr. Piyush Goyal, stated that the Indian government wants to establish 75 textile hubs in the country.</li> </ul>	<ul style="list-style-type: none"> <li>• 100% FDI (automatic route) is allowed in textiles.</li> <li>• Production-linked Incentive (PLI) Scheme worth Rs. 10,683 crore (US\$ 1.44 billion) for manmade fibre and technical textiles over a five-year period</li> <li>• The Indian government has notified uniform goods and services tax rate at 12% on man-made fabrics (MMF), MMF yarns and apparel, which came into effect from January 1, 2022.</li> <li>• 1,83,844 beneficiaries trained across 1,880 centers under Samarth.</li> </ul>	<ul style="list-style-type: none"> <li>• In June 2023, Government approved R&amp;D projects worth US\$ 7.4 million (Rs. 61.09 crore) in textile sector.</li> <li>• Huge funds in schemes such as Rs. 900 crore (US\$ 109.99 million) for Amended Technology Upgradation Fund Scheme (ATUFS) have been released by the Government in the union budget of 2023-24 to encourage more private equity investments and provide employment.</li> <li>• Total FDI inflows in the textiles sector stood at US\$ 4.47 billion between April 2000- March 2024.</li> </ul>

### Investment And Key Development

- Total FDI inflows in the textiles sector stood at US\$ 4.47 billion between April 2000- March 2024.
- The textile sector has witnessed a spurt in investment during the last five years. Some are mentioned below:
- Industry bodies to host the largest global mega textiles event, Bharat Tex 2024 from February 26-29, 2024, in New Delhi. According to Union Minister, Mr. Piyush Goyal, Bharat Tex 2024 Expo is a testament to India's commitment to becoming a global textile powerhouse.
- In September 2023, the Khadi and Village Industries Commission signed 3 MoUs to promote Khadi Products.
- In August 2023, the Ministry of Textiles approved 26 engineering institutions for the introduction of Technical Textiles under the National Technical Textiles Mission.
- In July 2023, PM MITRA Park, Amravati expected to attract investment of Rs. 10,000 crore (US\$ 1.20 billion) and create employment for 300,000 individuals.
- In May 2023, an investment of around Rs. 6,850 crore (US\$ 824.25 million) is expected in the PM MITRA Park in Madhya Pradesh and Rs. 8,675 crore (US\$1.04 billion) in other parts of the state.
- India is expected to host the 81st Plenary Meeting of the International Cotton Advisory Committee (ICAC) from 2nd to 5th December 2023 in Mumbai with the theme “Cotton Value Chain- Local Innovations for Global Prosperity”.



- The textile ministry has selected 61 companies, including Arvind Limited to enjoy benefits under its US\$ 1.3 billion (Rs. 10,683 crore) production-linked incentive (PLI) scheme for the labour-intensive textiles and garment sector. The companies have pledged to invest US\$ 2.32 billion (Rs 19,077) crore over five years under the scheme, which will lead to an incremental turnover of US\$ 22.55 billion (Rs 1.85 trillion) and direct employment generation for 240,000 people.
- In 2022-23, the Sardar Vallabhbhai Patel International School of Textiles and Management (SVPISTM) is planning to offer B.Sc. and MBA courses in technical textiles.
- Home textile companies in India are also leveraging strategic partnerships to strengthen their business operations and foothold in the country.

### **Road Ahead**

The future of the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand. India is working on various major initiatives to boost its technical textile industry. Owing to the pandemic, the demand for technical textiles in the form of PPE suits and equipment is on the rise. The government is supporting the sector through funding and machinery sponsoring. Top players in the sector are achieving sustainability in their products by manufacturing textiles that use natural recyclable materials.

With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The growth in textiles will be driven by growing household income, increasing population, and increasing demand by sectors like housing, hospitality, healthcare, etc. The technical textiles market for automotive textiles is projected to increase to US\$ 3.7 billion by 2027, from US\$ 2.4 billion in 2020. Similarly, the industrial textiles market is likely to increase at an 8% CAGR from US\$ 2 billion in 2020 to US\$ 3.3 billion in 2027. The overall Indian textiles market is expected to be worth more than US\$ 209 billion by 2029.

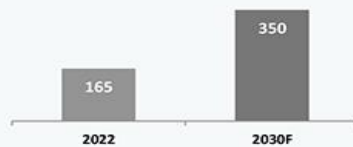
(Source : <https://www.ibef.org/industry/textiles>)

# TEXTILES AND APPAREL



## MARKET SIZE

Textiles and Apparel Industry (US\$ billion)



Key Facts as of FY23

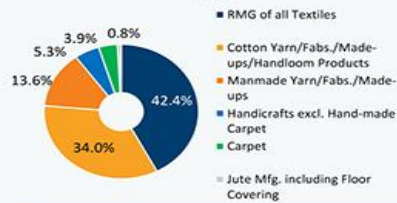


Contributes 2.3% to India's GDP  
Employs over 45 million people  
Contributes 12% to India's export earnings

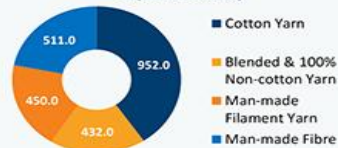


## SECTOR COMPOSITION

Share of India's textile exports FY24



Fabric Production in FY24\*(million square meter)

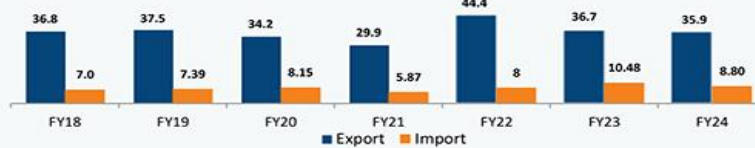


Note: \* Until April-June 2023-24



## KEY TRENDS

Textiles Trade (US\$ billion)



Note: Imports include textile yarn fabric and made-up articles; Exports include RMG of all textiles, cotton yarn/fabs./made-ups/handloom products, man-made yarn/fabs./made-ups, handicrafts excl. handmade carpets, carpets, jute mfg. including floor coverings



## GOVERNMENT INITIATIVES



National Textile Policy



Khadi App Store



Pradhan Mantri Fasal Bima Yojana

Note: SAATHI - Sustainable and Accelerated Adoption of efficient Textile technologies to Help small Industries



## ADVANTAGE INDIA

- Robust demand:** Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers. The market for Indian textiles and apparel is projected to grow at a 10% CAGR to reach US\$ 350 billion by 2030, with exports expected to reach US\$100 billion. In FY24, exports of readymade garments including accessories stood at US\$ 14.23 billion.
- Competitive advantage:** Abundant availability of raw materials such as cotton, wool, silk and jute. India enjoys a comparative advantage in terms of skilled manpower and in cost of production relative to other major textile producers.
- Policy support:** 100% FDI (automatic route) is allowed in the Indian textile sector. In October 2021, the government approved a scheme worth Rs. 4,445 crore (US\$ 594.26 million) to establish seven integrated mega textile parks and boost textile manufacturing in the country.
- Increasing Investments:** In June 2023, Government approved R&D projects worth US\$ 7.4 million (Rs. 61.09 crore) in textile sector. Total FDI inflows in the textiles sector stood at US\$ 4.47 billion between April 2000- March 2024.

## OUR BUSINESS

This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Financial Information' and the chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on page nos 23, 127 and 147 respectively of this Draft Prospectus. Unless the context otherwise requires, in relation to business operations, in this chapter of this Draft Prospectus, all references to “we”, “us”, “our” and “our Company” are to Naps Global India Limited as the case may be.

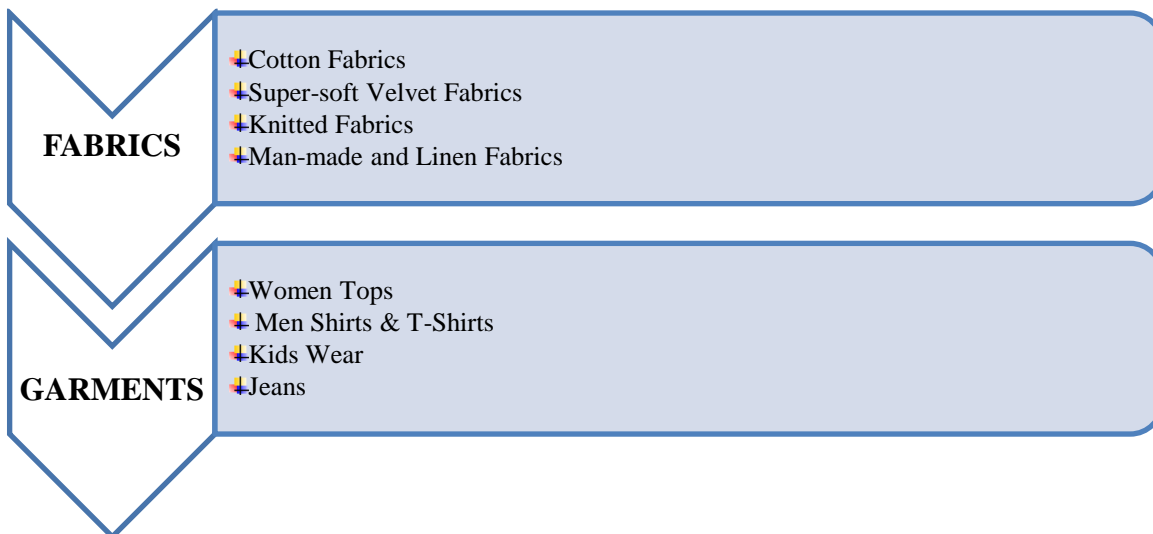
### OVERVIEW

Our Company is a wholesale importer of textile products and acts as an established player in the garment manufacturing supply chain in Maharashtra, India. We primarily import cotton and man-made fabrics from manufacturers in China and Hongkong in bulk quantities and provide timely supply to vendors of large garment manufacturing companies in Maharashtra, India. Import of fabrics in to India have grown from 50 billion INR to 210 billion INR in the last decade as China continues to grow its production capabilities and our organisation has been able to develop strong procurement network in China and Hongkong and hence is in a unique position to be a sought-after supplier to manufacturers and their vendors who require man made and cotton fabrics for their downstream processes (Source: Statistica.com).

Our Company “NAPS Global India Limited” is a Mumbai based Company having its presence in the textile industry for more than a decade. Our Company was found by our promoter Pankaj Jain and Ronak Mistry in the year 2014. Our promoters have their roots in the textile industry starting their journey from local shop and vendors to creating a company which has supply all over India and a solid network chain of suppliers established in China and Hongkong with a vision to cater all demands of fabrics supply for the PAN India garment manufacturing companies. Our Company now embarks on being the public listed company with a vision to build a resonance with the stakeholders, establish presence PAN India and world-wide, to create and provide value to our stakeholders and reach each corner of our nation and serve in better way.

Our Company’s proficiency lies in understanding the specific requirement of our customers and based on which we procure fabrics with trendy colour combination, designs, clothing material and quality. Our business is predominantly conducted on a business-to-business model basis. We contend that our efforts to provide a one-stop shop for all of our customers' needs in our product line, together with our competitive pricing derived from our understanding of the local market, thoughtful product selection, efficient supply chain management and timely delivery, have contributed to our expansion and success.

Our extensive range of products in fabrics and garments are as below:



Our Company currently operates through our registered office located at Office No. 11, 2nd Floor, 436 Shree Nath Bhuvan, Kalba Devi Road, Mumbai City, Maharashtra, India, 400002 and a warehouse for storage of goods at House No 206/A 1, Gupta Compound, Thane Road, Rahanal Village, Bhiwandi Thane – 421302. Our Company is an asset-light in respect of our plant, property and equipment which enable us to achieve a high return on capital employed. We do not believe in opening stores rather operating through our Registered Office & warehouse and being able to supply

all over India currently. By using economies of scale, we are able to optimize several costs such as our rental, administration, maintenance and employee costs, thereby leading to improved profitability.

As on this date of Draft Prospectus, our Company does not have any borrowings from any bank or financial institutions and all our assets are free of any charge. Our Company has demonstrated a good financial performance consistently. Key Financial data for the Fiscals 2024, 2023 and 2022 are as below as per the Restated Financial Statements:

(Rs in lakhs)

Particulars	As on March 31,		
	2024	2023	2022
Share Capital	311.00	1.00	1.00
Reserves & Surplus	69.62	109.40	82.23
<b>Net Worth</b>	<b>380.62</b>	<b>110.40</b>	<b>83.23</b>
Total Income	4,788.30	2,600.75	1,348.42
Profit after tax	145.22	27.17	18.26
<b>Return on Net Worth</b>	<b>38.15%</b>	<b>24.61%</b>	<b>21.94%</b>

## OUR STRENGTH



### *Long standing relation with suppliers*

Our Company has established long-term relationships with a diverse network of international suppliers, strategically sourcing products from China and Hong Kong to minimize procurement costs. We operate a standardized procurement system, utilizing purchase orders for flexibility and competitive pricing, and continually research optimal sources for quality and price. This diligence has fostered robust relationships with reliable suppliers, ensuring seamless operations. Our bulk purchasing capabilities optimize costs and mitigate supply chain risks, while prompt payments secure discounts and strengthen relationships. As a result, our robust supply chain network ensures consistent goods flow, minimizing stockouts, disruptions, and quality issues.

Details of purchases from our top suppliers for the financial years 2023-24, 2022-23, and 2021-22 are as follows

(Rs in lakhs)

Sr. No	Particulars	F.Y 2023-24		F.Y 2022-23		F.Y 2021-22	
		Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)
1	Purchases from Top 5 Supplier	3,048.43	77.06%	1,486.30	69.04%	972.34	88.21%

Sr. No	Particulars	F.Y 2023-24		F.Y 2022-23		F.Y 2021-22	
		Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)
2	Purchases from Top 10 Supplier	3,632.36	91.82%	1,811.79	84.16%	1,100.17	99.81%

### ***Experienced Promoters and Directors***

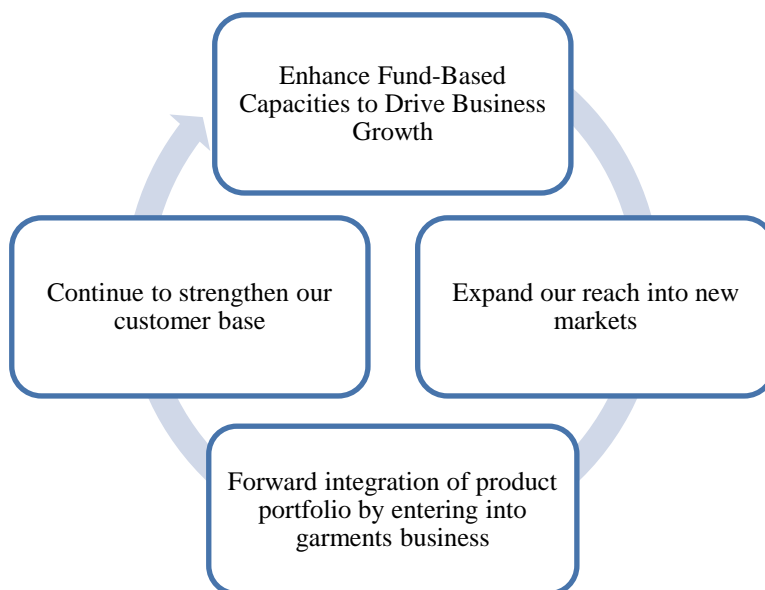
Our Company is a concise organization with our Executive Directors and promoters taking the lead in day-to-day business activities. The dedication to build a successful organization percolate to each person working in our Company. Our Board of Directors comprises individuals with significant experience across this industry and its functions. Our Company is managed by our Chairman and Managing Director Pankaj Jain and Whole-time Director Ronak Mistry each have more than one decade of experience in garment and fabric industry which has been instrumental in growth of our business. We believe that our Executive Director’s experience and their understanding of the industry & dedication for Company will enable us to continue to take advantage of both current and future market opportunities. It is also expected that our management’s experience will help us in addressing and mitigating various risks inherent in our business, including significant competition.

### ***Healthy Financial Performance***

Our Company has maintained a healthy balance sheet with no debt liability as on March 31, 2024. We strive to maintain a robust financial position with emphasis on having a strong balance sheet and increased profitability. On account of an increase in sales, our total income increased from ₹ 1,348.42 lakhs for Fiscal 2022 to ₹ 4,788.30 lakhs for Fiscal 2024. Our revenue from operations has grown at a CAGR of 88.30% from ₹ 1,334.40 lakhs in Fiscal 2022 to ₹ 4,731.29 lakhs in Fiscal 2024, while our Net Worth has grown from ₹ 83.23 lakhs as of March 31, 2022 to ₹ 380.62 lakhs as of March 31, 2024. Our restated profit after tax has grown at a CAGR of 182.02% from ₹ 18.26 lakhs in Fiscal 2022 to ₹ 145.22 lakhs in Fiscal 2024. We believe we have prudently utilized our resources, which has enabled us to fund our expansions through our internal accruals. We believe that our operational and financial performance will allow us to take advantage of the growth opportunities in the ever-growing fabrics and garment industry. For further details on comparative analysis of our financial position and revenue from operations, see the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on Page no 147 of this Draft Prospectus.

### **OUR STRATEGIES**

All the below mentioned strategies are approved by the Board of Directors through Board Resolution dated August 14, 2024.



### ***Enhance Fund-Based Capacities to Drive Business Growth***

Our Company's strategy focuses on enhancing fund-based capacities to drive business growth, capitalizing on established relationships with Chinese suppliers and a strong Indian customer base. We aim to scale up operations through forward integration, diversifying our product portfolio by venturing into custom-made garments alongside our existing fabrics business. This strategy requires optimizing working capital to support 1-2 months of Work-in-Progress inventory. To improve profitability, we will negotiate better raw material procurement costs through favorable payment terms, leveraging our supply chain network to explore new PAN India markets. We will augment working capital capabilities by increasing access to liquid funds, reducing credit periods with suppliers, and efficiently managing receivables and payables. This strategic approach will enhance our order-taking appetite, increase volumes and revenues, improve profitability, and exploit market opportunities, maintaining our competitive edge in the garment industry. By strengthening fund-based capacities, we will solidify our market position, ensuring sustained growth. Our focus on working capital optimization, supply chain efficiency, and strategic relationships will drive long-term success, yielding benefits such as diversified product offerings, improved profit margins, expanded geographical presence, and enhanced operational efficiency. By executing this strategy, we are well-positioned to capitalize on growth opportunities and maintain our industry competitiveness, kindly refer to the Chapter titled "Objects of the Offer" on page no. 62 of this Draft Prospectus.

### ***Expand our reach into new markets***

Over the years we have focused & penetrated in local markets of Maharashtra where we get better value for our products. Our vision is to target new geographies in PAN India where there is demand for quality products and create operational synergies. Expanding into new locations is an important step for growing businesses and our vision aligns with the same. We seek to increase our presence in domestic markets in developed & emerging states which are untapped by us. Share of revenue from various states for the financial year 2024-23, 2022-23 and 2021-22 are as below:

(Rs in lakhs)

States of INDIA	FY 23-24	Percentage %	FY 22-23	Percentage %	FY 21-22	Percentage %
Maharashtra	4,517.46	95.48%	2,206.81	85.23%	1,095.44	82.09%
Gujarat	148.34	3.14%	205.91	7.95%	236.02	17.69%
Madhya Pradesh	22.72	0.48%	129.76	5.01%	-	-
Punjab	20.15	0.43%	-	-	-	-
Delhi	11.93	0.25%	46.77	1.81%	2.94	0.22%
Karnataka	10.69	0.23%	-	-	-	-
<b>Total</b>	<b>4,731.29</b>	<b>100.00%</b>	<b>2,589.26</b>	<b>100.00%</b>	<b>1,334.40</b>	<b>100.00%</b>

### ***Forward integration of product portfolio by entering into garments business***

Over the years, our Company has been focused on being the importer of fabrics and supplying it to garment manufacturers in India. Garments are higher margin product compared to fabrics and hence we have been looking at increasing our focus on this segment.

(Rs in lakhs)

Products	FY 23-24	Percentage %	FY 22-23	Percentage %	FY 21-22	Percentage %
Fabrics	4,407.91	93.17%	2,588.90	99.99%	1,334.40	100.00%
Ready-made Garments	323.38	6.83%	0.36	0.01%	-	-
<b>Total</b>	<b>4,731.29</b>	<b>100.00%</b>	<b>2,589.26</b>	<b>100.00%</b>	<b>1,334.40</b>	<b>100.00%</b>

With the current supplier network developed over the years we are poised to enter the manufacturing of garment business and scale up our operations in order to take our company to the next level. We intend to start manufacturing of garments with the out-sourcing business model from local manufacturers. Outsourcing the manufacturing process to the service providers will enable our management to focus more on our core business and also to achieve higher returns as we will not be heavily invested in manufacturing set-up. Our Company has to maintain inventory of 1-2 month worth of fabrics for the seamless manufacturing process. Our working capital requirement will be increased for maintaining inventories of our raw materials. By entering into garment business, we can increase our product portfolio and can capitalise on opportunity created by growing demands of garments in India. This will allow us to grow our customer and access new markets in addition to boosting the current networks of our Company.



We believe that such addition of product line of readymade garments will result in cost efficiencies and higher operating margins along with reduced concentration on one product, and hence we have been deriving a proportion of our revenue from such products in the recent years.

***Continue to strengthen our customer base***

Our growth is the result of rise in our share of business with existing customers, acquiring new customers and our ability to respond to emerging industry trends towards garment industries. We intend to be a cost-efficient dealer of fabrics and readymade garments and penetrate deeper in our regional market to capture a higher share of our existing markets, resulting in higher margins due to lower transportation costs of supplying to our local customers and better logistics management. We intend to strengthen our relationships with our existing customers and explore opportunities to grow by expanding the production capacities in the array of products that we offer to our customers. We intend to leverage our relationships with existing customers to increase our wallet share and repeat business with them as well as new business, and potentially become a key vendor for such customers for specific products.

**DETAILS OF OUR BUSINESS**

**Location:**



**Registered Office:** Office No. 11, 2nd Floor, 436 Shree Nath Bhuvan, Kalba Devi Road, Mumbai City, Mumbai, Maharashtra, India, 400002.

**Warehouse Facility:** House No 206/A 1, Gupta Compound, Thane Road, Rahanal Village Bhiwandi Thane – 421302.

**Product Portfolio**

Our Company deals in various kinds of fabrics and ready-made garments for women and men as depicted below:

**1. Fabrics**

	
<b>Linen Fabric</b>	<b>Knitted Jacquard</b>



**Ks Velvet Fabric**



**Tr Knitted Fabric**



**Super soft one side brush**

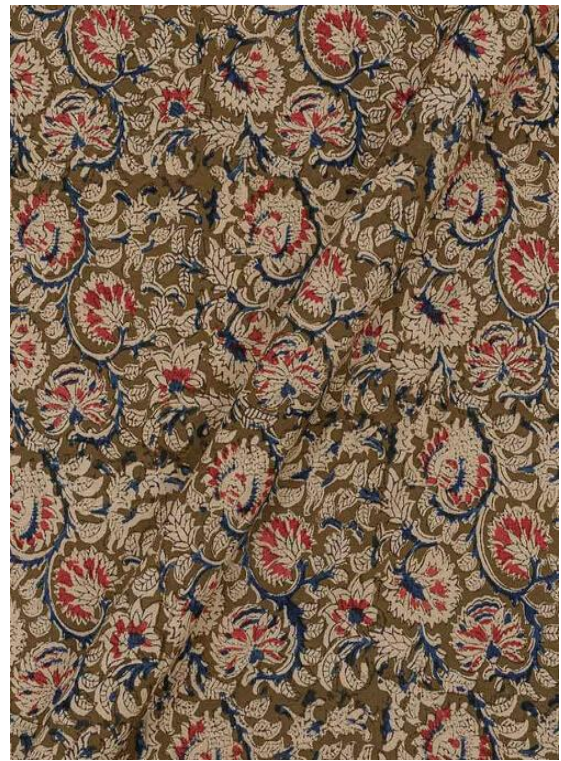


**Scuba Suede**





**Cotton Print**



**TR Brush Product**

**2. Garments**



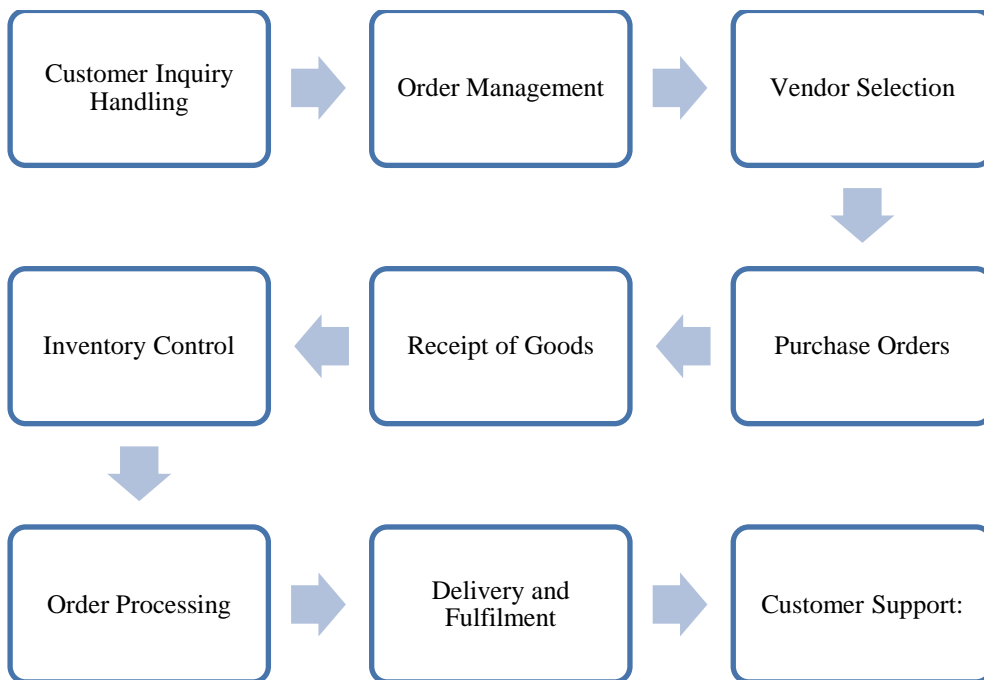
**Women casual shirt**



**Women Flower print top**



**KEY BUSINESS PROCESS**



**Steps:**

**Customer Inquiry Handling:** Addressing customer queries regarding product availability, pricing, and delivery schedules.

**Order Management:** Receiving customer orders either through direct sales

**Vendor Selection:** Identifying and selecting suppliers based on factors like specific product availability, price, quality, reliability, and terms

Purchase Order: Issuing purchase orders to vendors specifying the quantity, price, and delivery terms of the goods.

Receipt of Goods: Receiving and inspecting the goods to ensure they meet quality and quantity standards

Inventory Control: Tracking stock levels to ensure availability for fulfilling orders without overstocking.

Order Processing: Processing orders by checking stock availability, preparing invoices, and scheduling shipments.

Delivery and Fulfilment: Arranging for the delivery of goods to customers through third-party logistics.

Customer Support: Providing after-sales support such as handling returns, replacements, and resolving complaints

### **Plant And Machinery**

Our company is engaged in trading business and as on date of this Draft Prospectus we do not have any Plant and Machinery

### **Material**

The material required is fabric and ready-made garment majority of which is fetched from China and Hongkong which helps us in gaining competitive advantage. We endeavor to source our products from the regions where such products are widely available or manufactured, to minimize our procurement costs and endeavour to offer quality products at lowest costs.

### **Power**

The requirement of power is mainly for lighting purpose which does not consume much units and is met through Brihanmumbai Electric Supply and Transport with a load of sanctioned load of 4.38KW.

### **Water**

Water is required for human consumption and the requirement is fully met at the existing premises.

### **Our Major Customers**

Our Company is engaged in business of fabrics and ready-made garments. Details of Revenue from our top 5 and top 10 customers for financial year 2023-24, 2022-23 and 2021-22 are given as below:

(Rs in lakhs)

Sr. No	Particulars	F.Y 2023-24		F.Y 2022-23		F.Y 2021-22	
		Revenue	Percentage (%)	Revenue	Percentage (%)	Revenue	Percentage (%)
1	Income from Top 5 Customer	3,006.53	63.55%	1,473.18	56.90%	906.87	67.96%
2	Income from Top 10 Customer	3,728.66	78.81%	2,153.33	83.16%	1,244.62	93.27%

### **Marketing**

The efficiency of the marketing network is critical to the success of our business. Our business is predominantly conducted on a business-to-business basis and our focus is on maintaining constant contact with customers and to ensure timely delivery. Our sales and marketing activities for our products are carried out by our Management who are responsible for taking new orders, quoting rates and understanding the needs of our customers. We believe our relationship with the clients is strong and established as we receive repeated orders for the products imported by us. To retain our customers, our management, with vast experience regularly interacts with them and focuses on gaining an insight into the additional needs of our customers and new trend in industry.

### **Capacity and Capacity Utilisations**

Our Company is engaged in trading of fabrics and ready-made garments, so capacity utilisation is not applicable for us.

## **Export and Export Obligations**

Exports for the Fiscal year ended March 31, 2024, March 31, 2023 and March 31, 2022 amounts to Rs. Nil, Rs 46.77 lakhs and Nil respectively. As on date of this Draft Prospectus, our Company does not have any export obligation.

## **Collaborations**

The Company has so far not entered into any technical or financial collaboration agreement.

## **Competition**

We operate in a competitive atmosphere. We compete with other brands on the basis of product range, product quality, and product price including factors, based on reputation, regional needs, and customer convenience. While these factors are key parameters in customer's decisions matrix in purchasing goods; product range, product quality and product price is often the deciding factor in most deals. Further, there are no entry barriers in this industry and any expansion in capacity of existing market players would further intensify competition. Many of our competitors have substantially large capital base and resources than we do and offer broader range products. Our products compete with local wholesalers, unorganised sector, branded products, economy brands and products of other established companies. We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way. We expect that our commitment to quality, past record of timely execution and transparency will provide us with an edge over our competitor.

## **Human Resource**

Our company believes that our ability to maintain growth depends on our strength in attracting, training, motivating and retaining employees. We have 7 employees as on March 31, 2024 and 10 employees as on August 31, 2024. Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, execution of services within time and quality. Our skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

## **Intellectual Property Rights:**

As on date of the Draft Prospectus, our Company uses below mentioned logo in its business and business documents, however no application has been made with the relevant authorities for the registration of the same.



## **Property**

The registered office of our Company located at Office No. 11, 2nd Floor, 436 Shree Nath Bhuvan, Kalba Devi Road, Mumbai, Maharashtra, India, 400002 is owned by our director Pankaj Sunder Jain. Our Company has given interest free security deposit of Rs. 25.00 lakhs and no rent is paid / payable for use of the office. We had obtained a Non-Objection Certificate for the use of office.

### ***Leased Property***

<b>Name of the Licensor</b>	<b>Details of the Property</b>	<b>Term of Lease</b>	<b>Lease Amount</b>	<b>Purpose</b>
Ganesh Transport Co.	House No 206/A 1, Gupta compound, Thane Road, Rahanal Village Bhiwandi Thane – 421302.	36 months Commencing from January 01, 2024 till December 31, 2026	Rs. 12,000/- per month Security Deposit of Rs. 50,000/-	Warehouse

## KEY REGULATIONS AND POLICIES

*The following description is an overview of certain sector-specific relevant laws and regulations in India which are applicable to the operations of our Company. The description of laws and regulations set out below is not exhaustive and is only intended to provide general information to Bidders. The information in this section is neither designed nor intended to be a substitute for professional legal advice and investors are advised to seek independent professional legal advice.*

*The statements below are obtained from publications available in the public domain based on the current provisions of applicable Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions and our Company or the Lead Manager are under no obligation to update the same.*

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by us:

### **A. CORPORATE AND COMMERCIAL LAWS**

#### **Companies Act, 2013**

The Companies Act, 2013 (“Companies Act”) deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning, and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial, and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

#### **Competition Act, 2002**

The Competition Act, 2002 (“Competition Act”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“Competition Commission”) which became operational from May 20, 2009, has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising, or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

#### **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 Specific Relief Act, 1963**

The Specific Relief Act is complimentary to the provisions of the Contract Act and the T.P. Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. ‘Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.



### **Transfer of Property Act, 1882**

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the Transfer of Property Act, 1882 ("T.P. Act."). The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

The T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- Sale: The transfer of ownership in property for a price paid or promised to be paid.
- Mortgage: The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognizes several forms of mortgages over a property.
- Charges: Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- Leases: The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.
- Leave and License: The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.

### **The Registration Act, 1908 ("Registration Act")**

The Registration Act, 1908 ("Registration Act") was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

### **The 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. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks ("the Registrar"), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

### **The Copyright Act, 1957 ("Copyright Act")**

The Copyright Act grants protection to the authors of literary, artistic, dramatic, musical, photographic, cinematographic or sound recording works from unauthorized uses. Various rights including ownership and economic rights are conferred on the author. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire. The penalty for general infringement of copyright is imprisonment of maximum 3 (three) years and a fine of upto ₹ 2,00,000/- (Rupees Two Lakhs Only).

### **Indian Stamp Act, 1899 (the “Stamp Act”)**

Under the Indian Stamp Act, 1899 (the “Stamp Act”) stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

### **The Maharashtra Stamp Act, 1958**

The purpose of the Maharashtra Stamp Act, 1958 (the “Stamp Act”) was to streamline and simplify transactions of immovable properties and securities by the State Government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule IA of the Stamp Act. Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state.

### **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.

### **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.

### **The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951**

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 (“MSMED Act”) inter-alia seeks to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The MSMED Act inter-alia empowers the Central Government to classify by notification, any class of enterprises including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as: (i) a micro enterprise, where the investment in plant and machinery does not exceed Rs.25,00,000/- (Rupees Twenty Five Lakhs Only); (ii) a small enterprise, where the investment in plant and machinery is more than Rs.25,00,000/- (Rupees Twenty Five Lakh Only) but does not exceed Rs.5,00,00,000/- (Rupees Five Crores Only); or (iii) a medium enterprise, where the investment in plant and machinery is more than Rs.5,00,00,000/- (Rupees Five Crores Only) but does not exceed Rs.10,00,00,000/- (Rupees Ten Crores Only). In case of enterprises engaged in providing or rendering of services, the enterprise may be classified as: (i) a micro enterprise, where the investment in equipment does not exceed Rs.10,00,000/- (Rupees Ten Lakhs Only); (ii) a small enterprise, where the investment in equipment is more than Rs.10,00,000/- (Rupees Ten Lakhs Only) but does not exceed Rs.2,00,00,000/- (Rupees Two Crores Only); or (iii) a medium enterprise, where the investment in equipment is more than Rs.2,00,00,000/- (Rupees Two Crores Only) but does not exceed Rs.5,00,00,000/- (Rupees Five Crores Only). The MSMED Act also inter-alia stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

### **Negotiable Instruments Act, 1881**

In India, any negotiable instruments such as cheques are governed by this Act, Section 138 of the Act, makes dishonor of cheques a criminal offence if the cheque is dishonored on the ground of insufficiency of funds in the account maintained by a person who draws the cheque which is punishable with imprisonment as well as fine.

### **The Consumer Protection Act, 2019**

The Consumer Protection Act provides better protection to the interests of consumers. This is enabled with the establishment of consumer councils and other authorities for the settlement of consumers' disputes and matters connected therewith. The Consumer Protection Act protects the consumers against any unfair/restrictive trade practice that has been adopted by any trader or service provider or if the goods purchased by him suffer from any defect or deficiency. In case of consumer disputes, the same can be referred to the redressal forums set up under the Act.

### **Foreign Exchange Management Act, 1999**

Foreign investment in manufacturing sector is governed by the provisions of the FEMA read with the applicable regulations. The Department of Industrial Policy and Promotion (“DIPP”), Ministry of Commerce and Industry has issued ‘Consolidated FDI Policy Circular of 2020’ (“FDI Policy”) which consolidates the policy framework on Foreign Direct Investment (“FDI”), with effect from October 15, 2010. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till October 15, 2020. The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. The foreign investment in our Company is governed inter alia by the FEMA, as amended, FEMA Regulations, as amended, the FDI Policy issued and amended by way of press notes, and the SEBI FPI Regulations

Currently, 100% FDI is permitted under the automatic route in the companies which are engaged in manufacturing activities

However, an entity of a country, which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, can invest only under the Government route

### **Information Technology Act, 2000**

The Information Technology Act, 2000 (also known as ITA-2000, or the IT Act) is an Act of the Indian Parliament (No 21 of 2000) notified on 17 October 2000. It is the primary law in India dealing with cybercrime and electronic commerce. Secondary or subordinate legislation to the IT Act includes the Intermediary Guidelines Rules 2011 and the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rule, 2021. The laws apply to the whole of India.

The Act provides a legal framework for electronic governance by giving recognition to electronic records and digital signatures. It also defines cyber-crimes and prescribes penalties for them. If a crime involves a computer or network located in India, persons of other nationalities can also be indicted under the law. The Act directed the formation of a Controller of Certifying Authorities to regulate the issuance of digital signatures. It also established a Cyber Appellate Tribunal to resolve disputes arising from this new law.

## **B. TAX RELATED LEGISLATIONS**

### **Income Tax Act, 1961**

Income-tax Act, 1961 (“Income-tax 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 Income-tax 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.



### **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.

### **Maharashtra Tax on Professions, Trade, Callings and Employments Act, 1975**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

## **C. INDUSTRY AND LABOUR RELATED LAWS**

### **The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing 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 provisions of this code will be brought into force on a date to be notified by the Central Government.

### **Plastic Waste Management Rules, 2016 and the rules framed thereunder**

Under the Plastic Waste Management Rules, 2016 (“PWM”) all institutional generators of plastic waste, are required to inter alia, segregate and store the waste generated by them in accordance with the Solid Waste Management Rules, 2016, and handover segregated wastes to authorized waste processing or disposal facilities or deposition centres, either on its own or through the authorized waste collection agency. The waste generator shall also take steps to minimize generation of plastic waste. The Plastic Waste Management Rules, 2016 also requires the producers, importers and brand owners to collect back the plastic waste generated due to their products.

### **The Code on Social Security, 2020**

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing 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. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers.

### **Employees Provident Fund and Miscellaneous Provisions Act, 1952**

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. 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.

### **Employees State Insurance Act, 1948, as amended (the "ESIC Act")**

The ESI Act, 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. 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 Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed 1 million.

### **Legal Metrology Act, 2009**

The Legal Metrology Act, 2009 ("L.M. Act") governs the standards/units/denominations used for weights and measures as well as for goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L.M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in the Rules made by each State. The Act also provides for Legal Metrology (General) Rules, 2011, which may be followed for due compliance, if the respective State does not provide for Rules in this regard.

### **Contract Labour (Regulation and Abolition) Act, 1970**

The Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA") is an act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 (twenty) or more workmen are employed or were employed on any day of the preceding 12 (twelve) months as contract labour. It also applies to every contractor who employs or who employed on any day of the preceding 12 (twelve) months, 20 (twenty) or more workmen provided that the appropriate Government may after giving not less than 2 (two) months' notice, by notification in the Official Gazette, apply the provisions of the CLRA to any establishment or contractor. Further, it contains provisions regarding Central and State Advisory Board under the

CLRA, registration of establishments, and prohibition of employment of contract labour in any process, operation or other work in any establishment by the notification from the State Board, licensing of contractors and welfare and health of the contract labour. The Contract Labour (Regulation and Abolition) Central Rules, 1971 are formulated to carry out the purpose of the CLRA.

### **Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017**

Under the provisions of the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 the establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

### **The Employees' Compensation Act, 1923**

The Employees' Compensation Act, 1923 ("EC Act") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

### **Equal Remuneration Act, 1976**

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.

### **Maternity Benefit Act, 1961**

The purpose of Maternity Benefit Act, 1961 is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period before and after child birth. It provides, *inter-alia*, for payment of maternity benefits, medical bonus and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

### **Payment of Bonus Act, 1965**

Pursuant to the Payment of Bonus Act, 1965, as amended, an employee in a factory or in any establishment where 20 (twenty) or more persons are employed on any day during an accounting year, who has worked for at least 30 (thirty) working days in a year, is eligible to be paid a bonus. Contravention of the provisions of the Payment of Bonus Act, 1965 by a company is punishable with imprisonment upto 6 (six) months or a fine upto ₹ 1,000/- (Rupees One Thousand only) or both.

### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act") provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to ₹50,000/-

### **The Payment of Wages Act, 1936**

The Payment of Wages Act, 1936 (“PW Act”) is applicable to the payment of wages to persons in factories and other establishments. PW Act ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

### **The Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 (“MW Act”) came in to force with the objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MW Act, the appropriate government is authorised to fix the minimum wages to be paid to the persons employed in scheduled or non-scheduled employment. Every employer is required to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to the MW Act, in respect of which minimum rates of wages have been fixed or revised under the MW Act.

### **Child Labour (Prohibition and Regulation) Act, 1986**

The Child Labour (Prohibition and Regulation) Act, 1986 (the “CLPR Act”) seeks to prohibit the engagement of children in certain employments and to regulate the conditions of work of children in certain other employments. It also prescribes hours and periods of work, holidays, the requirement of keeping a register, etc for the establishments falling under this act. A shop or a commercial establishment is included under the definition of an “establishment” according to Section 2(iv) of the CLPR Act.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as NAPS Trading Private Limited on March 28, 2014 under the Companies Act, 1956 with the Registrar of Companies, Maharashtra bearing Registration number 255128. The name of our Company was changed to “NAPS Global India Private Limited” vide Special Resolution dated December 02, 2023 and a fresh certificate of incorporation was issued on January 02, 2024 by the Registrar of Companies, Mumbai. Thereafter, the status of the Company was changed to Public Limited and the Main Object of the was altered vide Special Resolution dated December 14, 2023. The name of our Company was changed to “NAPS Global India Limited” vide Special Resolution dated March 22, 2024 and a fresh certificate of incorporation consequent to conversion was issued on June 20, 2024 by the Central Processing Centre, Haryana. The Corporate Identification Number of our Company is U51595MH2014PLC255128.

Our Company has 7 shareholders as on the date of filing of this Draft Prospectus.

### OVERVIEW

Our Company “NAPS Global India Limited” is a Mumbai based Company having its presence in the textile industry for more than a decade. Our Company was founded by our promoters Pankaj Jain and Ronak Mistry in the year 2014. Our promoters have their roots in the textile industry starting their journey from local shop and vendors to creating a company which has supply all over Maharashtra & other part of India also and a solid network chain of suppliers established in China and Hongkong with a vision to cater all demands of fabrics supply for the PAN India garment manufacturing companies. Our Company now embarks on being the public listed company with a vision to build a resonance with the stakeholders and establish presence PAN India to create and provide value to our stakeholders and reach each corner of our nation and serve in better way.

### MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Year	Major Events / Milestone / Achievements
2014	▪ Incorporation of our Company NAPS Trading Private Limited
2014	▪ For the first time, Company did Import from China.
2023	▪ Company’s turnover crossed the Rs 25 crore mark.
2023	▪ For the first time, Company did Export to UAE
2024	▪ Name of the Company was changed to NAPS Global India Private Limited
2024	▪ Conversion of our Company from Private Limited Company to Public Limited Company and name changed to NAPS Global India Limited
2024	▪ The Company’s turnover crossed the Rs 40 crore mark.

### MAIN OBJECTS OF OUR COMPANY

1. To carry on the business of buying, selling, reselling, manufacturing importing, exporting, transporting, storing, developing, promoting, marketing or supplying. trading, dealing in any manner whatsoever in all type of goods (including textile) on retail as well as on wholesale basis in India or elsewhere.
2. To carry on the business as exhibitors of various goods, services and merchandise and to undertake the necessary activities to promote sales of goods, services and merchandise manufactured/dealt with/provided by the Company.
3. To act as broker, trader, agent, C & F agent, shipper, commission agent, distributor, representative, franchiser, consultant, collaborator, stockist, liaisoner, job worker, export house of goods, merchandise and services of all grades, specifications, descriptions, applications, modalities, fashions, including byproducts, spares or accessories thereof, on retail as well as on wholesale basis.

### CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY

There is no change in our registered office address since inception of our company.

### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY IN LAST 10 YEARS

The following changes have been made to the Memorandum of Association of our Company:

<b>Sr. No.</b>	<b>Date of Shareholder's Resolution</b>	<b>Nature of Amendment</b>
1.	December 15, 2017	The Authorized Share Capital shares of ₹ 1,00,000 (One Lakhs) divided into 10,000 (Ten Thousand) Equity Shares of ₹ 10 each was increased to ₹15,00,000 (Fifteen Lakhs) divided into 150,000 (One Lakhs Fifty Thousand) Equity Shares of ₹ 10 each.
2.	April 24, 2023	The Authorized Share Capital shares 15,00,000 (Fifteen Lakhs) divided into 150,000 (One Lakhs Fifty Thousand) Equity Shares of ₹ 10 each was increased to 4,75,00,000 (Four Crore Seventy Five Lakhs) divided into 47,50,000 (Forty Seven Lakhs Fifty Thousand) Equity Shares of ₹ 10 each
3.	December 02, 2023	The name of our company was changed from 'NAPS Trading Private Limited' to 'NAPS Global India Private Limited' consequent to which a certificate of Incorporation dated January 02, 2024 was issued by the Registrar of Companies, Mumbai.
4.	December 14, 2023	The Main Object of our company was amended to accurately reflect the specific industry in which the business operates.
5.	April 26, 2024	The status of the Company was changed to Public Limited and the name of our Company was changed to "NAPS Global India Limited" vide Special Resolution dated April 26, 2024 and a fresh certificate of incorporation consequent to conversion was issued on June 20, 2024 by the Central Processing Centre.

#### **OUR HOLDING COMPANY**

As on the date of this Draft Prospectus, our Company does not have any Holding Company

#### **OUR SUBSIDIARIES / JOINT VENTURE**

As on the date of this Draft Prospectus, our Company does not have any Subsidiary Company/ Joint Venture.

#### **THE AMOUNT OF ACCUMULATED PROFIT / (LOSSES) NOT ACCOUNTED FOR BY OUR COMPANY**

There is no accumulated profit / (losses) not accounted for by our Company.

#### **FINANCIAL PARTNERS**

We do not have any financial partners as on the date of this Draft Prospectus.

#### **STRATEGIC PARTNERS**

We do not have any strategic partners as on the date of this Draft Prospectus.

#### **SHAREHOLDERS' AGREEMENT**

Our Company has not entered into any Shareholders Agreement as on the date of this Draft Prospectus.

#### **OTHER AGREEMENTS**

Except the contracts / agreements entered in the ordinary course of the business carried on or intended to be carried on by our Company, we have not entered into any other agreement / contract as on the date of this Draft Prospectus.

#### **COLLABORATION**

Our Company has not entered into any Collaboration as on the date of this Draft Prospectus.

#### **ACQUISITION OF BUSINESSES/ UNDERTAKINGS, MERGER, AMALGAMATION OR REVALUATION OF ASSETS IN LAST 10 YEARS**

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years.

**TIME/COST OVERRUN IN SETTING UP PROJECTS**

There has been no material time and cost overruns in the Company as on date of this Draft Prospectus.

**LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY INTO NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS, CAPACITY/ FACILITY CREATION OR LOCATION OF PLANTS**

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/facility creation, and location of our warehouse, see “*Our Business*” on page 87 of this Draft Prospectus.

**LOCK-OUT AND STRIKES**

There have been no material instances of strikes or lock-outs at any time in our Company.

**DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS**

Our Company has not made any defaults / re-scheduling of its borrowings as on date of this Draft Prospectus.

**INJUNCTION OR RESTRAINING ORDERS**

There are no material injunctions/restraining orders that have been passed against the company.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

As on the date of this Draft Prospectus, our Board consists of Five (5) Directors including One (1) Managing Director, One (1) Whole Time Director, One (1) Additional Non- Executive Director and Two (2) Non - Executive Independent Directors, Out of Two (2) Non - Executive Independent Directors, One (1) is Woman Director.

The details of the Directors are as mentioned in the below table:

Sr. No.	Name, Designation, Address, Date of Birth, Occupation, Term and DIN	Nationality	Age	Other Directorships
1.	<p><b>Pankaj Jain</b> (Chairman and Managing Director)</p> <p><b>Date of Birth:</b> May 25, 1974</p> <p><b>Address:</b> B-1506, Abrol Vastu Park, Evershine Nagar, Near Ryan International School, Malad West Dely, Malad West, Mumbai-400064, Maharashtra.</p> <p><b>Date of Appointment as Director:</b> Since Incorporation</p> <p><b>Date of Change in designation:</b> June 24, 2024</p> <p><b>Term:</b> Appointed as Chairman and Managing Director for a period of Five years i.e. till June 23, 2029 and is liable to retire by rotation.</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 03512503</p>	Indian	50 years	<p><b>Indian Companies</b></p> <p>1. Eternal Offshore Services Private Limited</p> <p>2. Ratan Trading Private Limited</p> <p><b>Foreign Companies</b></p> <p>Nil</p>
2.	<p><b>Ronak Mistry</b> (Whole Time Director and Chief Financial Officer)</p> <p><b>Date of Birth:</b> February 17, 1990</p> <p><b>Address:</b> Flat No. 701, Floor No. 7, Sai Sheetal CHSL, Daulat Nagar Road No. 5, Opp. Hanuman Temple, Daulat Nagar, Mumbai, Mumbai Suburban, Maharashtra, 400066.</p> <p><b>Date of Appointment as Director:</b> Since Incorporation</p> <p><b>Date of Change in designation:</b> June 24, 2024</p> <p><b>Term:</b> Appointed as Whole Time Director for a period of Five years i.e. till June 23, 2029 and is liable to retire by rotation.</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 06687171</p>	Indian	34 years	<p><b>Indian Companies</b></p> <p>Nil</p> <p><b>Foreign Companies</b></p> <p>Nil</p>



Sr. No.	Name, Designation, Address, Date of Birth, Occupation, Term and DIN	Nationality	Age	Other Directorships
3.	<p><b>Satyanarayan Punglia</b> (Non-Executive Director)</p> <p><b>Date of Birth:</b> October 10, 1969</p> <p><b>Address:</b> 259/A, Mani Bhavan, 2nd Floor, Jagannath Shankar Sheth Marg, Girgaum, Mumbai Maharashtra, 400004.</p> <p><b>Date of Appointment as Additional Director:</b> March 06, 2024</p> <p><b>Date of Change in designation:</b> Next Annual General Meeting.</p> <p><b>Term:</b> Liable to retire by rotation.</p> <p><b>Occupation:</b> Service</p> <p><b>DIN:</b> 10481745</p>	Indian	54 years	<p><b>Indian Companies</b> Nil</p> <p><b>Foreign Companies</b> Nil</p>
4.	<p><b>Bhawna Hundlani</b> (Non-Executive Independent Director)</p> <p><b>Date of Birth:</b> December 21, 1998</p> <p><b>Address:</b> 694, 9th C Road, Sardarpura, Jodhpur, Rajasthan 342003</p> <p><b>Date of Appointment as Non-Executive Independent Director:</b> June 24, 2024</p> <p><b>Term:</b> Appointed as Non-Executive Independent Director for a period of Five years i.e. till June 23, 2029 and is not liable to retire by rotation.</p> <p><b>Occupation:</b> Professional</p> <p><b>DIN:</b> 10459772</p>	Indian	25 years	<p><b>Indian Companies</b> 1. CLN Energy Limited</p> <p><b>Foreign Companies</b> Nil</p>
5.	<p><b>Nikhil Malpani</b> (Non-Executive Independent Director)</p> <p><b>Date of Birth:</b> July 13, 1991</p> <p><b>Address:</b> Jawahar Colony, Kampoo, Behind Padma School, Gird, Gwalior – 474001.</p> <p><b>Date of Appointment as Non-Executive Independent Director:</b> June 24, 2024</p> <p><b>Term:</b> Appointed as Non-Executive Independent Director for a period of Five years i.e. till June 23, 2029 and is not liable to retire by rotation.</p> <p><b>Occupation:</b> Professional</p> <p><b>DIN:</b> 09816032</p>	Indian	33 years	<p><b>Indian Companies</b></p> <ol style="list-style-type: none"> <li>Narmadesh Brass Industries Limited</li> <li>Arrowhead Seperation Engineering Limited</li> <li>Sunita Tools Limited</li> <li>Integrity Infrabuild Developers Limited</li> </ol> <p><b>Foreign Companies</b> Nil</p>

## BRIEF PROFILE OF OUR DIRECTORS

**Pankaj Jain**, aged 50 Years, is the one of the founding Promoter of the Company. He has been a part of the Board since inception and is currently designated as Chairman & Managing Director of the company. He holds a Bachelor's degree from Mumbai University. He has experience of more than a decade in textile and garment industry. His strong leadership skill, comprehensive understanding of financial management principles, entrepreneurship with commercial acumen and excellent management skill allow the business to grow by way of developing the new clients whilst maintaining its existing customer base. He has contributed substantially in growth of business of company.

**Ronak Mistry**, aged 34 years, is also one of the founding Promoter of the Company. He has been a part of the Board since inception and is currently designated as Whole Time Director of the company. He holds a Bachelor's degree in Commerce from Mumbai University. He has experience of more than a decade in textile and garment industry. Currently, he provides his intermittent guidance to our Company with respect to the business development activities and is responsible for providing his expertise for growth and expansion of our Company. He is essential for driving customer acquisition and meticulously managing the company's finances and operations.

**Satyanarayan Punglia**, aged 54 years, is on the board of our company since March 06, 2024 and has currently been designated as a Non-Executive Director. He holds a Bachelors degree of Commerce from Rajasthan University. He has been providing Services as a freelancer for over two decades in the Textile Industry. His experience is instrumental in optimizing our business operations, spearheading effective marketing strategies, and cultivating strong customer relationships.

**Bhawna Hundlani**, aged 25 years is a Non-Executive Independent Director of our Company. She was appointed on the Board of our Company w.e.f. June 24, 2024. She holds bachelor's degree in Commerce as well as Law from Jai Narain Vyas University, Jodhpur. She is an associate member of the Institute of Company Secretary of India. She has experience in Compliance, Secretarial and Legal matters. Currently she is designated as Company Secretary and Compliance Officer of Oneclick Logistics India Limited.

**Nikhil Malpani**, aged 33 years is a Non- Executive Independent Director of our Company. He was appointed on the Board of our Company w.e.f. June 24, 2024. He holds a Bachelors degree of Commerce from Delhi University and is a member of Institute of Chartered Accountants of India since 2019. He has Experience in various practices such as conducting Audit, exposure in Direct and Indirect Taxes, Statutory Bank Audits, analyzing financial statements to determine the reporting and earning quality for the purpose of business valuations and investment analysis and currently he is working as an Independent Practicing Accountant.

## CONFIRMATIONS

1. As on the date of this Draft Prospectus none of the Directors of our Company are related to each other as per Section 2 (77) of the Companies Act, 2013.
2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of the Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1) (III) of SEBI (ICDR) Regulations.
5. None of our Directors are or were directors of any listed Company whose shares have been/were suspended from trading by any of the stock exchange(s) during his/her tenure in that Company in the last five years or delisted from the stock exchange(s) during the term of their directorship in such companies.
6. None of our Directors have been declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
7. None of the Promoter or Directors has been or is involved as a promoter or director of any other Company which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

8. No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce him to become or to help him qualify as a director, or otherwise for services rendered by him or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.

#### **DETAILS OF BORROWING POWERS**

Pursuant to a special resolution passed at an Extra-Ordinary General Meeting of our Company held on June 24, 2024 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 500 Crores.

#### **COMPENSATION PAYABLE TO OUR DIRECTORS**

##### **1. Pankaj Jain, Chairman and Managing Director**

The compensation payable to our Chairman and Executive Director will be governed as per the terms of their appointment and shall be subject to the provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof).

The compensation package payable to him as resolved in the shareholders meeting held on June 24, 2024 is stated hereunder:

The total remuneration Payable to Pankaj Jain, Chairman and Managing Director, shall not exceed a sum of ₹ 1,50,00,000 per annum (inclusive of salary, perquisites, benefits, incentives and allowances) for a period of 3 years from June 24, 2024 to June 23, 2027.

##### **2. Ronak Mistry, Whole Time Director**

The compensation payable to our Whole Time Director will be governed as per the terms of their appointment and shall be subject to the provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof).

The compensation package payable to him as resolved in the shareholders meeting held on June 24, 2024 is stated hereunder:

The total remuneration Payable to Ronak Mistry, Whole Time Director, shall not exceed a sum of ₹ 1,50,00,000 per annum (inclusive of salary, perquisites, benefits, incentives and allowances) for a period of 3 years from June 24, 2024 to June 23, 2027.

#### **REMUNERATION/COMPENSATION/COMMISSION PAID TO DIRECTORS BY OUR COMPANY**

The remuneration / Compensation (including other benefits) paid to our current Directors by our company for F.Y. 2023-24 are as follows:

(₹ in lakhs)

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Remuneration / Compensation paid</b>
1.	Pankaj Jain	18.00
2.	Ronak Mistry	7.20

#### **SITTING FEES PAYABLE TO NON – EXECUTIVE INDEPENDENT DIRECTOR/ NON – EXECUTIVE DIRECTOR**

Pursuant to the resolution dated June 20, 2024 passed by the Board of Directors of our Company, the Non-Executive Director / Non-Executive Independent Directors of our Company would be entitled to a sitting fee of ₹ 5,000 for attending every meeting of Board or its committee thereof.

## SHAREHOLDING OF OUR DIRECTORS

Our Articles of Association do not require our Directors to hold any qualification shares. Further, the details of the shareholding of our Directors as on the date of this Draft Prospectus are as follows:

Sr. No.	Name of the shareholder	No. of Equity Shares	Percentage of Pre-Issue Capital (%)
1.	Pankaj Jain	16,47,400	52.97 %
2.	Ronak Mistry	6,07,600	19.54%

## INTEREST OF DIRECTORS

All Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of our Board or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

The Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by or allotted to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them.

Other than Pankaj Jain and Ronak Mistry, who are the Promoter and the Director of our Company, none of our Directors have any interest in the promotion or formation of our Company.

None of our Directors have any interest in any property acquired or proposed to be acquired by the Company.

No amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors

As on date of Draft Prospectus no loans have been availed by our Directors from our Company.

None of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company.

Except as mentioned in their appointment letter, none of the Directors is party to any bonus or profit-sharing plan of our Company other than the performance linked incentives given to each of the Directors in accordance with the terms of their appointment.

Except as disclosed in "Note 27 - Related Party Transactions" in the chapter titled "Financial Statements as Restated beginning from page no. 127 of this Draft Prospectus, our Directors do not have any interest in the Company or its business.

## CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Name of the Director	Date of Change	Reason for Change
Pankaj Jain	June 24, 2024	Re-Designated as Managing Director
Ronak Mistry	June 24, 2024	Re-Designated as Whole Time Director
Bhawna Hundlani	June 24, 2024	Appointment as Non-Executive Independent Director
Nikhil Malpani	June 24, 2024	Appointment as Non-Executive Independent Director
Satyanarayan Punglia	June 24, 2024	Regularisation as Non-Executive Director
Satyanarayan Punglia	March 6, 2024	Appointment as Additional Non-Executive Director

## CORPORATE GOVERNANCE

In addition to the applicability of provisions of Companies Act, 2013 with respect to corporate governance, provisions of the SEBI (LODR) Regulations, 2015 have also been complied with, to the extent applicable to our Company.

Our Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealing with our stakeholders, emphasis on communication and transparent report. We

have complied with the requirements of the applicable regulations, including Regulations, in respect of Corporate Governance including constitution of the Board and its Committees. The Corporate Governance framework is based on an effective Independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board functions either as a full Board or through the various committees constituted to oversee specific operational areas. As on the date of this Draft Prospectus, our Board consists of Five (5) Directors including One (1) Managing Director, One (1) Whole Time Director, One (1) Non- Executive Director and Two (2) Non - Executive Independent Directors out of which One (1) Director is Woman Director

The following committees have been constituted for compliance with Corporate Governance requirements:

- A. Audit Committee;
- B. Nomination and Remuneration Committee;
- C. Stakeholders Relationship Committee.

#### **A. AUDIT COMMITTEE**

Our Board has constituted the Audit Committee vide Board Resolution dated June 28, 2024 in accordance with the Section 177 of the Companies Act, 2013. The audit committee comprises of:

<b>Name of the Directors</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Nikhil Malpani	Non-Executive -Independent Director	Chairman
Bhawna Hundlani	Non-Executive -Independent Director	Member
Ronak Mistry	Whole Time Director & CFO	Member

The Company Secretary & Compliance Officer of the Company will act as the Secretary of the Committee.

The scope of Audit Committee shall include but shall not be restricted to the following:

- a. Overseeing our Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b. Recommending to the Board, the appointment, re-appointment, and replacement, remuneration and terms of appointment of the internal auditor, cost auditor and statutory auditor and the fixation of audit fee;
- c. Reviewing and monitoring the auditor's independence and performance and the effectiveness of audit process;
- d. Approving payments to the statutory auditors, internal and cost auditors for any other services rendered by statutory auditors, internal and cost auditors;
- e. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - i. Matters required to be stated in the Director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions; and
  - vii. Qualifications and modified opinions in the draft audit report.

- f. Reviewing with the management, the quarterly, half – yearly and annual financial statements before submission to the Board for approval;
- g. Scrutiny of inter-corporate loans and investments;
- h. Valuation of undertakings or assets of our Company, wherever necessary;
- i. Evaluating internal financial controls and risk management systems;
- j. Approving or subsequently modifying transactions of our Company with related parties, provided that the audit committee may make omnibus approval for related party transactions proposed to be entered into by our Company subject to such conditions as may be prescribed;

Explanation: The term “related party transactions” shall have the same meaning as provided in Regulation 2(1) (zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or Companies Act, 2013.

- k. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Issue Document/Prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- l. Evaluating undertakings or assets of our Company, wherever necessary;
- m. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- n. Reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;
- o. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- p. Discussing with internal auditors on any significant findings and follow up thereon;
- q. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- r. Discussing with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- s. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- t. Approving appointment of the chief financial officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- u. Reviewing the functioning of the whistle blower mechanism, in case the same is existing;
- v. Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws; and
- w. Formulating, reviewing and making recommendations to the Board to amend the Audit Committee charter from time to time.
- x. Reviewing the utilisation of loan and/or advances from investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

- y. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

**The powers of the Audit Committee include the following:**

- i. To investigate activity within its terms of reference;
- ii. To seek information from any employees;
- iii. To obtain outside legal or other professional advice;
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary; and
- v. To have full access to the information contained in the records of the Company.

**The Audit Committee shall mandatorily review the following information:**

- i. Management discussion and analysis of financial condition and result of operations;
- ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- iii. Management letters/letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses;
- v. The appointment, removal and terms of remuneration of the chief internal auditor; and
- vi. Statement of deviations:
  - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
  - annual statement of funds utilized for purposes other than those stated in the Issue Document/Prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations

**Meeting Of Audit Committee and Relevant Quorum**

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

**B. NOMINATION AND REMUNERATION COMMITTEE**

Our Board has constituted the Nomination and Remuneration Committee vide Board Resolution June 28, 2024 in accordance with section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee comprises of:

<b>Name of the Directors</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Bhawna Hundlani	Non – Executive Independent Director	Chairman
Nikhil Malpani	Non – Executive Independent Director	Member
Satyanarayan Punglia	Non – Executive Director	Member

The Company Secretary of our Company acts as the Secretary to the Committee.

- a. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b. Formulation of criteria for evaluation of independent directors and the Board;

- c. Devising a policy on Board diversity;
- d. Identifying persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance. Our Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
- e. Analysing, monitoring and reviewing various human resource and compensation matters;
- f. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- g. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
- h. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- i. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- j. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
  - ii. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
- k. Determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and
- l. Perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee.

**Meeting of Nomination and Remuneration Committee and Relevant Quorum**

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

**C. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

Our Board has constituted the Stakeholders' Relationship Committee vide Board Resolution June 28, 2024 in accordance with Section 178 of the Companies Act, 2013. The Stakeholder's Relationship Committee comprises of:

<b>Name of the Directors</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Satyanarayan Punglia	Non-Executive Director	Chairman
Bhawna Hundlani	Non-Executive Independent Director	Member
Ronak Mistry	Whole Time Director & CFO	Member

The Company Secretary of the Company will act as the Secretary of the Committee.

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

- a) Allotment and listing of our shares in future.
- b) Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;



- c) Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
- d) Reference to statutory and regulatory authorities regarding investor grievances;
- e) To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- f) To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

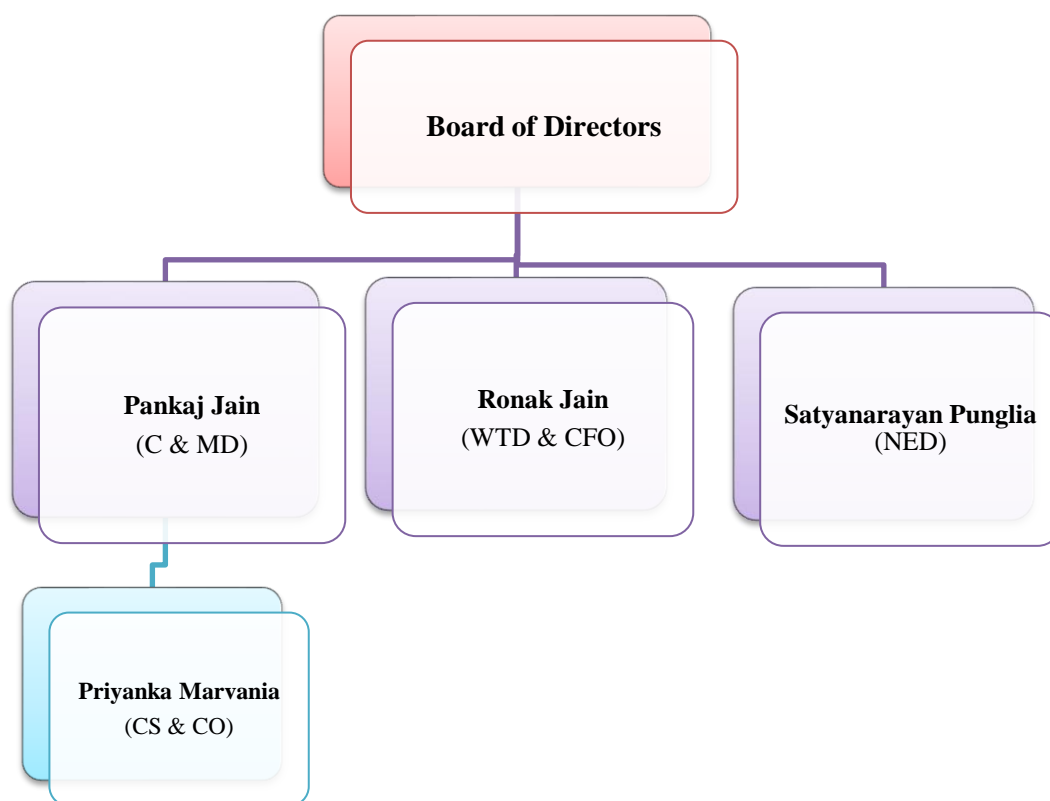
#### **Meeting of Stakeholder's Relationship Committee**

The frequency of meetings of Stakeholders Relationship Committee is at least once a year. The quorum necessary for a meeting of the Stakeholder's Relationship Committee shall be two members or one third of the members, whichever is greater.

#### **POLICY ON DISCLOSURES & INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

The provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public issue. Our Board is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the board.

## ORGANIZATIONAL STRUCTURE



### Terms & Abbreviations

C & MD	- Chairman and Managing Director
WTD	- Whole Time Director
NED	- Non-Executive Director
CFO	- Chief Financial Officer
CS & CO	- Company Secretary and Compliance Officer

### KEY MANAGERIAL PERSONNEL AND SENIOR MANAGER

For details in relation to the biographies of our Executive Directors, see “– Brief profiles of our directors” on page no. 108 of Draft Prospectus.

Given below are the details of our Key Managerial Personnel and Senior Manager, other than the Company’s Executive Directors in terms of the SEBI ICDR Regulations, and Companies Act, 2013 as on the date of this Draft Prospectus are set forth below:

**Ronak Mistry**, aged 34, is Chief Financial Officer of our company and is associated with our company since incorporation as Promoter and Director and currently been designated as CFO with effect from June 24, 2024. He has completed his Bachelors in Commerce from University of Mumbai in the year 2012. He adeptly oversees all financial facets, ensuring fiscal responsibility and strategic planning to propel growth and profitability. His leadership in financial decision-making, risk management, and reporting aligns our financial operations seamlessly with our overarching business objectives. He has experience of more than a decade in textile and garment industry. During the Financial Year 2023-24, he was paid a gross compensation of remuneration ₹ 7,20,000 per annum.

**Priyanka Marvania**, aged 26 years, is the Company Secretary and Compliance Officer of our Company. She holds a bachelor’s degree in commerce from Saurashtra University. She is an associate member of the Institute of Company Secretaries of India. In the past, she was associated with Jigar Cables Limited, in the capacity of company secretary. She has over a year of experience in secretarial and compliance matters. She has been associated with our Company from June 2024 and hence, no remuneration was paid to her during Fiscal 2024.

#### **Other Notes –**

- The aforementioned KMP's and senior manager are on the payrolls of our Company as permanent employees.
- Further, none of our KMPs and senior manager is forming part of related parties as per the Accounting Standard 18 except as stated in the chapter titled "*Financial Information- Note 27 of Restated Financial Statements*" on page no. 127 of this Draft Prospectus.

#### **RELATIONSHIP AMONGST KEY MANAGEMENT PERSONNEL AND SENIOR MANAGER**

None of the aforementioned KMPs and senior manager are related to each other.

#### **RELATIONSHIP BETWEEN THE KEY MANAGERIAL PERSONNEL AND SENIOR MANAGER AND DIRECTORS**

None of the KMP's and senior manager are related to Directors.

#### **SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL AND SENIOR MANAGER**

None of our KMPs and senior manager holds any shares of our Company as on the date of this Draft Prospectus, except as disclosed in the chapter titled "*Capital Structure*" on page no. 53.

#### **SERVICE CONTRACTS WITH KEY MANAGERIAL PERSONNEL AND SENIOR MANAGER**

Our Key Managerial Personnel and senior manager have not entered into any service contracts with our Company which provide for any benefits upon termination of their employment in our Company.

#### **INTEREST OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGER**

None of our Key Management Personnel and senior manager has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business. Our Key Managerial Personnel may also be interested to the extent of Equity Shares, if any, held by them and any dividend payable to them and other distributions in respect of such Equity Shares.

#### **LOANS TAKEN BY KEY MANAGEMENT PERSONNEL AND SENIOR MANAGER**

None of our Key Managerial Personnel and senior manager have any outstanding loan from our Company as on the date of this Draft Prospectus Except as disclosed in "*Financial Information- Note 27- Related Party Transactions of Restated Financial Statements*" on page no. 127 of this Draft Prospectus.

#### **ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS/ CUSTOMERS/ SUPPLIERS**

There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel and Senior Manager was selected as a member of our senior management.

#### **BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS AND KEY MANAGEMENT PERSONNEL**

There is no profit sharing plan for the Key Managerial Personnel and Senior Manager. However, our Company makes performance linked bonus payments, in accordance with their terms of appointment.

#### **CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO OUR DIRECTORS AND KEY MANAGERIAL PERSONNEL AND SENIOR MANAGER**

There is no contingent or deferred compensation payable to our Directors and Key Managerial Personnel, which does not form part of their remuneration.

#### **EMPLOYEE SHARE PURCHASE AND EMPLOYEE STOCK OPTION PLAN**

Presently, we do not have ESOP/ESPS scheme for employees.

#### **PAYMENT OR BENEFIT TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGER**

Except for the payment of salaries and yearly bonus, we do not provide any other benefits to our employees except as disclosed in “Note 27- Related Party Transactions of Restated Financial Statements” beginning from page no. 127 of this Draft Prospectus.

#### **CHANGES IN OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGER IN THE LAST THREE YEARS FROM THE DATE OF FILING OF THIS DRAFT PROSPECTUS**

The changes in our Key Managerial Personnel and Senior Manager during the three years immediately preceding the date of filing of this Draft Prospectus are set forth below.

<b>Name</b>	<b>Designation</b>	<b>Date of Appointment / Change in Designation</b>	<b>Reason</b>
Priyanka Marvania	Company Secretary & Compliance Officer	June 24, 2024	Appointment
Ronak Mistry	Chief Financial Officer	June 24, 2024	Appointment



## OUR PROMOTER AND PROMOTER GROUP

### THE PROMOTERS OF OUR COMPANY ARE:

1. Pankaj Jain and
2. Ronak Mistry

As on the date of this Draft Prospectus, our Promoters and Promoter Group holds 31,10,000 Equity Shares in aggregate, representing 100% of the issued, subscribed and paid-up Equity Share capital of our Company. For details of the build-up of our Promoters' shareholding in our Company, please see "Capital Structure –Shareholding of our Promoters" beginning on page no. 53 of this Draft Prospectus.

The details of our Promoters are provided below:

<b>Pankaj Jain</b>	
	<p><b>Pankaj Jain</b>, aged 50 years, is the one of the founding Promoter of the Company. He is currently designated as Chairman &amp; Managing Director of the company.</p> <p>For details of his residential address, date of birth, educational qualifications, professional experience, other directorships, positions / posts held in the past and other directorships, other ventures and special achievements, please refer to section titled "Our Management" on page 108 of this Draft Prospectus.</p> <p><b>Permanent Account Number:</b> ABSPJ9312M</p>
<b>Ronak Mistry</b>	
	<p><b>Ronak Mistry</b>, aged 34 years, is also one of the founding Promoter of the Company. He is currently designated as Whole Time Director of the company.</p> <p>For details of his residential address, date of birth, educational qualifications, professional experience, other directorships, positions / posts held in the past and other directorships, other ventures and special achievements, please refer to section titled "Our Management" on page 108 of this Draft Prospectus.</p> <p><b>Permanent Account Number:</b> AZAPM8093L</p>

For the complete profile of Our Promoters educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see "Our Management" on page no. 108 of this Draft Prospectus.

### Other Undertakings and Confirmations

We confirm that the Permanent Account Number, Bank Account Number, Passport Number, Driving License number and Aadhaar Card number of our Promoters shall be submitted to the Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange.

Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters or fraudulent borrowers by the RBI or any other governmental authority.

Our Promoters has not been declared as a fugitive economic offender under the provisions of section 12 of the Fugitive Economic Offenders Act, 2018.

No violations of securities laws have been committed by our Promoters or members of our Promoter Group or Group Companies in the past or are currently pending against them. None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group Company (ii) the Companies with which any of our Promoters are or were associated as a promoters, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

## **CHANGE IN CONTROL OF OUR COMPANY**

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Prospectus.

## **EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY**

Our Promoters have adequate experience in the business activities undertaken by our Company.

## **INTEREST OF PROMOTERS**

None of our Promoters / Directors have any interest in our Company except to the extent of compensation payable / paid, rents on properties used by our company and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapters titled "*Capital Structure*", "*Financial Information*" and "*Our Management*" beginning on page nos.53, 127 and 108 of this Draft Prospectus.

Except as stated otherwise in this Draft Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters is directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business. For further details, please refer the section titled "Restated Financial Statement –Note 27– Related Party Transactions" on page no. 127 of this Draft Prospectus.

### **Interest of Promoters in the Promotion of our Company**

Our Company is currently promoted by the promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

### **Interest of Promoters in the Property of our Company**

Our Promoters has confirmed that they do not have any interest in any property acquired by our Company within three years preceding the date of this Draft Prospectus or proposed to be acquired by our Company as on the date of this Draft Prospectus except as mentioned under the section "*Our Business -Properties*" and "*Financial Information- Note 27 of Restated Financial Statements*" on page nos. 87 and 127 respectively, of this Draft Prospectus.

Further, other than as mentioned in the chapter titled "*Our Business*" on page no. 87 of this Draft Prospectus our Promoters does not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

## **BUSINESS INTERESTS**

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by it or by such firm or company in connection with the promotion or formation of our Company.

Our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of filing of this Draft Prospectus or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to it in respect of the contracts, agreements or arrangements which are proposed to be made with it.

## **PAYMENT OF AMOUNTS OR BENEFITS TO THE PROMOTERS OR PROMOTER GROUP DURING THE LAST TWO YEARS**

Except as stated in the Section titled "*Financial Information- Note 27 of Restated Financial Statements*" on page no. 127 of this Draft Prospectus, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the date of this Draft Prospectus.

## MATERIAL GUARANTEES

Except as stated in the “*Financial Indebtedness*” and “*Financial Information*” beginning on page nos. 161 and 127 of this Draft Prospectus respectively, our Promoters has not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Prospectus.

## OUR PROMOTERS GROUP

Apart from our Promoters, as per Regulation 2(1)(pp) of the SEBI (ICDR) Regulation, 2018, the following individuals and entities shall form part of our Promoter Group:

### A. Natural Persons who are Part of the Promoter Group

As per Regulation 2(1) (pp) (ii) of the SEBI (ICDR) Regulations, 2018, the following individuals form part of our Promoter Group:

Name of the Promoters	Name of Relative	Relationship with the Promoter
Pankaj Jain	Sunderlal Madanlal Jain	Father
	Late Sushiladevi Sunderlal Jain	Mother
	Soniya Jain	Spouse
	Kusum Pawan Jain	Sister
	Ansh Pankaj Jain	Son
	Naysha Pankaj Jain	Daughter
	Prakash Chand Jain	Spouse's Father
	Sunita Jain	Spouse's Sister
	Sugun Devi Jain	Spouse's Mother
Ronak Mistry	Mahesh Dayalal Mistry	Father
	Kailash Mahesh Mistry	Mother
	Smita Ronak Mistry	Spouse
	Rudra Ronak Mistry	Son
	Mafatlal Baldevdas Mistry	Spouse's Father
	Rajanben Mafatlal Mistry	Spouse's Mother
	Dilip Mafatlal Mistry	Spouse's Brother

### B. Companies / Corporate Entities Forming Part of the Promoter Group

As per Regulation 2(1)(pp)(iv) of the SEBI (ICDR) Regulations, 2018, the following Companies/ Trusts/ Partnership firms/ HUFs or Sole Proprietorships are forming part of our Promoter Group:

Sr. No.	Name of Promoter Group Entity/Company
1.	Pankaj Jain HUF
2.	Ratan Trading Private Limited
3.	Eternal Offshore Services Private Limited

## SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY

For details of shareholding of members of our Promoter Group as on the date of this Draft Prospectus, please see the chapter titled “*Capital Structure – Notes to Capital Structure*” beginning on page no. 53 of this Draft Prospectus.

## COMPANIES OR FIRMS WITH WHICH THE PROMOTERS HAS DISASSOCIATED IN THE LAST THREE YEARS

Pankaj Jain was disassociated with Lexoraa Industries Limited (formally known as Servoteach Industries Ltd) in the last three years preceding the date of this Draft Prospectus.

## **OUTSTANDING LITIGATION**

There is no outstanding litigation against our Promoters except as disclosed in the section titled “*Risk Factors*” and chapter titled “*Outstanding Litigation and Material Developments*” beginning on page nos. 23 and 162 of this Draft Prospectus.



## OUR GROUP COMPANIES

The definition of ‘Group Company’ as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, shall include such companies with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board.

In terms of the SEBI ICDR Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated June 28, 2024, our Group Companies includes:

Those companies disclosed as related parties in accordance with Accounting Standard (“AS 18”) issued by the Institute of Chartered Accountants of India, in the Restated Financial Statements of the Company for the last three financial years.

Provided, companies which have been disclosed as related parties in the Restated Financial Statements of our Company for the last three financial years, and which are no longer associated with our Company have not been disclosed as Group Companies.

Accordingly, based on the parameters outlined above, our Company does not have any group company as on the date of this Draft Prospectus

## **DIVIDEND POLICY**

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

There are no dividends declared by our Company in the last three Financial Years.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by Our Company.

**SECTION VII- FINACIAL INFORMATION**  
**RESTATED FINANCIAL INFORMATION**  
**INDEPENDENT AUDITORS' EXAMINATION REPORT**

To,

**The Board of Directors,**  
**NAPS Global India Limited**  
**(Formerly known as NAPS Global India Private Limited)**  
Office No. 11, 2nd Floor, 436  
Shree Nath Bhuvan,  
Kalba Devi Road, Mumbai City,  
Maharashtra, India, 400002

Dear Sir/Ma'am,

We have examined the attached Restated Financial Statement along with the Significant Accounting Policies and related notes of NAPS Global India Limited (Formerly known as NAPS Global India Private Limited) (the 'Company') as at and for the financial year ended March 31, 2024, March 31, 2023, March 31, 2022 annexed to this report and prepared by the Company for the purpose of inclusion in the Draft Prospectus ("DP")/ Prospectus ("P") (being collectively referred as "Offer Document") in connection with its proposed Initial Public Offer ("IPO") on the SME Platform of the BSE Limited ("BSE").

1. The said Restated Financial Statements and other Financial Information have been prepared in accordance with the requirements of:
  - i) Section 26 of Part I of Chapter III to the Companies Act, 2013("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
  - iii) The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Offer Document being issued by the Company for its proposed IPO of equity shares on SME Platform of the BSE Limited ("BSE"); and
  - iv) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("Guidance Note").
2. We have examined the accompanied 'Restated Statement of Profit and Loss' (**Annexure – II**) for the financial year ended on March 31, 2024, March 31, 2023, March 31, 2022, the 'Restated Statement of Assets and Liabilities' (**Annexure-I**) as on above dates and 'Restated Financial Statement of Cash Flows' (**Annexure-III**) as on above dates, forming part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies and Notes to Accounts (**Annexure – IV & V**) thereon. The Restated Financial Information has been prepared by Company's management. The information has been extracted from the financial statements for the financial year ended on March 31, 2024, March 31, 2023, March 31, 2022. The Financial Statement for the year ended March 31, 2024 were audited by us D S M R & CO, Chartered Accountants, being the Statutory Auditor of the Company, which were approved by the Board of Directors as on August 14, 2024. The Financial Statement for the year ended March 31, 2023, March 31, 2022 were audited by Deepak SL Agarwal & Co Chartered Accountants, being then the Statutory Auditor of the Company, which were approved by the Board of Directors as on September 05, 2023 and September 03, 2022, respectively and upon which we have placed our reliance while reporting.
3. In terms of Schedule VI (Part A) (11) (II) (i) of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts of NAPS Global India Limited, we, M/s. D S M R & CO, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.

4. Based on our examination, we report that:
  - a. The “Restated Financial Statement of Assets and Liabilities” as set out in **Annexure I**, “Restated Financial Statement of Profit and Loss” as set out in **Annexure II** and “Restated Financial Statement of Cash Flows” as set out in **Annexure III** to this report, of the Company as at March 31, 2024, March 31, 2023, March 31, 2022 is prepared by the Company and approved by the Board of Directors. These Restated Financial Statements have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV & V** to this Report.
  - b. The Restated Financial Statements have been made after incorporating adjustments for:
    - i. The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period /years.
    - ii. Prior period and other material amount in the respective financial years to which they relate.
    - iii. Extra-ordinary items, if any, that needs to be disclosed separately in the accounts requiring adjustments, which are stated in the Notes to Accounts as set out in Annexure V.
  - c. There were no qualifications in the Audit Reports issued by Statutory Auditor(s) for the period ended on March 31, 2024, March 31, 2023, and March 31, 2022.
5. At the request of the company, we have also examined the following financial information (“Other Financial Information”) proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:

Annexure of Restated Financial Statements of the Company:-

- i. Statement of Equity Share Capital, as restated (Note– 3 of Annexure V)
- ii. Statement of Reserves & Surplus, as restated (Note - 4 of Annexure V)
- iii. Statement of Long-Term Borrowings, as restated (Note- 5 of Annexure V)
- iv. Statement of Other Long-term liability, as restated (Note- 6 of Annexure V)
- v. Statement of Short-term Borrowings, as restated (Note - 7 of Annexure V)
- vi. Statement of Trade Payables, as restated (Note - 8 of Annexure V)
- vii. Statement of Other Current Liabilities, as restated (Note- 9 of Annexure V)
- viii. Statement of Short-Term Provisions, as restated (Note- 10 of Annexure V)
- ix. Statement of Property, Plant and Equipment, as restated (Note- 11 of Annexure V)
- x. Statement of Long Terms Loans and Advances, as restated (Note- 12 of Annexure V)
- xi. Statement of Deferred Tax Assets, as restated (Note- 13 of Annexure V)
- xii. Statement of Other Non Current Asset, as restated (Note- 14 of Annexure V)
- xiii. Statement of Current Investment, as restated (Note- 15 of Annexure V)
- xiv. Statement of Inventories, as restated (Note- 16 of Annexure V)
- xv. Statement of Trade Receivables, as restated (Note- 17 of Annexure V)
- xvi. Statement of Cash and Bank Balances, as restated (Note - 18 of Annexure V)
- xvii. Statement of Short Terms Loans and Advances, as restated (Note- 19 of Annexure V)
- xviii. Statement of Other Current Assets, as restated (Note - 20 of Annexure V)
- xix. Statement of Revenue from Operations, as restated (Note – 21 of Annexure V)
- xx. Statement of Other Income, as restated (Note – 22 of Annexure V)
- xxi. Statement of Purchases of Traded Goods, as restated (Note – 23 of Annexure V)
- xxii. Statement of Change in Inventories, as restated (Note – 24 of Annexure V)
- xxiii. Statement of Employee Benefit Expenses, as restated (Note – 25 of Annexure V)
- xxiv. Statement of Finance Costs, as restated (Note – 26 of Annexure V)
- xxv. Statement of Depreciation and amortization expense (Note- 10 of Annexure V)
- xxvi. Statement of Other Expenses, as restated (Note – 27 of Annexure V)
- xxvii. Statement of Related Party Transactions, as restated (Note – 28 of Annexure V)
- xxviii. Statement of Earnings per share, as restated as restated (Note – 29 of Annexure V)
- xxix. Statement of Ratio analysis, as restated (Note – 30 of Annexure V)
- xxx. Statement of Foreign Exchange Earnings and Outflows, as restated (Note – 31 of Annexure V)
- xxxi. Statement of Other Statutory Information as restated (Note – 32 of Annexure V)
- xxxii. Statement of Reconciliation of Profits and Reconciliation of Networth (Annexure VI)

6. In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure I to VIII read with the significant accounting policies and notes to the restated financial statements have been prepared in accordance with section 26 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI).

Consequently, the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited financial statements for the relevant years.

7. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
9. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For D S M R & CO**  
**Chartered Accountants**  
**FRN 128085W**

**SD/-**

CA Dharmendra Singh Songira

Partner

M No. : 113275

Place : Mumbai

Date : 16/08/2024

UDIN : 24113275BKBF0J9961

**NAPS GLOBAL INDIA LIMITED (FORMERLY KNOWN AS NAPS GLOBAL INDIA PRIVATE LIMITED)**  
CIN : U51595MH2014PLC255128

**Annexure I - Restated Financial Statement of Assets and Liabilities**

(Rs in lakhs)

Particulars	Note No	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>(I) EQUITY AND LIABILITIES</b>				
<b>1 Shareholder's Fund</b>				
a) Equity share capital	3	311.00	1.00	1.00
b) Reserves and Surplus	4	69.62	109.40	82.23
<b>Total Equity</b>		<b>380.62</b>	<b>110.40</b>	<b>83.23</b>
<b>2 Non-Current Liabilities</b>				
a) Long term Borrowings	5	-	-	11.77
b) Other long term liability	6	40.35	90.35	40.35
<b>Total Non-Current Liabilities</b>		<b>40.35</b>	<b>90.35</b>	<b>52.12</b>
<b>3 Current Liabilities</b>				
a) Short term Borrowings	7	-	11.77	10.66
b) Trade Payables				
Dues of Micro enterprises and Small enterprises	8	-	-	-
Dues of Others		638.29	400.20	265.85
d) Other Current Liabilities	9	105.79	35.18	50.30
e) Short-term Provisions	10	7.91	4.17	0.52
<b>Total Current Liabilities</b>		<b>751.99</b>	<b>451.33</b>	<b>327.32</b>
<b>Total Equity and Liabilities</b>		<b>1,172.96</b>	<b>652.07</b>	<b>462.68</b>
<b>(II) ASSETS</b>				
<b>1 Non-Current Assets</b>				
a) Property, Plant & Equipment		19.96	19.25	24.98
b) Intangible Assets	11	-	-	-
c) Long term loans and advances	12	25.00	25.00	25.00
d) Non - Current Investment	13	141.25	114.06	89.23
e) Defferred tax Assets (Net)	14	3.53	2.85	1.94
f) Other Non Current Asset	15	85.04	-	-
<b>Total Non-Current Assets</b>		<b>274.79</b>	<b>161.17</b>	<b>141.15</b>
<b>2 Current Assets</b>				
a) Inventories	16	87.56	84.62	48.32
b) Trade Receivables	17	596.59	309.33	209.42
c) Cash and Cash Equivalents	18	112.98	21.89	14.89
d) Short-term Loans and Advances	19	94.69	75.07	48.88
e) Other Current Assets	20	6.35	-	-
<b>Total Current Assets</b>		<b>898.17</b>	<b>490.91</b>	<b>321.52</b>
<b>Total Assets</b>		<b>1,172.96</b>	<b>652.07</b>	<b>462.68</b>

The above statement should be read with Basis of Preparation and the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure VI.

As per our report of even date attached.

**For D S M R & CO**  
Chartered Accountants  
FRN 128085W

**SD/-**  
**CA Dharmendra Singh Songira**  
Partner  
M No. : 113275

Place : Mumbai

Date : August 16, 2024  
Udin : 24113275BKBFOJ9961

**For and on behalf of board of directors**  
**NAPS GLOBAL INDIA LIMITED**  
CIN : U51595MH2014PLC255128

**SD/-**  
**Pankaj Jain**  
Chairperson and Managing  
Director  
DIN : 03512503  
Date : August 16, 2024  
Place : Mumbai

**SD/-**  
**Ronak Mistry**  
Whole Time Director and  
Chief Financial Officer  
DIN : 06687171  
Date : August 16, 2024  
Place : Mumbai

**SD/-**  
**Priyanka Marvania**  
Company Secretary  
PAN: CMGPM9672L  
Date : August 16, 2024  
Place: Gujarat

**NAPS GLOBAL INDIA LIMITED (FORMERLY KNOWN AS NAPS GLOBAL INDIA PRIVATE LIMITED)**  
CIN : U51595MH2014PLC255128

**Annexure II - Restated Financial Statement of Profit and Loss**

(Rs in lakhs)

Particulars		Note No	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>I</b>	<b>INCOME</b>				
	Revenue from Operations	21	4,731.29	2,589.26	1,334.40
	Other Income	22	57.01	11.49	14.02
	<b>Total Income</b>		<b>4,788.30</b>	<b>2,600.75</b>	<b>1,348.42</b>
<b>II</b>	<b>EXPENSES</b>				
	Purchases of Traded Goods	23	4,504.96	2,485.31	1,203.56
	Change in Inventories	24	(2.94)	(36.29)	19.01
	Employee Benefit Expenses	25	59.61	60.76	44.15
	Finance Costs	26	0.65	1.77	2.78
	Depreciation & Amortisation Expenses	11	7.86	8.36	11.95
	Other Expenses	27	38.11	36.78	41.51
	<b>Total Expenses</b>		<b>4,608.25</b>	<b>2,556.68</b>	<b>1,322.96</b>
<b>III</b>	<b>Profit/(Loss) before exceptional and Exceptional items</b>		<b>180.05</b>	<b>44.07</b>	<b>25.47</b>
	Exceptional items		-	-	-
<b>IV</b>	<b>Profit/(Loss) Before Tax</b>		<b>180.05</b>	<b>44.07</b>	<b>25.47</b>
	Current Tax		35.50	12.07	7.11
	Short/Excess Income Tax		-	5.75	1.78
	Deffered Tax		(0.68)	(0.91)	(1.68)
	<b>Total tax</b>		<b>34.82</b>	<b>16.90</b>	<b>7.21</b>
<b>V</b>	<b>Profit/(Loss) for the year</b>		<b>145.22</b>	<b>27.17</b>	<b>18.26</b>
	Earning per share* (Face Value-10)	29			
	Basic		6.96	1.35	0.91
	Diluted		6.96	1.35	0.91

\* Based on weighted average number of shares

The above statement should be read with Basis of Preparation and the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure VI.  
As per our report of even date attached.

**For D S M R & CO**  
Chartered Accountants  
FRN 128085W

**For and on behalf of board of directors**  
NAPS GLOBAL INDIA LIMITED  
CIN : U51595MH2014PLC255128

SD/-  
CA Dharmendra Singh Songira

Partner

M No. : 113275  
Place : Mumbai  
Date : August 16, 2024  
Udin : 24113275BKBFOJ9961

SD/-  
Pankaj Jain

Chairperson and Managing  
Director

DIN : 03512503  
Date : August 16, 2024  
Place : Mumbai

SD/-  
Ronak Mistry  
Whole Time Director  
and Chief Financial  
Officer

DIN : 06687171  
Date : August 16, 2024  
Place : Mumbai

SD/-  
Priyanka Marvania  
Company Secretary  
PAN: CMGPM9672L  
Date : August 16, 2024  
Place: Gujarat

**NAPS GLOBAL INDIA LIMITED (FORMERLY KNOWN AS NAPS GLOBAL INDIA PRIVATE LIMITED)**  
CIN : U51595MH2014PLC255128

**Annexure III - Restated Cash Flow Statement**

(Rs in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>(I) CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit/(Loss) before tax	180.05	44.07	25.47
<i>Adjustments</i>			
Add : Depreciation	7.86	8.36	11.95
Gain on sale of securities	(50.13)	(5.47)	(10.77)
Add : Interest Income	(2.15)	(0.05)	(0.59)
Add : Dividend Income	(1.34)	(1.62)	(2.66)
Add : Finance Cost	0.65	1.77	2.78
<b>Operating profit before working capital changes</b>	<b>134.93</b>	<b>47.06</b>	<b>26.17</b>
Increase/ (Decrease) in Trade payables	238.10	134.35	(336.18)
Increase/ (Decrease) in Short term provisions	3.74	3.65	0.52
Increase/ (Decrease) in Other long term Liability	(50.00)	50.00	40.35
Increase/ (Decrease) in Other Current Liability	70.61	(15.11)	29.98
(Increase)/ Decrease in Inventory	(2.94)	(36.29)	19.01
(Increase)/ Decrease in Trade Receivables	(287.26)	(99.91)	202.71
(Increase)/ Decrease in Short Term Loans and advances	(19.63)	(26.18)	17.62
(Increase)/ Decrease in Deferred Tax Asset/Liabilities	(0.68)	(0.91)	(1.68)
(Increase)/ Decrease in Current Assets	(6.35)	-	9.77
(Increase)/ Decrease in Other Non - Current Asset	(85.04)	-	-
<b>Cash flow from operations</b>	<b>(4.53)</b>	<b>56.65</b>	<b>8.28</b>
Less: Tax paid during the year	34.82	16.90	7.21
<b>Net Cash Flow from Operating Activities</b>	<b>(39.35)</b>	<b>39.74</b>	<b>1.07</b>
<b>(II) CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Tangible and Intangible Assets	(8.57)	(2.63)	(1.05)
Purchase/(Sale) of Investment	22.94	(19.36)	(16.53)
Interest Income	2.15	0.05	0.59
Dividend Income	1.34	1.62	2.66
<b>Net Cash Flow from Investing Activities</b>	<b>17.86</b>	<b>(20.32)</b>	<b>(14.34)</b>
<b>(III) CASH FLOW FROM FINANCING ACTIVITIES</b>			
Increase in Share Capital - Right Share Issue Proceeds received	125.00	-	-
Finance cost	(0.65)	(1.77)	(2.78)
Proceeds/(Repayment) from Long-term borrowings	-	(11.77)	(20.30)
Proceeds/(Repayment) from Short -term borrowings	(11.77)	1.12	10.66
<b>Net Cash Flow from Financing Activities</b>	<b>112.58</b>	<b>(12.42)</b>	<b>(12.42)</b>
<b>(IV) Net change in Cash and Cash Equivalents ( I+II+III)</b>	<b>91.09</b>	<b>7.00</b>	<b>(25.69)</b>
<b>Reconciliation of Cash and Cash Equivalents (IV)</b>			
Cash and Cash Equivalents at the beginning of the year	21.89	14.89	40.58
Cash and Cash Equivalents at the end of the year	112.98	21.89	14.89
<b>Components of Cash and Cash Equivalents</b>			
Cash In Hand *	0.63	0.92	0.07
Balances with banks :			
- Current accounts	112.35	10.97	14.83
- Fixed Deposits	-	10.00	-
<b>Cash and Cash Equivalents at the end of the year</b>	<b>112.98</b>	<b>21.89</b>	<b>14.89</b>

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard -3 (AS-3) on Cash Flow Statement issued by the Institute of Chartered Accountants of India
- The above statement should be read with Basis of Preparation and the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V.  
As per our report of even date attached.

**For D S M R & CO**  
Chartered Accountants  
FRN 128085W

**For and on behalf of board of directors**  
**NAPS GLOBAL INDIA LIMITED**  
CIN : U51595MH2014PLC255128

**SD/-**  
**CA Dharmendra Singh Songira**

**Partner**

M No. : 113275  
Place : Mumbai  
Date : August 16, 2024  
Udin : 24113275BKBF0J9961

**SD/-**  
**Pankaj Jain**

**Chairperson and Managing Director**

DIN : 03512503  
Date : August 16, 2024  
Place : Mumbai

**SD/-**  
**Ronak Mistry**

**Whole Time Director and Chief Financial Officer**

DIN : 06687171  
Date : August 16, 2024  
Place : Mumbai

**SD/-**  
**Priyanka Marvania**  
Company Secretary  
PAN: CMGPM9672L  
Date : August 16, 2024  
Place: Gujarat



## ANNEXURE IV: CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

### 1 CORPORATE INFORMATION:

Naps Global India Limited (Formerly Known As Naps Global India Private Limited and Naps TRading Private Limited ), incorporated in India as on 28th March 2014 as M/s. Naps Trading Private Limited. The Company name has been change from Naps Trading Private Limited to Naps Global India Private Limited on 02nd January 2024. Then Company has been converted from Private Company to Public Company on 20th June, 2024. The registered office of the Company is Office No. 11, 2nd floor, 436 Shree Nath Bhuvan, Kalba Devi Road, Mumbai City, Mumbai, Maharashtra, India, 400002 .Company is engaged in the business of wholesale sale of Fabrics and Garments products.

### 2.0 RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:

#### 2.1 ACCOUNTING CONCEPTS

The financial statements have been prepared to comply in all material aspects with the notified Accounting Standard by Companies Accounting Standard Rules, 2006 which continue to apply under section 133 of the Companies Act, 2013 (the Act) read with the rule 7 of the Companies (Accounts) rule 2014 and other relevant provisions of the Companies Act, 1956 to the extent applicable. The Financials Statements are prepared and presented on the basis of generally accepted accounting principles and historical Cost convention on accrual basis. The Accounting Policies have been consistently applied by the Company and are consistent with those used in the previous year. The company follows Mercantile system of Accounting and Recognizes Income and Expenditure on Accrual Basis, Except those with Significant Uncertainties.

#### 2.2 Basis of Preparation of Restated Financial Statements:

These financial statements have been prepared in accordance with generally accepted accounting principles ('GAAP') in India under the historical cost convention on the accrual basis of accounting. These financial statements have been prepared to comply in all material aspects with the accounting standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 2013 (hereinafter together referred to as 'the Act') and Schedule III of the Act.

The restated financial information has been prepared for inclusion in the Draft Red Hearing Prospectus ("DP" or "offer document") to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with proposed Initial Public Offering of its equity shares of face value of Rs 10 each of the Company comprising a fresh issue of equity shares and offer for sale of equity shares held by the certain existing shareholders (the "Offer"), in accordance with the requirements of:

- Section 26 of part I of Chapter III of the Act
- relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI') as amended in pursuance of the Securities and Exchange Board of India Act, 1992; and
- Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI").

The Restated financial information have been compiled from:

- the audited financial statement of the Company as at March 31, 2024 which have been approved by the Board of Directors at their meeting held on August 14, 2024.
- the audited financial statement of the Company as at March 31, 2023 which have been approved by the Board of Directors at their meeting held on September 05, 2023.
- the audited financial statement of the Company as at March 31, 2022 which have been approved by the Board of Directors at their meeting held on September 03, 2022.

There were no qualifications in the Audit Reports issued by Statutory Auditor(s) for the period ended on March 31, 2024, March 31, 2023, March 31, 2022

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

#### 2.3 Use of estimates and judgements

The preparation of financial statements in conformity with the generally accepted accounting principles requires the Management to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities as on the date of financial statements and the reported amounts of revenues and expenses for the reported period. Changes in estimates are recognized in the period in which the estimates are revised and if material, their effects are disclosed in the notes to the financial statements.

#### 2.4 Going Concern

The financial accounts of the Company are prepared on the assumption of going concern concept.

#### 2.5 Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle
  - It is held primarily for the purpose of trading
  - It is expected to be realized within twelve months after the reporting period, or
  - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when it satisfies any of the following criteria:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Current liabilities includes the current portion of long term financial liabilities. The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

#### 2.6 Inventories

Inventories are carried at the lower of cost or net realisable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, FIFO method is used.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The proportionate amount of additional duty of customs paid on finished goods imported for trading and lying unsold as at the year end has been included in the value of the finished goods stock.

The comparison of cost and net realisable value is made on an item-by-item basis

## 2.7 Property, Plant and Equipment

Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises its acquisition price, including import duties and other non-refundable taxes or levies, any directly attributable cost of bringing the asset to its working condition for its intended use, pre-operative expenses including financial charges and adjustments on account of foreign exchange fluctuations, wherever applicable; any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditures related to an item of fixed asset should be capitalised only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance otherwise expenditure should be written off.

## 2.8 Depreciation and Amortisation

Depreciation on property, plant and equipment is provided on written down value method over the useful lives of assets estimated by the management which are equal to the useful lives prescribed under Schedule II of the Companies Act, 2013. The useful lives estimated by the management are mentioned below:

Furniture and fixtures	: 10 years
Electrical fitting and fixing	: 5 years
Computer and related equipment	: 3 years, Motor Vehicle :10 years, Office Equipment : 5years

Plant & Machineries have been depreciated over a period of 10 years which is the economic useful life of those machineries as per management. Leasehold improvements is amortised on a straight line basis over the remaining period of the lease or the economic useful life, whichever is lower.

The useful lives are reviewed by the management periodically and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life. Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use. Property, Plant and Equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal.

## 2.9 Intangible assets

Intangible assets that are acquired by the company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and accumulated impairment loss (if any).

Subsequent expenditure is capitalised only when it increases the future economic benefits to the specific assets to which it relates.

Intangible assets are amortised in Statement of Profit and Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the assets. Accordingly, at present these are being amortised on written down value method over a period of three years based on the useful economic life.

Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern. An intangible asset is derecognized on disposal or when no future economic benefit is expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the assets, and are recognised in the Statement of Profit and Loss.

## 3.0 Recognition of Revenue and Expenses

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must be also met before revenue is recognized:

### 3.1 Sale of goods:

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of goods have passed to the buyer under the terms of the contract.

### 3.2 Interest Income:

- (i) Revenue from interest on Fixed Deposits is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.
- (ii) Revenue from Interest on Vendors is recognized on a time proportion basis taking into account the amount outstanding from debtors for usage period of goods and the rate applicable as per the terms of the contract.
- (iii) Interest received on loans given have been recognized on receipt basis (if any).

## 2.10 Expenses:

Expenses are accounted for on accrual basis and provision is made for all known losses and expenses.

## 2.11 Investments

Investments which are readily realizable and intended to be held for not more than one year from the date of which such investments are made, are classified as current investments. All other investments are classified as long-term investments. The Company holds no investments during the year.

## 2.21 Transactions in foreign currency

Foreign exchange transactions are recorded at the exchange rates prevailing on the date of such transactions. Realized gains and losses on foreign exchange transactions during the year are recognized in the statement of profit and loss. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. The resultant exchange differences are recognized in the statement of profit and loss.

## 2.12 Segment Reporting

The Company operates in a single primary business segment. Hence, there are no reportable segment as per AS 17 Segment Reporting.

## 2.13 Earnings per share

Basic Earnings per Share (EPS) is computed by dividing the net profit after tax for the year attributable to the equity shareholders by the weighted average number of shares outstanding during the year. The Company does not have any potentially dilutive securities in any of the years presented to calculate diluted EPS and hence the diluted EPS is the same as basic EPS.

## 2.14 Accounting for taxes on Income

Tax expense comprises current and deferred tax.

**Current Tax**

Current Tax expense is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

**Deferred Tax**

Deferred income tax reflects the impact of timing differences between taxable income and accounting income during the current year and reversal of timing differences for the earlier years. Deferred Tax is measured using the tax rates and tax laws used enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all the taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets and deferred tax liabilities are reviewed at each reporting period.

**2.15 Impairment of Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An Impairment Loss is charged for when an asset is identified as Impaired. The impairment loss recognized in prior accounting period is reversed, if there has been a change in the estimate of recoverable amount. The Company has identified that there are no Assets available whose carrying cost exceeds its recoverable value and hence the Company has not provided for any impairment loss during the year.

**2.16 Provisions, Contingent liabilities and Contingent assets**

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are neither recognized nor disclosed in the financial statements.

**2.17 Cash and Cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage. Cash and cash equivalents for the purpose of cash flow statement comprise of cash at bank and in Hand and short-term bank deposits with original maturity of three months or less.

**2.18 General**

Accounting policies not specifically referred to, are consistent with the Indian Generally Accepted Accounting Principles and are followed consistently.

**NAPS GLOBAL INDIA LIMITED (FORMERLY KNOWN AS NAPS GLOBAL INDIA PRIVATE LIMITED)**  
**CIN : U51595MH2014PLC255128**

**Annexure V - Restated Financial Information**

**3 Share capital**

*(Rs in lakhs)*

a)	Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	<b>Authorised share capital</b>			
	47,50,000 equity shares of Rs 10 each	475.00	-	-
	1,50,000 equity shares of Rs 10 each	-	15.00	15.00
	<b>Total</b>	<b>475.00</b>	<b>15.00</b>	<b>15.00</b>
	<b>Issued, Subscribed &amp; Fully Paid up</b>			
	31,10,000 Equity Share capital of Rs.10/- each fully paid up	311.00	-	-
	10,000 Equity Share capital of Rs.10/- each fully paid up	-	1.00	1.00
	<b>Total</b>	<b>311.00</b>	<b>1.00</b>	<b>1.00</b>

b) **The reconciliation of the numbers of shares outstanding and amount of share capital as at year end is set out below:**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Equity Shares ( in nos)</b>			
Shares outstanding at the beginning of the year	10,000	10,000	10,000
Bonus Shares issued during the year	18,50,000	-	-
Shares issued during the period	12,50,000	-	-
<b>Shares Outstanding at the end of the period</b>	<b>31,10,000</b>	<b>10,000</b>	<b>10,000</b>
<b>Equity Share Capital ( in lakhs)</b>			
Share Capital outstanding at the beginning of the year	1.00	1.00	1.00
Bonus Shares issued during the year	185.00	-	-
Shares issued during the period	125.00	-	-
<b>Equity Shares Capital at the end of the period</b>	<b>311.00</b>	<b>1.00</b>	<b>1.00</b>

c) **Name of Equity Shareholders holding more than 5% equity shares**

Name of Shareholder	No of shares held	% of Holding	% Change during the Year
<b>Pankaj Sunderlal Jain</b>			
March 31, 2024	16,47,400	52.97%	2.97%
March 31, 2023	5,000	50.00%	0.00%
March 31, 2022	5,000	50.00%	0.00%
<b>Ronak Mistry</b>	-		
March 31, 2024	6,07,600	19.54%	-30.46%
March 31, 2023	5,000	50.00%	0.00%
March 31, 2022	5,000	50.00%	0.00%
<b>Soniya Jain</b>			
March 31, 2024	2,70,000	8.68%	8.68%
March 31, 2023	-	0.00%	0.00%
March 31, 2022	-	0.00%	0.00%
<b>Ansh Jain</b>			
March 31, 2024	2,20,000	7.07%	7.07%
March 31, 2023	-	0.00%	0.00%
March 31, 2022	-	0.00%	0.00%

**d) Shares held by promoters at the year end**

Name of Shareholder	No of shares held	% of Holding	% Change during the Year
<b>Pankaj Sunderlal Jain</b>			
March 31, 2024	16,47,400	52.97%	2.97%
March 31, 2023	5,000	50.00%	0.00%
March 31, 2022	5,000	50.00%	0.00%
<b>Ronak Mistry</b>			
March 31, 2024	6,07,600	19.54%	-30.46%
March 31, 2023	5,000	50.00%	0.00%
March 31, 2022	5,000	50.00%	0.00%

**e) Rights, preferences and restrictions attached to equity shares**

The company has only one class of shares referred to as equity shares having a par value of Rs. 10/- as at 31st March, 2024. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. Equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company.

f) No dividend is declared by the Company during the year ended on March 31, 2024, March 31, 2023, And March 31, 2022.

l) Company does not have any Revaluation Reserve

Notes:

i) The Shareholders have all other rights as available to equity shareholders as per the provisions of The Companies Act, 2013, read together with the Memorandum of Association and Articles of Association of the Company, as applicable.

ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held at the time of commencement of winding-up.

iii) Pursuant to shareholder's resolution dated 24th April, 2023 the Company has increased its authorized share capital from Rs 15,00,000 (Rupees Fifteen Lacs only) divided in to 1,50,000 equity shares of Rs 10/- each to Rs 4,75,00,000 (Rupees Four crore Seventy Five Lacs only) divided in to 47,50,000 equity shares of Rs 10/- each ranking pari-passu with the existing share capital

iv) On October 10, 2023, the Company has issued and allotted 11,00,000 equity shares having face value of Rs. 10 each by way of Bonus Shares in ratio of 110:1 to the existing shareholders.

v) 29th January 2024, the Company has issued and allotted 7,50,000 equity shares having face value of Rs. 10 each by way of Bonus Shares in ratio of 75:111 to the existing shareholders.

vi) On 06th March 2024, the Company has issued and allotted 12,50,000 equity shares having face value of Rs. 10 each by way of Rights Issue.

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(Rs in lakhs)

**4 Reserves and Surplus**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Retained Earnings</b>			
Opening balance	109.40	82.23	63.97
Profit during the year	145.22	27.17	18.26
Less: Utilisation of reserves for issue of bonus shares	(185.00)	-	-
<b>Total</b>	<b>69.62</b>	<b>109.40</b>	<b>82.23</b>

**5 Long term Borrowings**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Secured Loan</b>			
Term loan (Refer note a below)	-	11.77	22.43
Less: Current Maturities of Long-term Liabilities	-	11.77	10.66
<b>Total (a+b-c)</b>	<b>-</b>	<b>-</b>	<b>11.77</b>

*Terms of secured loan*

Particulars	Sanction Limit	Tenure	Emi per month (Rs in lakhs)
Term loan against Car mercedes GLC 20 MH01DB0404 with interest rate of 10.01% from Yes Bank	32.08	36 months	1.03

**6 Other long term liability**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Acceptance from Vendors	40.35	90.35	40.35
<b>Total</b>	<b>40.35</b>	<b>90.35</b>	<b>40.35</b>

**7 Short term Borrowings**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Secured Loan</b>			
Current Maturities of Long-term Liabilities	-	11.77	10.66
<b>Total</b>	<b>-</b>	<b>11.77</b>	<b>10.66</b>

**8 Trade Payables**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
- Total outstanding dues of Micro, Small & Medium Enterprises	-	-	-
- Total outstanding dues other than Micro, Small & Medium Enterprises	638.29	400.20	265.85
<b>Total</b>	<b>638.29</b>	<b>400.20</b>	<b>265.85</b>

*Ageing of Trade Payables*

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(i) Micro enterprises and small enterprises			
Less than 1 year	-	-	-
(ii) other than micro enterprises and small enterprises			
Outstanding for following periods from due date of payment			
Less than 1 year	638.29	400.20	261.21
1-2 years	-	-	4.63
2-3 years	-	-	-
More than 3 years	-	-	-
<b>Total</b>	<b>638.29</b>	<b>400.20</b>	<b>265.85</b>
(iii) Disputed Dues MSME	-	-	-
(iv) Disputed Dues-Others	-	-	-
<b>Total</b>	<b>638.29</b>	<b>400.20</b>	<b>265.85</b>

**9 Other Current Liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Liabilities for Expenses	19.92	10.19	12.68
Advance from Customers	85.88	25.00	37.62
<b>Total</b>	<b>105.79</b>	<b>35.18</b>	<b>50.30</b>

**10 Short-term provisions**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Statutory Liabilities	2.43	2.62	0.52
Provision for Income Tax	5.48	1.55	-
<b>Total</b>	<b>7.91</b>	<b>4.17</b>	<b>0.52</b>

**12 Long term loans and advances**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Deposit for office to Director	25.00	25.00	25.00
<b>Total</b>	<b>25.00</b>	<b>25.00</b>	<b>25.00</b>

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**13 Non - Current Investments**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Valued at cost or Market value which ever is lower			
<b>Balance at the end of the year</b>	<b>141.25</b>	<b>114.06</b>	<b>89.23</b>

Valuation Note: Market value as on March 31,2024, March 31,2023 and March 31,2022 are 165.52 lakhs, 120.06 lakhs and 104.87 lakhs respectively.

**14 Deffered Tax Assets (Net)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	2.85	1.94	0.25740
Add: During the year adjustment	0.68	0.91	1.68
<b>Balance at the end of the year</b>	<b>3.53</b>	<b>2.85</b>	<b>1.94</b>

**15 Other Non - Current Asset**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Fixed Deposits	81.00	-	-
Preliminary Expenses	5.39	-	-
Less : Current Written of Preliminary Exp	(1.35)	-	-
<b>Total</b>	<b>85.04</b>	<b>-</b>	<b>-</b>

**16 Inventories**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Traded goods	87.56	84.62	48.32
<b>Total</b>	<b>87.56</b>	<b>84.62</b>	<b>48.32</b>

The Inventory of traded goods have been valued at cost of NRV whichever is lower.

**17 Trade Receivables**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Unsecured, Considered good	596.59	309.33	209.42
<b>Total</b>	<b>596.59</b>	<b>309.33</b>	<b>209.42</b>

**Ageing of Trade Receivables**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(i) Unsecured, Considered good			
Outstanding for following periods from due date of payment			
Less than 6 months	537.00	279.59	186.15
6 months - 1 year	56.01	13.94	12.77
1-2 years	1.40	15.80	-
2-3 years	2.18	-	10.50
More than 3 years	-	-	-
<b>Total</b>	<b>596.59</b>	<b>309.33</b>	<b>209.42</b>

**18 Cash and Cash Equivalents**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Cash In Hand *	0.63	0.92	0.07
Balances with banks :			
- Current accounts	112.35	10.97	14.83
- Fixed Deposits	-	10.00	-
<b>Total</b>	<b>112.98</b>	<b>21.89</b>	<b>14.89</b>

\* Balances of Cash is certified by Director

**19 Short-term loans & advances**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>(Unsecured, Considered Good)</b>			
Balance with Revenue Authorities	44.59	34.38	28.07
Prepaid Expenses	3.85	0.77	0.85
Interest accrued -Fixed Deposits	1.37	-	-
Balance with Equity Broker	9.35	0.49	0.08
Advances to KMP & relatives	-	9.88	6.22
Advance to Vendors & others	35.53	29.55	13.67
<b>Total</b>	<b>94.69</b>	<b>75.07</b>	<b>48.88</b>

**20 Other Current Assets**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
IPO Issue expenses	5.00	-	-
Current Preliminary Exp	1.35	-	-
<b>Total</b>	<b>6.35</b>	<b>-</b>	<b>-</b>

Annexure V - Restated Financial Information

21 Revenue from operation

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<i>Sale of Products</i>			
<i>Local</i>			
Trading Goods	4,731.29	2,542.49	1,334.40
<i>Export</i>			
Trading Goods		46.77	
<b>Total</b>	<b>4,731.29</b>	<b>2,589.26</b>	<b>1,334.40</b>

22 Other Income

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<i>Other Non Operating revenue</i>			
Gain/loss on Sale of Securities	50.13	5.47	10.77
Interest on Fixed Deposit	2.15	0.05	0.59
Dividend on Mutual Fund & Shares	1.34	1.62	2.66
Foreign Exchange Fluctuation Gain	3.39	4.35	-
<b>Total</b>	<b>57.01</b>	<b>11.49</b>	<b>14.02</b>

23 Purchase of Traded Goods

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Purchase-Local	371.16	408.68	439.53
Purchase-Import	3,584.94	1,744.12	659.53
<b>Total Purchases</b>	<b>3,956.09</b>	<b>2,152.80</b>	<b>1,099.06</b>
<i>Direct Expenses</i>			
Add: Import Duty and Other Charges	488.11	298.79	100.98
Add: Transportation Charges	60.76	33.72	3.53
<b>Total</b>	<b>4,504.96</b>	<b>2,485.31</b>	<b>1,203.56</b>

24 Change in Inventories

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Opening Stock of traded goods	84.62	48.32	67.33
Closing Stock of traded goods	(87.56)	(84.62)	(48.32)
<b>Total</b>	<b>(2.94)</b>	<b>(36.29)</b>	<b>19.01</b>

25 Employee Benefit Expenses

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Salaries	34.41	34.96	26.15
Director Remuneration	25.20	25.80	18.00
<b>Total</b>	<b>59.61</b>	<b>60.76</b>	<b>44.15</b>

26 Finance Costs

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Interest Expenses	0.65	1.77	2.78
<b>Total</b>	<b>0.65</b>	<b>1.77</b>	<b>2.78</b>

27 Other Expenses

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Auditor Remuneration	1.50	0.30	0.30
Bank Charges	9.04	4.13	0.41
Professional Fees	3.38	1.51	0.60
Business Promotion Exp	0.86	0.53	0.59
Conveyance Expenses	0.53	0.46	0.43
Commission & Brokerage	6.00	15.00	30.60
Electricity Charges	0.57	0.33	0.39
Statutory Payments	1.63	2.39	0.11
Office Expenses	0.11	0.68	1.25
Insurance Charges	0.80	0.96	0.82
Preliminary Expenses w/off	1.35	-	0.10
Rent Expenses	0.36	-	-
Foreign exchange loss	-	-	0.01
Expenses related to investment in securities	7.36	1.31	2.92
Staff Welfare Expenses	0.59	1.21	0.46
ROC Filing Fees	0.33	-	-
Repairs & Maintenance Other	0.78	1.08	0.86
Travelling Expenses	0.83	5.21	0.75
General Expenses	1.89	1.45	0.71
Society Maintenance	0.22	0.22	0.22
<b>Total</b>	<b>38.11</b>	<b>36.78</b>	<b>41.51</b>

Payment to Auditors

- Audit fees	1.00	0.30	0.30
- Other Matters	0.50	-	-
<b>Total</b>	<b>1.50</b>	<b>0.30</b>	<b>0.30</b>



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11 Property, Plant and Equipments

(Rs in lakhs)

Particulars	Property, Plant & Equipment				
	Office equipments	Computers & Printer	Vehicles	Furniture & Fixture	Total of PPE
<b>Gross carrying amount (Consolidated)</b>					
As at April 01, 2023	8.04	1.55	33.92	-	43.51
Additions	4.07	0.50	-	4.00	8.57
Disposals	-	-	-	-	-
<b>As at March 31, 2024</b>	<b>12.11</b>	<b>2.05</b>	<b>33.92</b>	<b>4.00</b>	<b>52.08</b>
<b>Accumulated depreciation</b>					
As at April 01, 2023	4.37	1.45	18.45	-	24.26
Charge for the year	2.24	0.21	4.82	0.59	7.86
On disposals	-	-	-	-	-
<b>As at March 31, 2024</b>	<b>6.61</b>	<b>1.65</b>	<b>23.26</b>	<b>0.59</b>	<b>32.12</b>
<b>Net carrying amount as at March 31, 2024</b>	<b>5.50</b>	<b>0.40</b>	<b>10.66</b>	<b>3.41</b>	<b>19.96</b>
<b>Gross carrying amount</b>					
As at April 01, 2022	5.41	1.55	33.92	-	40.88
Additions	2.63	-	-	-	2.63
Disposals	-	-	-	-	-
<b>As at March 31, 2023</b>	<b>8.04</b>	<b>1.55</b>	<b>33.92</b>	<b>-</b>	<b>43.51</b>
<b>Accumulated depreciation</b>					
As at April 01, 2022	3.06	1.39	11.45	-	15.90
Charge for the year	1.31	0.05	7.00	-	8.36
On disposals	-	-	-	-	-
<b>As at March 31, 2023</b>	<b>4.37</b>	<b>1.45</b>	<b>18.45</b>	<b>-</b>	<b>24.26</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>3.67</b>	<b>0.10</b>	<b>15.48</b>	<b>-</b>	<b>19.25</b>
<b>Gross carrying amount</b>					
As at April 01, 2021	4.41	1.49	33.92	-	39.83
Additions	1.00	0.06	0.00	-	1.05
Disposals	0.00	0.00	0.00	-	0.00
<b>As at March 31, 2022</b>	<b>5.41</b>	<b>1.55</b>	<b>33.92</b>	<b>-</b>	<b>40.88</b>
<b>Accumulated depreciation</b>					
As at April 01, 2021	1.43	1.23	1.29	-	3.95
Charge for the year	1.62	0.17	10.16	-	11.95
On disposals	0.00	0.00	0.00	-	0.00
<b>As at March 31, 2022</b>	<b>3.06</b>	<b>1.39</b>	<b>11.45</b>	<b>-</b>	<b>15.90</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>2.35</b>	<b>0.16</b>	<b>22.47</b>	<b>-</b>	<b>24.98</b>

Annexure V - Restated Financial Information

28 Related Party Transactions

(Rs in lakhs)

a) **Related Parties**

Name of the party	Nature of relationship
Pankaj Sunderlal Jain Ronak Mistry Satyanarayan Punglia	Director
Pankaj Jain HUF	Director's HUF
Ansh Jain Soniya Jain Smita Mistry Mahesh Mistry Sunderlal Jain	Relative of Director
Eternal Offshore Services Private Limited Ratan Trading Private Limited	Entities in which directors has significant influence

b) **Particulars of transactions with related parties**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Remuneration</b>			
<i>Pankaj Jain</i>	18.00	18.00	12.00
<i>Ronak Mistry</i>	7.20	7.80	6.00
<b>Salary</b>			
<i>Ansh Jain</i>	9.00	9.00	-
<i>Smita Mistry</i>	7.20	5.15	2.40
<i>Soniya Jain</i>	12.00	12.00	16.20
<b>Commission</b>			
<i>Mahesh Mistry</i>	-	5.00	-
<b>Loans</b>			
<i>Pankaj Jain</i>			
Opening	-	-	-
Loan taken	59.00	25.00	30.00
Loan repaid	4.00	25.00	30.00
Adjusted against issue of shares	55.00	-	-
<b>Closing Balance</b>	-	-	-
<i>Ansh Jain</i>			
Opening	-	-	-
Loan taken	22.50	-	-
Loan repaid	0.50	-	-
Adjusted against issue of shares	22.00	-	-
<b>Closing Balance</b>	-	-	-
<i>Sunderlal Jain</i>			
Opening	-	-	-
Loan taken	5.50	-	-
Loan repaid	-	-	-
Adjusted against issue of shares	5.50	-	-
<b>Closing Balance</b>	-	-	-
<i>Soniya Jain</i>			
Opening	-	-	-
Loan taken	27.00	-	-
Loan repaid	-	-	-
Adjusted against issue of shares	27.00	-	-
<b>Closing Balance</b>	-	-	-
<i>Pankaj Jain HUF</i>			
Opening	-	-	-
Loan taken	15.50	-	-
Loan repaid	-	-	-
Adjusted against issue of shares	15.50	-	-
<b>Closing Balance</b>	-	-	-

<b>Advances against salary and expenses</b>			
<i>Pankaj Jain</i>			
<b>Opening</b>	3.02	1.93	1.37
Advances given	-	1.09	<b>0.56</b>
Advances Received	3.02	-	-
<b>Closing Balance</b>	-	<b>3.02</b>	<b>1.93</b>
<i>Ronak Mistry</i>			
<b>Opening</b>	4.20	3.74	3.74
Advances given	1.55	0.46	-
Advances Received	5.75	-	-
<b>Closing Balance</b>	-	<b>4.20</b>	<b>3.74</b>
<i>Soniya Jain</i>			
<b>Opening</b>	0.60	0.60	2.10
Advances given	0.00	0.00	0.00
Advances Received	0.60	0.00	1.50
<b>Closing Balance</b>	<b>0.00</b>	<b>0.60</b>	<b>0.60</b>
<i>Smita Mistry</i>			
<b>Opening</b>	2.05	(0.05)	(0.05)
Advances given	-	2.10	-
Advances Received	2.05	-	-
<b>Closing Balance</b>	-	<b>2.05</b>	<b>(0.05)</b>

c) **Related Party Balances at the end of the year**

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Deposit for office to Director	25.00	25.00	25.00
Salary payable	-	1.20	1.00
Advances to Directors and relatives against salary and expenses	-	9.88	6.22

**29 Earnings per share**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Profits attributable to the equity holders of the Company	145.22	27.17	18.26
Weighted average number of equity shares (no's)	20,87,027	20,08,800	20,08,800
Earnings per share (basic)	6.96	1.35	0.91
Earnings per share (diluted)	6.96	1.35	0.91
Face value per equity share (Rs.)	10.00	10.00	10.00

**30 Ratio Analysis**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>a) Current Ratio</b>	<b>1.19</b>	<b>1.09</b>	<b>0.98</b>
Current Asset	898.17	490.91	321.52
Current Liability	751.99	451.33	327.32
<b>b) Debt- Equity Ratio</b>	<b>NA</b>	<b>0.11</b>	<b>0.27</b>
Total Debt	-	11.77	22.43
Shareholder's Equity	380.62	110.40	83.23
<b>c) Debt Service Coverage ratio</b>	<b>290.84</b>	<b>30.70</b>	<b>14.48</b>
Earnings for debt service (EBIT+ Depn)	188.55	54.20	40.20
Interest & Principal Repayments	0.65	1.77	2.78
<b>d) Return on Equity ratio</b>	<b>0.59</b>	<b>0.28</b>	<b>0.25</b>
Net Profits after taxes	145.22	27.17	18.26
Average Shareholder's Equity	245.51	96.81	74.10
<b>e) Inventory Turnover ratio</b>	<b>52.30</b>	<b>36.84</b>	<b>21.14</b>
Cost of Goods Sold	4502.02	2449.01	1222.57
Average Inventory	86.09	66.47	57.83
<b>f) Trade Receivable Turnover Ratio</b>	<b>10.45</b>	<b>9.98</b>	<b>4.29</b>
Revenue from operations	4731.29	2589.26	1334.40
Average Trade Receivable	452.96	259.38	310.77
<b>g) Trade Payable Turnover Ratio</b>	<b>8.68</b>	<b>7.46</b>	<b>2.77</b>
Purchase of Goods	4504.96	2485.31	1203.56
Average Trade Payables	519.24	333.02	433.94
<b>h) Net Capital Turnover Ratio</b>	<b>50.94</b>	<b>153.31</b>	<b>-83.87</b>
Revenue from operations	4731.29	2589.26	1334.40
Working capital	92.88	16.89	-15.91
<b>i) Net Profit ratio</b>	<b>0.03</b>	<b>0.01</b>	<b>0.01</b>
Net Profit	145.22	27.17	18.26
Revenue from operations	4731.29	2589.26	1334.40
<b>j) Return on Capital Employed</b>	<b>47.47%</b>	<b>42.62%</b>	<b>30.35%</b>
Earnings before interest and taxes	180.69	45.84	28.24
Total Capital Employed	380.62	107.54	93.06
<b>k) Return on Investment</b>	<b>0.36</b>	<b>0.06</b>	<b>0.15</b>
Gain/Interest Income from Investment	51.47	7.09	13.43
Investment	141.25	124.06	89.23

Particulars	Change from 22-23 and 23-24	Change from 21-22 and 22-23	Reasons
<b>Current Ratio</b>	9.81%	10.73%	
Reason: With the increase in Revenue during 2023-24, there is simultaneous increase in debtors and current assets leading to increase in ratio.			
<b>Debt- Equity Ratio</b>	N.A	-60.43%	
Reason: During the year 22-23, the debts has been majorly repaid leading to decrease in ratio.			
<b>Debt Service Coverage ratio</b>	8.47%	1.12%	
<b>Return on Equity ratio</b>	1.11%	13.88%	
<b>Inventory Turnover ratio</b>	41.94%	74.27%	
Reason: With no significant change in inventory levels at the beginning and year end, the Company has increased its cost of goods sold leading to higher ratios.			
<b>Trade Receivable Turnover Ratio</b>	4.63%	1.32%	
<b>Trade Payable Turnover Ratio</b>	16.26%	1.69%	
<b>Net Capital Turnover Ratio</b>	-66.77%	1.06%	
Reason: With the increase in average working capital available to company in comparison with previous year, there was lesser increase in revenue, leading to decrease in ratio.			
<b>Net Profit ratio</b>	1.93%	-0.23%	
<b>Return on Capital Employed</b>	0.11%	0.40%	
<b>Return on Investment</b>	5.38%	-0.62%	

**31 Foreign Exchange Earnings and Outflows:***(Rs.in lakhs)*

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
a) Value of Import on CIF Basis Purchase of Traded Good	3,584.94	1,744.12	659.53
b) Earning on Foreign Currency	-	46.77	-

**32 Other Statutory Information**

- (i) The Company do not have any Benami property and no proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any loans to be registered with MCA.
- (iii) The Company do not have any charges to be registered or satisfaction with ROC within the statutory period.
- (iv) The Company have not been declared wilful defaulter by any bank or financial institution or other lender.
- (v) The Company have not traded or invested in Crypto currency or Virtual Currency during the period covered by the Restated Financial Statements.
- (vi) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (viii) The Company do not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (ix) Balance shown under head Sundry debtors, creditors and advances are subject to confirmation.
- (x) The Company is not required to transferred, to the Investor Education and Protection Fund by the Company.
- (xi) The Company does not own any property.
- (xii) The Company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses.
- (xiii) The Company has used all borrowings from bank and financial institution for the specific purpose for which it was taken at balance sheet date.  
Regulations of Employees Provident Fund and Gratuity is not applicable to the Company as work is done using contract labours and outsourcing. Therefore no disclosure in this
- (xiv) respect is given.
- (xv) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification.
- (xvi) There are no contingent liabilities or commitments during the financial period/year 2023 -24, 2022 - 23 and 2021- 22.
- (xvii) In the opinion of the Board of Directors
- a) Current Assets, Loans and Advances are realizable in the ordinary course of Business, as the value at which they are stated
- b) The provision for all known liabilities are adequate and not in excess of amount reasonably necessary.
- (xviii) We have verified the vouchers and documentary evidence wherever made available. Where no documentary evidences were available, we relied on the authentication given by the management
- (xix) The Company do not have any transactions with companies struck off

**For D S M R & CO**  
Chartered Accountants  
FRN 128085W

**For and on behalf of board of directors**  
NAPS GLOBAL INDIA LIMITED  
CIN : U51595MH2014PLC255128

SD/-  
**CA Dharmendra Singh Songira**  
Partner  
M No. : 113275  
Place : Mumbai  
Date : August 16, 2024  
Udin : 24113275BKBFOJ9961

SD/-  
**Pankaj Jain**  
Chairperson and Managing  
Director  
DIN : 03512503  
Date : August 16, 2024  
Place : Mumbai

SD/-  
**Ronak Mistry**  
Whole Time Director and  
Chief Financial Officer  
DIN : 06687171  
Date : August 16, 2024  
Place : Mumbai

SD/-  
**Priyanka Marvania**  
Company Secretary  
PAN: CMGPM9672L  
Date : August 16, 2024  
Place: Gujarat

**NAPS GLOBAL INDIA LIMITED (FORMERLY KNOWN AS NAPS GLOBAL INDIA PRIVATE LIMITED)**

CIN : U51595MH2014PLC255128

**ANNEXURE VI - Note on Reconciliation of Profits & Reconciliation of Networth**

**Reconciliation of Profits**

*(Rs in lakhs)*

Particulars	For the period ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Net Profit after tax as per Audited profit & loss account	144.47	27.92	18.26
Adjustment :			
Depreciation	(0.04)	0.03	0.01
Deffered Tax	0.01	(0.01)	0.00
Foreign Exchange Loss/ gain	0.78	(0.78)	(0.01)
<b>Net Profit after tax as Restated</b>	<b>145.23</b>	<b>27.17</b>	<b>18.26</b>

**Reconciliation of Networth**

*(Rs in lakhs)*

Particulars	For the period ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Net Worth after tax as per Audited profit & loss account	380.62	111.15	83.23
Adjustment :			
Depreciation	-	0.03	0.01
Deffered Tax	-	(0.01)	(0.00)
Foreign Exchange Loss	-	(0.78)	(0.01)
<b>Net Worth after tax as Restated</b>	<b>380.62</b>	<b>110.40</b>	<b>83.23</b>

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the latest audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

## OTHER FINANCIAL INFORMATION

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of the Company and its Associate for the period ended March 31, 2024, March 31, 2023, March 31, 2022 and the reports thereon are available at [www.napsglobalindia.com](http://www.napsglobalindia.com).

The following table sets forth the Company's Accounting Ratios. This table should be read in conjunction with our Restated Standalone Financial Statement dated August 16, 2024.

*(₹ in lakhs, unless otherwise mentioned)*

Particulars	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
<b>Restated Profit/(loss) after Tax (A)</b>	<b>145.22</b>	<b>27.17</b>	<b>18.26</b>
Weighted average number of Equity Shares outstanding during the year/Period for Basic EPS (B)	20,87,027	20,08,800	20,08,800
Weighted average number of Equity Shares outstanding during the year/Period for diluted EPS (C)	20,87,027	20,08,800	20,08,800
Basic Earnings per Equity Share (D = A/B)	6.96	1.35	0.91
Diluted Earnings per Equity Share (E = A/C)	6.96	1.35	0.91
<b>Restated Net Worth (F)</b>	<b>380.62</b>	<b>110.40</b>	<b>83.23</b>
Return on Net Worth (G=A/F)	38.15%	24.61%	21.94%
Actual number of equity shares at the end of the year (H)	31,10,000	10,000	10,000
Net Asset Value Per Share (Rs) - based on actual number of equity shares at the end of the year	12.24	1103.96	832.29
Net asset value per share (Rs) - based on equivalent weighted average number of equity shares	18.24	5.50	4.14
EBITDA	188.55	54.20	40.20

### Notes to Accounting Ratios:

- 1) Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Accounting Standard 33 notified under the Companies (Accounting Standards) Rules of 2015 (as amended).
- 2) Return on Net worth Ratio: Profit/ (loss) for the period attributable to owners of the Company divided by net worth as attributable to owners of the Company at the end of the year.
- 3) Net assets value per equity share (₹): Net worth as attributable to owners of the Company at the end of the year divided by actual number of equity shares at the end of the year.
- 4) Accounting and other ratios are based on or derived from the Restated Standalone Financial Statements

## **MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION**

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Draft Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

### **BUSINESS OVERVIEW**

Our Company is a wholesale importer of textile products and acts as a well-established player in the garment manufacturing supply chain in Maharashtra, India. We primarily import cotton and man-made fabrics from manufacturers in China and Hongkong in bulk quantities and provide timely supply to vendors of large garment manufacturing companies in Maharashtra, India.

Our Company's proficiency lies in understanding the specific requirement of our customers and based on which we procure fabrics with trendy colour combination, designs, clothing material and quality. Our business is predominantly conducted on a business-to-business model basis. We contend that our efforts to provide a one-stop shop for all of our customers' needs in our product line, together with our competitive pricing derived from our understanding of the local market, thoughtful product selection, efficient supply chain management and timely delivery, have contributed to our expansion and success.

Our total income as restated were ₹ 4,788.30 lakhs, ₹ 2,600.75 lakhs, ₹ 1,348.42 as at March 31, 2024, March 31, 2023 and March 31, 2022 respectively. Further, Our Profit after Tax had been recorded at ₹ 145.22 lakhs, ₹ 27.17 lakhs, and ₹ 18.26 as at March 31, 2024, March 31 2023 and March 31 2022.

### **Significant Developments after March 31, 2024 that may affect our Future Results of Operations**

The Directors confirm that there have been no events or circumstances since the date of the last financial statements as disclosed in the Draft Prospectus which materially or adversely affect or is likely to affect the profitability of our Company, or the value of our assets, or our ability to pay liabilities within next twelve months.

### **RECENT DEVELOPMENT**

#### ***Impact of COVID-19***

The pandemic outbreak has caused an economic downturn on a global scale, including closures of many businesses and reduced consumer spending, as well as significant market disruption and volatility. The demand for our draft products is dependent on and directly affected by factors affecting industries where our products are supplied. Despite the impact of the COVID-19 Pandemic, our revenue from operations for the Fiscal 2023 and for Fiscals 2022 was Rs. 2,589.26 lakhs and Rs. 1,334.40 lakhs respectively. We continue to closely monitor the impact that COVID-19 may have on our business and results of operations. It is difficult for us to predict the impact that COVID-19 will have on us, our customers or suppliers in the future.

### **FACTORS AFFECTING OUR RESULT OF OPERATIONS**

#### **Economic conditions in the markets in which we operate**

Our results of operations are dependent on the overall economic conditions in the markets in which we operate, including India. Any change in macro-economic conditions in these markets, including changes in interest rates,



government policies or taxation and political, economic or other developments could affect our business and results of operations. The textile sector in India may perform differently and be subject to market and regulatory developments that are dissimilar to the markets in other parts of the world. While stronger international economic conditions tend to result into higher demand for our products, weaker economic conditions tend to result into lower demand. Change in demand in the market segments we currently supply or improvement/deterioration in the market or a change in regulations, customs, taxes or other trade barriers or restrictions could affect our operations and financial condition.

#### **Loss of any of our suppliers or a failure by our suppliers to deliver some of our primary raw materials**

The loss of any of our suppliers or a failure by our suppliers to deliver our products such as fabrics and garments can have significant consequences for our business. Without a reliable supply of our materials, we may experience difficulties in meeting customer demand and fulfilling our commitments. This could result in dissatisfied customers, potential loss of business, and damage to our reputation. In addition, if we are forced to find alternative suppliers or sources for our products, it may result in increased costs, longer lead times, and potential compromises in quality or specifications. This can have a negative impact on our profitability and operational efficiency. To mitigate these risks, it is crucial for us to have contingency plans in place, such as maintaining relationships with multiple suppliers, regularly assessing their reliability, and exploring options for local sourcing or production. By implementing these measures, we aim to minimize the potential impact of supplier loss or failure on our business operations.

#### **Our ability to successfully implement its strategy and its growth and business expansion plans**

Our revenue and our business operations have grown in recent years. Although we plan to continue to expand our scale of operations, we may not be able to sustain these rates of growth in future periods due to a number of factors, including, among others, our execution capability, our ability to retain, maintain relation with our stake holders, our ability to maintain customer satisfaction, our ability to mobilize sufficient working capital, macroeconomic factors beyond our control such as decline in global economic conditions, availability of cheaper domestic products / brands, competition within each product category from players in the organized and unorganized segments, the greater difficulty of growing at sustained rates from a larger revenue base, our inability to control our expenses and the availability of resources for our growth. There can be no assurance that we will not suffer from capital constraints, operational difficulties or difficulties in expanding existing business operations. Our strategy and revenue plan may not work and might have adverse affect on financials.

#### **Pricing Strategy**

Pricing our products presents a complex task in our fabrics wholesale business. It is essential to consider the competitive pricing in the market, along with the cost of goods and transportation and customs expenses. To determine our pricing, we have conducted thorough cost analyses and studied our target market's sensitivity to pricing. Regularly reviewing and adjusting our pricing strategy based on market dynamics, such as competitor pricing and customer feedback, has been pivotal in remaining competitive and ensuring profitability.

#### **Significant Accounting Policies**

##### **(a) Basis of Preparation of Restated Financial Statements:**

"These financial statements have been prepared in accordance with generally accepted accounting principles ('GAAP') in India under the historical cost convention on the accrual basis of accounting. These financial statements have been prepared to comply in all material aspects with the accounting standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 2013 (hereinafter together referred to as 'the Act') and Schedule III of the Act.

The restated financial information has been prepared for inclusion in the Draft Prospectus (DP)/ Prospectus (P) to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with proposed Initial Public Offering of its equity shares of face value of Rs 10 each of the Company comprising a fresh issue of equity shares and offer for sale of equity shares held by the certain existing shareholders (the "Offer"), in accordance with the requirements of:

- (i) Section 26 of part I of Chapter III of the Act

(ii) Relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI') as amended in pursuance of the Securities and Exchange Board of India Act, 1992; and

(iii) Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI").

The Restated financial information has been compiled from:

The audited financial statement of the Company as at March 31, 2024 which have been approved by the Board of Directors at their meeting held on August 14, 2024.

The audited financial statement of the Company as at March 31, 2023 which have been approved by the Board of Directors at their meeting held on September 05, 2023.

The audited financial statement of the Company as at March 31, 2022 which have been approved by the Board of Directors at their meeting held on September 03, 2022.

There were no qualifications in the Audit Reports issued by Statutory Auditor(s) for the period ended on March 31, 2024, March 31, 2023, and March 31, 2022

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year."

**(b) Use of estimates and judgements:**

The preparation of financial statements in conformity with the generally accepted accounting principles requires the Management to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities as on the date of financial statements and the reported amounts of revenues and expenses for the reported period. Changes in estimates are recognized in the period in which the estimates are revised and if material, their effects are disclosed in the notes to the financial statements.

**(c) Going Concern**

The financial accounts of the Company are prepared on the assumption of going concern concept.

**(d) Current versus non-current classification**

"The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle
- It is held primarily for the purpose of trading
- It is expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when it satisfies any of the following criteria:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Current liabilities include the current portion of long term financial liabilities. The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The

operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle."

**(e) Inventories:**

"Inventories are carried at the lower of cost or net realisable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, FIFO method is used. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The proportionate amount of additional duty of customs paid on finished goods imported for trading and lying unsold as at the year ended has been included in the value of the finished goods stock. The comparison of cost and net realisable value is made on an item-by-item basis"

**(f) Property, Plant and Equipment**

Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises its acquisition price, including import duties and other non-refundable taxes or levies, any directly attributable cost of bringing the asset to its working condition for its intended use, pre-operative expenses including financial charges and adjustments on account of foreign exchange fluctuations, wherever applicable; any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditures related to an item of fixed asset should be capitalised only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance otherwise expenditure should be written off.

**(g) Depreciation and Amortisation:**

"Depreciation on property, plant and equipment is provided on written down value method over the useful lives of assets estimated by the management which are equal to the useful lives prescribed under Schedule II of the Companies Act, 2013 . The useful lives estimated by the management are mentioned below:

Furniture and fixtures	: 10 years
Electrical fitting and fixing	: 5 years
Computer and related equipment	: 3 years, Motor Vehicle :10 years, Office Equipment : 5years

Plant & Machineries have been depreciated over a period of 10 years which is the economic useful life of those machineries as per management.

Leasehold improvements is amortised on a straight line basis over the remaining period of the lease or the economic useful life, whichever is lower.

The useful lives are reviewed by the management periodically and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life. Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use. Property, Plant and Equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal."

**(h) Intangible assets**

"Intangible assets that are acquired by the company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and accumulated impairment loss (if any).

Subsequent expenditure is capitalised only when it increases the future economic benefits to the specific assets to which it relates.

Intangible assets are amortised in Statement of Profit and Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the assets. Accordingly, at present these are being amortised on written down value method over a period of three years based on the useful economic life.

Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to

reflect the changed pattern. An intangible asset is derecognized on disposal or when no future economic benefit is expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the assets, and are recognised in the Statement of Profit and Loss."

**(i) Recognition of Revenue and Expenses**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must be also met before revenue is recognized:

**(j) Sale of goods:**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of goods have passed to the buyer under the terms of the contract.

**(k) Interest Income:**

(i) Revenue from interest on Fixed Deposits is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

(ii) Revenue from Interest on Vendors is recognized on a time proportion basis taking into account the amount outstanding from debtors for usage period of goods and the rate applicable as per the terms of the contract.

(iii) Interest received on loans given have been recognized on receipt basis (if any).

**(l) Expenses:**

Expenses are accounted for on accrual basis and provision is made for all known losses and expenses.

**(m) Investments:**

Investments which are readily realizable and intended to be held for not more than one year from the date of which such investments are made, are classified as current investments. All other investments are classified as long-term investments. The Company holds no investments during the year.

**(n) Transactions in foreign currency:**

Foreign exchange transactions are recorded at the exchange rates prevailing on the date of such transactions. Realized gains and losses on foreign exchange transactions during the year are recognized in the statement of profit and loss. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. The resultant exchange differences are recognized in the statement of profit and loss.

**(o) Segment Reporting:**

The Company operates in a single primary business segment . Hence, there are no reportable segment as per AS 17 Segment Reporting.

**(p) Earnings per share:**

Basic Earnings per Share (EPS) is computed by dividing the net profit after tax for the year attributable to the equity shareholders by the weighted average number of shares outstanding during the year. The Company does not have any potentially dilutive securities in any of the years presented to calculate diluted EPS and hence the diluted EPS is the same as basic EPS.

**(q) Accounting for taxes on Income**

Tax expense comprises current and deferred tax.

**(i) Current Tax:**

Current Tax expense is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

**(ii) Deferred Tax:**

Deferred income tax reflects the impact of timing differences between taxable income and accounting income during the current year and reversal of timing differences for the earlier years. Deferred Tax is measured using the tax rates and tax laws used enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all the taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets and deferred tax liabilities are reviewed at each reporting period.

**(r) Impairment of Assets:**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An Impairment Loss is charged for when an asset is identified as Impaired. The impairment loss recognized in prior accounting period is reversed, if there has been a change in the estimate of recoverable amount. The Company has identified that there are no Assets available whose carrying cost exceeds its recoverable value and hence the Company has not provided for any impairment loss during the year.

**(s) Provisions, Contingent liabilities and Contingent assets:**

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are neither recognized nor disclosed in the financial statements.

**(t) Cash and Cash equivalents:**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage. Cash and cash equivalents for the purpose of cash flow statement comprise of cash at bank and in Hand and short-term bank deposits with original maturity of three months or less.

**(u) General:**

Accounting policies not specifically referred to, are consistent with the Indian Generally Accepted Accounting Principles and are followed consistently.

**RESULTS OF OUR OPERATIONS**

(₹in lakhs)

Particulars	Year ended March 31, 2024	% of Total Income	Year ended March 31, 2023	% of Total Income	Year ended March 31, 2022	% of Total Income
<b>Income</b>						
Revenue from Operations	4,731.29	98.81%	2,589.26	99.56%	1,334.40	98.96%
Other Income	57.01	1.19%	11.49	0.44%	14.02	1.04%
<b>Total Income (I+II)</b>	<b>4,788.30</b>	<b>100.00%</b>	<b>2,600.75</b>	<b>100.00%</b>	<b>1,348.42</b>	<b>100.00%</b>
<b>Expenses</b>						
Purchase of Stock-in-Trade	4,504.96	94.08%	2,485.31	95.56%	1,203.56	89.26%
Changes in inventories	(2.94)	-0.06%	(36.29)	-1.40%	19.01	1.41%
Employee Benefits Expense	59.61	1.24%	60.76	2.34%	44.15	3.27%
Finance Costs	0.65	0.01%	1.77	0.07%	2.78	0.21%
Depreciation & Amortisation expenses	7.86	0.16%	8.36	0.32%	11.95	0.89%
Other Expenses	38.11	0.80%	36.78	1.41%	41.51	3.08%
<b>Total Expenses</b>	<b>4,608.25</b>	<b>96.24%</b>	<b>2,556.68</b>	<b>98.31%</b>	<b>1,322.96</b>	<b>98.11%</b>
<b>Profit/(loss) before Exceptional Items and Tax (III-IV+V)</b>	<b>180.05</b>	<b>3.76%</b>	<b>44.07</b>	<b>1.69%</b>	<b>25.47</b>	<b>1.89%</b>
Exceptional Items	-	-	-	-	-	-
<b>Profit/(loss) before Tax (VI-VII)</b>	<b>180.05</b>	<b>3.76%</b>	<b>44.07</b>	<b>1.69%</b>	<b>25.47</b>	<b>1.89%</b>
<b>Tax Expense</b>						
Current Tax	35.50	0.74%	12.07	0.46%	7.11	0.53%
Short/Excess Income Tax	-	0.00%	5.75	0.22%	1.78	0.13%
Deferred Tax	(0.68)	-0.01%	(0.91)	-0.03%	(1.68)	-0.12%
<b>Total Tax Expense</b>	<b>34.82</b>	<b>0.73%</b>	<b>16.90</b>	<b>0.65%</b>	<b>7.21</b>	<b>0.53%</b>
<b>Profit/(loss) after Tax (VIII-IX)</b>	<b>145.22</b>	<b>3.03%</b>	<b>27.17</b>	<b>1.04%</b>	<b>18.26</b>	<b>1.35%</b>

## ***Main Components of our Profit and Loss Account***

### **Income**

Our total income comprises of revenue from Sale of Products and other income.

### ***Revenue from Operations***

Our revenue from operations as a percentage of total income was 98.81%, 99.56% and 98.96% for the year ended March 31, 2024, March 31, 2023, and March 31, 2022 respectively.

### ***Other Income***

Our other income comprises of interest income, foreign fluctuation income, gain on securities and dividend incomes. Other income, as a percentage of total income was 1.19%, 0.44%, and 1.04% for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 respectively.

### ***Expenditure***

Our total expenditure primarily consists of purchases of stock-in-trade, employee benefit expenses, finance cost, depreciation expenses and other expenses.

### ***Purchase of stock***

Our purchase of stock in trade for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 was ₹4,504.96 lakhs, ₹2,485.31 lakhs, ₹ 1,203.56 lakhs which was 94.08%, 95.56%, 89.26% of our total income for the same period.

Changes in inventories of stock in trade for the period ended March 31, 2024, March 31, 2023 and March 31, 2022 was ₹ (2.94) lakhs, ₹ (36.29) lakhs, ₹ 19.01 lakhs which was (0.06)%, (1.40)%, 1.41% respectively of our total income for the same period.

### ***Employee Benefit Expenses***

Our employee benefit expenses for the period ended March 31, 2024 and March 31, 2023 and March 31, 2022 was ₹ 59.61 lakhs, ₹ 60.76 lakhs, ₹44.15 lakhs which was 1.24%, 2.34%, 3.27% respectively of our total income for the same period.

### ***Depreciation and Amortization Cost***

Our depreciation and amortization for the period ended March 31, 2024, March 31, 2023 and March 31, 2022 was ₹ 7.86 lakhs, ₹ 8.36 lakhs and ₹ 11.95 lakhs which was 0.16%, 0.32%, 0.89% of our total income for the same period.

### ***Finance costs***

Our Finance costs for the period ended March 31, 2024, March 31, 2023 and March 31, 2022 was ₹ 0.65 lakhs, ₹ 1.77 lakhs, ₹ 2.78 lakhs which was 0.01%, 0.07%, 0.21% of our total income for the same period.

### ***Other Expenses***

Our other expenses for the period ended March 31, 2024, March 31, 2023 and March 31, 2022 was 38.11 lakhs, ₹36.78 lakhs, ₹41.51 lakhs which was 0.80%, 1.41% and 3.08% of our total income for the same period. Our other expenses primarily are bank charges, professional fees, statutory payments, electricity charges and repairs and maintenance.

### ***Provision for Tax***

Our current tax expenses for the period ended March 31, 2024, March 31, 2023, March 31, 2022 was ₹34.82 lakhs, ₹16.90 lakhs and ₹7.21 lakhs respectively which was 0.73%, 0.65%, 0.53% of our total income for the same period.

## Profit for the ended

Our profit for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 was ₹145.22 lakhs, ₹27.17 lakhs, ₹18.26 lakhs which was 3.03%, 1.04%, 1.35% of our total income for the same period

### Factors that have led to rise in turnover and profit year by year from Fiscal 2022 to Fiscal 2024-

- **Better Inventory management-** Our Company has been able to maintain optimal level of inventory and with rise in turnover, the closing stock as a percentage of revenue was at minimal level of 1.85 % in Fiscal 2024 as compared to 3.27% in Fiscal 2023 and 3.62% in Fiscal 2022. This has led to better management of fund and utilizing it for increasing scale of business.

(Rs in lakhs)

Particulars	F.Y 2023-24	F.Y 2022-23	F.Y 2021-22
Inventories at the year end	87.56	84.62	48.32
Revenue from Operation	4,731.29	2,589.26	1,334.40
Inventory as a % of Revenue	1.85%	3.27%	3.62%

- **Strong supplier network-** Our Company has been able to identify reliable suppliers and has developed a great relationship with them enabling a smooth business flow along with better pricing and higher percentage of discounts as compared to our competitors.

(Rs in lakhs)

Particulars	F.Y 2023-24		F.Y 2022-23		F.Y 2021-22	
	Purchases	Percentage (%)	Purchases	Percentage (%)	Purchases	Percentage (%)
Purchases from Top 10 Supplier	3,632.36	91.82%	1,811.79	84.16%	1,100.17	99.81%

- **Reach in PAN India-** Over the years we have focused & penetrated in local markets of Maharashtra where we get better value for our products. Further, our Company is expanding its network outside the area of Maharashtra with a vision to reach PAN India. This has led to increase in our revenue & profit.

(Rs in lakhs)

States of INDIA	FY 23-24	Percentage %	FY 22-23	Percentage %	FY 21-22	Percentage %
Maharashtra	4,517.46	95.48%	2,206.81	85.23%	1,095.44	82.09%
Other than Maharashtra	213.84	4.52%	382.44	14.77%	238.96	17.91%
<b>Total</b>	<b>4,731.29</b>	<b>100.00%</b>	<b>2,589.26</b>	<b>100.00%</b>	<b>1,334.40</b>	<b>100.00%</b>

- **Increase in demand and profit margin of our products-**

(Rs in lakhs)

Particulars	For the year ended March 31,		
	2024	2023	2022
Revenue from Operation	4,731.29	2,589.26	1,334.40
Profit after tax	145.22	27.17	18.26
<b>Profit margin</b>	<b>3.07%</b>	<b>1.05%</b>	<b>1.37%</b>

## Fiscal 2024 compared with fiscal 2023

### Income

In fiscal 2024, our revenue increased by ₹ 2,142.03 lakhs or 82.73%, from ₹ 2,589.26 lakhs in fiscal 2023 to ₹ 4,731.29 lakhs in fiscal 2024. The increase in the year 2024 was due to increase in the demand of our products, better order management, better pricing and availability as compared to last year.



Other income increased by ₹ 45.52 lakhs or 396.17%, from ₹ 11.49 lakhs in fiscal 2023 to ₹ 57.01 lakhs in fiscal 2024 mainly due to gain on sale of securities.

#### ***Purchase of stock***

Purchases increased by ₹2,019.65 lakhs or 81.26%, from ₹ 2,485.31 lakhs in Fiscal 2023 to ₹ 4,504.96 lakhs in Fiscal 2024 as we purchased bulk quantity of stock to meet the requirement of sales as per the demand.

#### ***Change in Inventories***

Change in Inventories were ₹ (2.94) lakhs in fiscal 2024 as compared to ₹ (36.29) Lakhs in fiscal 2023.

#### ***Employee Benefit Expenses***

Employee Benefit Expenses decreased by ₹ (1.15) lakhs or (1.89)%, from ₹ 60.76 lakhs in fiscal 2023 to ₹ 59.61 lakhs in fiscal 2024. This decrease was mainly due to decrease in salary expenses.

#### ***Finance Costs***

Finance Costs decreased by ₹ 1.12 lakhs or 63.28%, from ₹ 1.77 lakhs in fiscal 2023 to ₹ 0.65 lakhs in fiscal 2024. This decrease was mainly due to decrease in borrowing from bank through repayment which reduced our interest cost during the year.

#### ***Depreciation Expenses***

Depreciation expenses were ₹ 7.86 lakhs in fiscal 2024 as compared to ₹ 8.36 Lakhs in fiscal 2023.

#### ***Other Expenses***

Other expenses decreased by ₹ 1.33 lakhs or 3.62% from ₹36.78 lakhs in Fiscal 2023 to ₹ 38.11 lakhs in fiscal 2024. The decrease was due to economies of scale achieved with increase in turnover and decrease in commission expenses during the year.

#### ***Profit/ (Loss) before Tax***

The increase in scale of operations has led to increase in our Profit before tax by ₹ 135.98 lakhs or 308.55% from ₹ 44.07 lakhs in fiscal 2023 to 180.05 lakhs in fiscal 2024.

#### ***Tax Expenses***

The Company's tax expenses had increased by ₹ 17.92 lakhs from ₹ 16.90 lakhs in Fiscal 2023 to 34.82 lakhs in the Fiscal 2024 as tax liability increases with rise in profits earned during the year.

#### ***Profit/ (Loss) after Tax***

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 118.06 lakhs or 434.49%, from ₹ 27.17 lakhs in fiscal 2023 to ₹145.22 lakhs in fiscal 2024.

### **Fiscal 2023 compared with fiscal 2022.**

#### ***Income***

In fiscal 2023, our revenue increased by ₹ 1254.86 lakhs or 94.04%, from 1,334.40 lakhs in fiscal 2022 to ₹ 2,589.26 lakhs in fiscal 2023. With the rise in demand of fabrics and market rising and moving strongly upward after covid, sales of our Company has increased in same graph.

Other income decreased by ₹ 2.53 lakhs or 18.03 %, from ₹ 14.02 lakhs in fiscal 2022 to ₹ 11.49 lakhs in fiscal 2023.

### ***Purchase of stock-in-trade***

Purchases increased by ₹ 1,281.74 lakhs or 106.50%, from ₹ 1,203.56 lakhs in Fiscal 2022 to ₹ 2,485.31 lakhs in Fiscal 2023 due to increase in purchases to with the increase in sales to cater the demand.

### ***Change in Inventories***

Change in Inventories was ₹ (36.29) lakhs in fiscal 2023 as compared to ₹19.01 lakhs in fiscal 2022.

### ***Employee Benefit Expenses***

Employee Benefit Expenses increased by ₹ 16.61 lakhs or 37.62 %, from ₹ 44.15 lakhs in fiscal 2022 to ₹ 60.76 lakhs in fiscal 2023 due to increase in salaries expenses of our employees.

### ***Finance Costs***

Finance Costs decreased by ₹ 1.01 lakhs or 36.33%, from ₹ 2.78 lakhs in fiscal 2022 to ₹ 1.77 lakhs in fiscal 2023 with repayment of loan.

### ***Depreciation Expenses***

Depreciation expenses were ₹8.36 lakhs in fiscal 2023 as compared to ₹ 11.95 lakhs in fiscal 2022.

### ***Other Expenses***

Other expenses decreased by ₹ 4.73 lakhs or 11.39% from ₹ 41.51 lakhs in Fiscal 2022 to ₹ 36.78 lakhs in fiscal 2023. During Fiscal 2022 we booked significant amount of brokerage and commission expenses for the increase in scale of operations, thereby its expenses increased as compared to Fiscal 2023.

### ***Profit/ (Loss) before Tax***

The increase in revenue from operations has led to increase in our Profit before tax by ₹ 18.60 lakhs or 73.03% from ₹ 25.47 lakhs in fiscal 2022 to ₹ 44.07 lakhs in fiscal 2023.

### ***Tax Expenses***

The Company's current tax expenses had increased by ₹ 9.69 lakhs or 134.40% from ₹ 7.21 lakhs in Fiscal 2022 to ₹ 16.90 lakhs in the Fiscal 2023 due to increase in profit before tax.

### ***Profit/ (Loss) after Tax***

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 8.91 lakhs or 48.80 %, from ₹18.26 lakhs in fiscal 2022 to ₹ 27.17 lakhs in fiscal 2023.

### **Cash Flows**

(₹in lakhs)

Particulars	For the year ended March 31		
	2024	2023	2022
Net Cash from Operating Activities	(39.35)	39.74	1.07
Net Cash from Investing Activities	17.86	(20.32)	(14.34)
Net Cash used in Financing Activities	112.58	(12.42)	(12.42)
<b>Net Increase / (Decrease) in Cash and Cash equivalents</b>	<b>91.09</b>	<b>7.00</b>	<b>(25.69)</b>

### ***Cash Flows from Operating Activities***

Net cash from operating activities for the year ended March 31, 2024 was ₹ (39.35) lakhs as compared to the PBT of ₹ 180.05 lakhs for the same period. This difference is primarily on increase in trade and other receivables, payment of trade and other payables, short term loans and advances and gain on sale of securities.

Net cash from operating activities for the fiscal 2023 was ₹ 39.74 lakhs as compared to the PBT of ₹ 44.07 lakhs for the same period. This difference is primarily on account of changes in trade and other receivables, change in trade payables and change in inventories.

Net cash from operating activities in fiscal 2022 was ₹ 1.07 lakhs as compared to the PBT of ₹ 25.47 lakhs for the same year. This difference is primarily on account of changes in trade and other receivables and trade payables.

### ***Cash Flows from Investment Activities***

For the year ended March 31, 2024 the net cash generated from investing activities was ₹ 17.86 lakhs. This was majorly on account of sale of investments.

In fiscal 2023 the net cash used in investing activities was ₹ 20.32 lakhs from purchases of asset and investment.

In fiscal 2022, the net cash used in investing activities was ₹ 14.34 lakhs from purchases of asset and investment.

### ***Cash Flows from Financing Activities***

Net cash generated from financing activities for the year ending March 31, 2024 was ₹ 112.58 lakhs. This was on account of proceeds from right issue of shares.

Net cash used in financing activities in fiscal 2023 was ₹ 12.42 lakhs. This was on account of repayment of borrowings and finance cost incurred during the year.

Net cash used from financing activities in fiscal 2022 was ₹ 12.42 lakhs. This was on account of repayment of borrowings and finance cost incurred during the year.

### ***OTHER MATTERS***

#### **1. Unusual or infrequent events or transactions**

Except as described in this Draft Prospectus, during the period/ years under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

#### **2. Significant economic changes that materially affected or are likely to affect income from continuing Operations**

Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on page no. 127 and 147 respectively of this Draft Prospectus respectively, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

#### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*” on page no 23 and 147 respectively of this Draft Prospectus respectively, best to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

#### **4. Future relationship between Costs and Income**

Other than as described in the chapter titled “*Risk Factors*” on page no. 23 of this Draft Prospectus, best to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

#### **5. The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new services or increased prices**

Increase in revenues is by and large linked to increase in volume of sales and delivering the products to our customers.

**6. Status of any publicly announced new services or business segments**

Please refer to the chapter titled “*Our Business*” on page no 87 of this Draft Prospectus.

**7. The extent to which the business is seasonal.**

Our business is not seasonal in nature.

**8. Any significant dependence on a single or few suppliers or customers**

For fiscal 2024, the revenue from our top 5 and top 10 customers constituted approximately 63.55% and 78.81% respectively of the revenue from operations. For fiscal 2024, the purchases from our top 5 and top 10 suppliers constituted approximately 77.06% and 91.82% respectively of the purchases. For further details, please refer chapter “*Our Business*” on page no. 87 of this Draft prospectus.

**9. Competition Conditions**

We face competition from various domestic players in the market. We compete with other brands on the basis of product range, product quality, and product price including factors, based on reputation, regional needs, and customer convenience. While these factors are key parameters in customer’s decisions matrix in purchasing goods; product range, product quality and product price is often the deciding factor in most deals. Further, there are no entry barriers in this industry and any expansion in capacity of existing market players would further intensify competition. We expect that our commitment to quality, past record of timely execution and transparency will provide us with an edge over our competitors. Further we believe that our competition also depends on several factors which include changing business framework, competitive price, delivery at given timeline and established relationship with suppliers, brand recognition etc.

## CAPITALISATION STATEMENT

The following table sets forth the Company's capitalization as at March 2024, derived from our Restated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with our Restated Financial Statement dated August 16, 2024.

*(Rs. in Lakhs)*

Particulars	Pre-Issue as at March 31, 2024	As adjusted for the proposed Issue*
Short Term Debt	-	[●]
Long Term Debt	-	[●]
<b>Total Borrowings (A)</b>	-	[●]
Equity Share Capital	311.00	[●]
Other Equity	69.62	[●]
<b>Total Equity (B )</b>	<b>380.62</b>	[●]
<b>Total Borrowings (A) / Total Equity (B)</b>	-	[●]

*\*The corresponding post IPO capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same has not been provided in the above statement.*

## SECTION VIII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no (i) outstanding criminal proceedings; (ii) actions taken by statutory and/or regulatory authorities; (iii) outstanding claims related to direct or indirect taxes; (iv) other pending litigation as determined to be material by the Board of Directors of the Company as per the Materiality Policy (as defined below) in each case involving the Company, the Promoters, the Directors (“Relevant Parties”); or (v) any litigations involving the Group Companies which have a material impact on the business operations, prospects or reputation of the Company. There are no disciplinary actions including penalties imposed by SEBI or stock exchanges against the Company, its Promoters or its Directors in the last five financial years, including any outstanding action.

Our Board, in its meeting held on June 28, 2024 determined that outstanding legal proceedings involving the Relevant Parties and Group Companies will be considered as material (‘Materiality Policy’) if: (i) the monetary amount of claim by or against the entity or person in any such pending matter exceed 10% (Tens) of revenue, and (ii) the Board or any of its committees shall have the power and authority to determine suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis as may be determined by the Board or any of its committees.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated June 28, 2024. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding 10% of the revenue of the Company for the last audited Financial Statements of our Company disclosed in this Draft Prospectus, would be considered as material creditors. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of number of cases and amount involved shall be uploaded and disclosed on the webpage of the Company as required under the SEBI ICDR Regulations

Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus

#### **LITIGATION INVOLVING OUR COMPANY**

##### **A. LITIGATION AGAINST OUR COMPANY**

###### **1. Criminal matters**

NIL

###### **2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

###### **3. Litigation involving Tax Liabilities**

###### **(i) Direct Tax Liabilities**

NIL

###### **(ii) Indirect Taxes Liabilities**

NIL

###### **4. Other Pending Litigations**

NIL

##### **B. LITIGATION FILED BY OUR COMPANY**

###### **1. Litigation Involving Criminal matters**

NIL

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

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**LITIGATION INVOLVING OUR PROMOTERS AND DIRECTORS**

**A. LITIGATION AGAINST OUR PROMOTERS AND DIRECTORS**

**1. Criminal matters**

NIL

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

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

*(Rs. In Lakhs)*

Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Lakhs)
<b>Pankaj Jain</b>		
Income Tax	1	13.52

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR PROMOTERS AND DIRECTORS**

**1. Litigation Involving Criminal matters**

NIL

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

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**LITIGATION INVOLVING GROUP COMPANIES**

**A. LITIGATION AGAINST OUR GROUP COMPANIES**

**1. Litigation involving Criminal matters**

NIL

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

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR GROUP COMPANIES**

**1. Criminal matters**

NIL

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

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL



#### 4. Other Pending Litigations

NIL

#### AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

As of March 31, 2024, our Company owes the following amounts to small scale undertakings, other creditors and material creditors:

*(Rs. in lakhs)*

<b>Particulars</b>	<b>Number of Creditors</b>	<b>Amount involved</b>
Micro, Small and Medium Enterprise	Nil	Nil
Material Creditors	Nil	Nil
Other Creditor	14.00	638.29
<b>Total Creditors</b>	<b>14.00</b>	<b>638.29</b>

Details in relation to the amount owed by our Company to material creditors, small scale undertakings and other creditors as on March 31, 2024 are also available on [www.napsglobalindia.com](http://www.napsglobalindia.com).

It is clarified that information provided on the website of our Company is not a part of this Draft Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at its own risk.

#### DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTERS IN THE LAST FIVE FINANCIAL YEARS

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters during the last 5 financial years including outstanding actions.

#### MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE

Except as disclosed elsewhere in this Draft Prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date.

## 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.

The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities.

### 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 June 25, 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 with a shorter notice on June 27, 2024 authorized the Issue.

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

1. Certificate of Incorporation dated March 28, 2014 issued under the name NAPS Trading Private Limited by Registrar of Companies, Mumbai.
2. Fresh Certificate of Incorporation dated January 02, 2024 issued by Registrar of Companies pursuant to change of name from NAPS Trading Private Limited to NAPS Global India Private Limited by Registrar of Companies, Mumbai.
3. Fresh Certificate of Incorporation dated June 20, 2024 issued by Registrar of Companies pursuant to change of name from NAPS Global India Private Limited to NAPS Global India Limited by Central Processing Centre, Haryana.
4. The Corporate Identity Number (CIN) of the Company is U51595MH2014PLC255128.
5. ISIN of the Company is INE0VNH01014.

### 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	AAECN6505A	March 28, 2014	Valid until cancelled
2.	Certificate of Registration issued under GST	Commercial Tax Department, Government of India	27AAECN6505A1ZV	July 1, 2017	Valid until cancelled
3.	Company has obtained Tax Deduction Account Number (TAN) from Income-tax Department, Government of India bearing registration number MUMN23101B*.				

\* Our Company is yet to make applications to respective authorities for updating each of the aforesaid certificates to reflect its current name pursuant to change of name.

#### IV. LABOUR RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Certificate of Registration under the Maharashtra State Tax on Professions, Traders, Callings and Employments Act, 1975*	Maharashtra Sales Tax Department	27881422745P	April 01, 2023	Valid until cancelled
2.	Certificate of Enrolment under the Maharashtra State Tax on Professions, Traders, Callings and Employments Act, 1975*	Maharashtra Sales Tax Department	99703061247P	April 01, 2014	Valid until cancelled

\* Our Company is yet to make applications to respective authorities for updating each of the aforesaid certificates to reflect its current name pursuant to change of name.

#### V. KEY BUSINESS RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Udyam Registration Certificate	Ministry of Micro, Small and Medium Industries.	UDYAM-MH-19-016d5778	October 10, 2022	Valid until cancelled
2.	Importer-Exporter Code*	Ministry of Commerce and Industry	0314013261	May 23, 2014	Valid until cancelled
3.	Authorised Economic Operator MSME Certificate*	Ministry of Finance	IN AAECN6505A1F224	October 10, 2022	Valid until cancelled
4.	Registration Certificate For Importer* (Plastic Waste Management Rules, 2016)	Maharashtra Pollution Control Board-Maharashtra	IM-08-MAH-01-AAECN6505A-24	January 08, 2024	Valid until cancelled

\* Our Company is yet to make applications to respective authorities for updating each of the aforesaid certificates to reflect its current name pursuant to change of name.

#### VI. INTELLECTUAL PROPERTY

For details regarding Intellectual Property, please refer chapter titled “Our Business” beginning on page no. 87 of this Draft Prospectus

#### VII. PENDING APPROVALS

A. Pending For Renewal

NIL

B. Applications for Registration

NIL

## SECTION IX – OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

Our Board of Directors have vide resolution dated June 25, 2024 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62 (1) (c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra-Ordinary General Meeting held with shorter notice on June 27, 2024 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of equity shares on the SME Platform of the BSE Limited. BSE Limited is the designated stock exchange.

### Prohibition by SEBI or Governmental Authorities

Our Company, our Promoters, Promoters Group, our Directors are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other securities market regulator or any Governmental authority in any other jurisdiction or any other authority/court.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

### Prohibition by RBI

Neither our Company, nor our Promoters, or Directors has been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI.

### Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters, the members of the Promoters Group, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, in relation to the Company, to the extent in force and applicable, as on the date of this Draft Prospectus.

### Directors associated with the Securities Market

None of our Directors are, in any manner, associated with the securities market and there has been no action initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Prospectus except as stated under the chapters titled “*Risk factors*”, “*Our Promoters and Promoters Group*”, “*Group Companies*” and “*Outstanding Litigations and Material Developments*” beginning on page nos. 23, 121, 125 and 162 respectively, of this Draft Prospectus.

### Eligibility for the Issue

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

This Issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed ten crores rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the BSE SME).

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of SME platform of the BSE Limited.

- a. Our Company was incorporated on March 28, 2014 with the Registrar of Companies, Mumbai under the Companies Act, 1956 in India, hence is in existence for a minimum period of 3 years on the date of filing the Draft Prospectus with BSE.

- b. As on the date of this Draft Prospectus, our Company has a total paid up capital of ₹ 311.00 Lakhs comprising 31,10,000 Equity Shares and the Post Issue Capital will be of ₹ 443.00 Lakhs comprising 44,30,000 Equity Shares which is below ₹25 crores.
- c. As per Restated Financial Statements, the net tangible assets are ₹ 380.62 lakhs as at March 31, 2024, which is more than ₹300.00 Lakhs as on the date of filing of this Draft Prospectus.
- d. Our Company has a track record of three years as on date of filing of this Draft Prospectus.
- e. The Company has operating profits (earnings before interest, depreciation and tax) from operations for at least 2 financial years out of preceding three financial years and its net-worth as on, March 31, 2024, March 31, 2023 and March 31, 2022 is at least Rs. 1 crore.

*(Rs. in lakhs)*

Particulars	FY 2024-23	FY 2022-23	FY 2021-22
Net Worth	380.62	110.40	83.23
EBITDA	188.55	54.20	40.20

- f. The Leverage ratio (Total Debts to Total Equity) of the Company as on March 31, 2024 is nil which less than the limit of 3:1.
- g. The Company has changed its name from NAPS Trading Private Limited to NAPS Global India Private Limited” on January 02, 2024. The Company has earned at least 50% of the revenue calculated on a basis for the preceding 1 full financial year has been earned from the activity indicated by its new name.
- h. The Company has no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by our Company and promoters.
- i. No regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.
- j. The Promoters or directors are not the promoters or directors (other than independent directors) of compulsory delisted companies by the Exchange and neither they are the promoters or directors of such companies on which the consequences of compulsory delisting is applicable/attracted or companies that are suspended from trading on account of noncompliance
- k. None of the Directors of the Company have been disqualified / debarred by any of the Regulatory Authorities
- l. The Company has facilitated trading in demat securities and has entered into an agreement with both the depositories. Our Company has entered into an agreement with Central Depository Services Limited (CDSL) dated April 27, 2024 and National Securities Depository Limited (NSDL) dated May 14, 2024 for dematerialization of its Equity Shares proposed to be issued.
- m. The Equity Shares of our Company held by our Promoters are in dematerialised form.
- n. There has been no change in the Promoters of the Company in the preceding one year from date of filing application to BSE for listing on SME Platform of BSE.
- o. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant Company.
- p. Our Company has a website: [www.napsglobalindia.com](http://www.napsglobalindia.com)

**Other Disclosures:**

- i. We have disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting Company (ies), group Company (ies), companies promoted by the promoters/promoting Company (ies) of the applicant Company in the Draft Prospectus.

- ii. There are no Defaults in respect of payment of interest and/or principal to the debenture/bond/ fixed deposit holders, banks, FIs by the applicant, promoters/promoting Company(ies), Company(ies), companies promoted by the promoters/promoting Company(ies) during the past three years.
- iii. We have Disclosed the details of the applicant, Promoters/Promoting Company(ies), Group Company(ies), companies promoted by the promoters/promoting Company(ies) litigation record, the nature of litigation, and status of litigation, For details, please refer the chapter “*Outstanding Litigation & Material Developments*” on page no. 162 of this Draft Prospectus.
- iv. We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the Company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For Details, refer the chapter “*Outstanding Litigation & Material Developments*” on page no. 162 of this Draft Prospectus.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Draft Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the SME Platform of BSE Limited. BSE Limited is the Designated Stock Exchange.
- Our Company has entered into an agreement dated May 14, 2024 with NSDL and agreement dated April 27, 2024 with CDSL for dematerialisation of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- All Equity Shares held by our Promoters are in dematerialized form.
- Our Company has made firm arrangements of finance through verifiable means towards seventy five per cent of the stated means of finance for funding from the fresh issue proceeds, excluding the amount to be raised through the proposed public issue or through existing identifiable internal accruals. For details, please refer the chapter “*Objects of the Issue*” on page no. 62 of this Draft Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- (a) Neither our Company nor our Promoters, members of our Promoters Group or our Directors are debarred from accessing the capital markets by the SEBI.
- (b) None of our Promoters or Directors are promoters or directors of any other companies which are debarred from accessing the capital markets by the SEBI.
- (c) Neither our Company nor our Promoters or Directors is a wilful defaulter or fraudulent borrower.
- (d) None of our Promoters or Directors is a fugitive economic offender.

We further confirm that:

1. In accordance with Regulation 246 of the SEBI ICDR Regulations, the lead manager shall ensure that the issuer shall file copy of the Prospectus with SEBI along with relevant documents as required at the time of filing the Prospectus to SEBI.
2. In accordance with Regulation 260 of the SEBI ICDR Regulations, this issue has been one hundred percent (100%) underwritten and that the Lead Manager to the Issue has underwritten at least 15% of the Total Issue Size. For

further details, pertaining to said underwriting please see “General Information” beginning on page 44 of this Draft Prospectus.

3. In accordance with Regulation 268 of the SEBI ICDR Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not unblocked within four (4) days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of fourth day, be liable to unblock such application money with interest as prescribed under the SEBI ICDR Regulations, the Companies Act 2013 and applicable laws.

#### **COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI ICDR Regulations, with respect to the Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (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 LEAD MERCHANT BANKER ARYAMAN FINANCIAL SERVICES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND 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 LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS.**

#### **Note:**

All legal requirements pertaining to the Issue will be complied with at the time of registration of this Draft Prospectus with the RoC in terms of section 26 and 30 of the Companies Act, 2013.

#### **Disclaimer from our Company, Directors and the Lead Manager**

Our Company, the Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement

All information shall be made available by our Company (to the extent that the information pertain to themselves and their respective portion of the Offered Shares) and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Applying Centers or elsewhere.

None among our Company is liable for any failure in (i) uploading the Applications due to faults in any software/hardware system or otherwise; or (ii) the blocking of Applications Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism Applying will be required to confirm and will be deemed to have represented to our Company, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not Offer, allot, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with or become customers to our Company and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

#### **Disclaimer in respect of Jurisdiction**

Any dispute arising out of this issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

This Issue is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. This Draft Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **Disclaimer Clause of the BSE**

As required, a copy of the Draft Prospectus shall be submitted to the SME Platform of BSE Limited. The Disclaimer Clause as intimated by the SME Platform of BSE Limited to us, post scrutiny of the Draft Prospectus, shall be included in the Prospectus prior to the filing with RoC.

#### **Disclaimer Clause under Rule 144A of the U.S. Securities Act**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.



Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Listing**

Applications have been made to SME Platform of BSE Limited for obtaining permission for listing of the Equity Shares being issued in the issue on its SME Platform of BSE Limited after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform of BSE is not granted by BSE Limited, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within four days from the closure of the Issue or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within 3 (Three) Working Days from the Offer Closing Date.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE Limited

**Price Information of past issues handled by the Lead Manager**

Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Aryaman Financial Services Limited

Sr. No.	Issue Name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing	
1.	Vraj Iron and Steel Limited	171.00	207.00	03-07-24	240.00	9.42%	1.24%	NA	NA	NA	NA
2.	Shivam Chemicals Limited	20.18	44.00	30-04-24	48.00	11.75%	(0.80%)	22.73%	9.23%	NA	NA
3.	Arrowhead Seperation Engineering Limited	13.00	233.00	28-11-23	250.00	(18.43%)	9.42%	(22.75%)	10.00%	(36.46%)	13.96%
4.	Mish Designs Limited	9.76	122.00	07-11-23	160.00	5.53%	7.05%	22.13%	10.45%	2.46%	13.76%
5.	Sunita Tools Limited	22.04	145.00	11-10-23	155.00	9.90%	(2.36%)	106.21%	7.39%	107.17%	12.44%
6.	Master Components Limited	15.42	140.00	29-09-23	140.40	0.21%	(3.01%)	2.11%	10.90%	(4.96%)	12.66%
7.	HMA Agro Industries Limited	480.00	585.00	04-07-23	615.00	1.60%	(0.36%)	28.88%	0.53%	43.59%	10.33%
8.	CFF Fluid Control Limited	85.80	165.00	12-06-23	175.00	61.79%	4.26%	378.48%	6.18%	161.82%	11.32%
9.	Command Polymers Limited	7.08	28.00	29-03-23	26.75	(3.75%)	5.44%	(4.64%)	9.41%	(9.29%)	13.91%
10.	Rex Sealing and Packing Industries Limited	8.08	135.00	12-01-23	137.00	15.52%	1.21%	5.04%	0.73%	(24.59%)	9.44%

## Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium - 180 <sup>th</sup> calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25	2	191.18	0	0	0	0	0	2	NA	NA	NA	NA	NA	NA
2023-24	6	626.02	0	0	1	1	0	4	0	1	1	2	1	1
2022-23	6	445.79	0	0	2	3	0	1	0	0	2	3	0	1

### Notes:

(1) Since the listing date of Vraj Iron and Steel Limited was on July 03, 2024 information related to closing price and benchmark index as on the 90<sup>th</sup> and 180<sup>th</sup> calendar day from the listing date is not applicable.

(2) Since the listing date of Shivam Chemicals Private Limited was on April 30, 2024 information related to closing price and benchmark index as on the 180<sup>th</sup> calendar day from the listing date is not applicable.

(3) As on the 180<sup>th</sup> calendar day from the listing day, the price of HMA Agro Industries Limited is Rs.84, considering the corporate announcement i.e Stock Split of Share from face value Equity Shares of ₹ 10 each to ₹ 1/- each. Actual price as on 180<sup>th</sup> calendar day would have being ₹ 840.

(4) The respective Designated Stock Exchange for each Issue has been considered as the Benchmark index for each of the above Issues.

(5) In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.

(6) Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) BSE Sensex and Nifty Fifty as the Benchmark Indices

## **Track record of past issues handled by the Lead Manager**

For details regarding the track record of the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please see the website of Aryaman Financial Services Limited – [www.afsl.co.in](http://www.afsl.co.in).

## **Stock Market Data of Equity Shares**

This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

## **Consents**

Consents in writing of: (a) The Directors, the Chief Financial Officer, Company Secretary & Compliance Officer and the Statutory Auditor; and (b) the Lead Manager, Registrar to the Issue, the Legal Advisor to the Issue, Banker to the Company\*, Banker to the Issue\*, Market Maker\* and Underwriters\* to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 26 and 28 of the Companies Act, 2013 and such consents shall not be withdrawn upto the time of delivery of the Prospectus for registration with the RoC.

*\*The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, M/s D S M R & Co, Chartered Accountants, have provided their written consent to the inclusion of their reports dated August 16, 2024 on Restated Financial Statements and to the inclusion of their reports dated August 16, 2024 on Statement of Tax Benefits, which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn upto the time of filing of this Draft Prospectus.

## **Expert Opinion**

Except the report of the Statutory Auditor on statement of tax benefits and report on Restated Financial Statements for financial years ended March 31, 2024, 2023 and 2022 as included in this Draft Prospectus, our Company has not obtained any expert opinion.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## **Caution**

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MoU for Issue Management entered into among the Lead Manager and our Company dated August 9, 2024, the Underwriting Agreement dated [●] entered into among the Underwriter, and our Company and the Market Making Agreement dated [●] entered into among the Market Maker, Lead Manager and our Company. All information shall be made available by us and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres or elsewhere.

## **CAPITAL ISSUE DURING THE LAST FIVE YEARS**

### **Previous Public and Rights Issues**

We have not made any rights to the public and public issues in the past, and we are an “Unlisted Company” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

### **Previous Issues of Equity Shares otherwise than for Cash**

Except as stated in the chapter titled “Capital Structure” beginning on page no. 53 of this Draft Prospectus, we have not issued any Equity Shares for consideration other than for cash.

### **Commission and Brokerage Paid on Previous Issues of our Equity Shares**

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

### **Capital issues by Our Company and listed group companies, listed subsidiaries or listed associate entities during the previous three years**

None of our Group Companies/ Subsidiaries / Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years.

### **Performance vis-à-Vis Objects**

#### **Issuer Company**

Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

#### **Listed Subsidiaries / Promoter Company**

None of our Subsidiaries / Promoters is listed on any Stock Exchange and not made any rights and public issues in the past five (5) years.

### **Outstanding Debentures, Bonds, Redeemable Preference Shares and Other Instruments issued by the Company**

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

### **Mechanism for Redressal of Investor Grievances**

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a period of three years from the date of listing and commencement of trading of the Equity Shares to enable the applicants to approach the Registrar to the Issue for redressal of their grievances. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Applicants

Investors can contact the Company Secretary and Compliance Officer, the Lead Manager or the Registrar to the Issue in case of any pre-Issue or post- Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Applicant, ASBA Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for UPI Applicants who make the payment of Application Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Application shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Applications submitted through Registered Brokers may be addressed to the Stock Exchange with a copy to the Registrar to the Issue.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two (2) Working Days from the Bid/ Issue Closing Date, the applicant shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding two (2) Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

SEBI, by way of its Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism, inter alia, in relation to delay in receipt of mandates by Bidders for blocking of funds due to

systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures. Per the Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including: (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) hosting of a web portal by the Sponsor Banks containing statistical details of mandate blocks/unblocks; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/partially allotted applications is completed by the closing hours of 1 (one) Working Day subsequent to the finalisation of the Basis of Allotment.

The processing fees for applications made by UPI 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 Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable).

In terms of SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable) and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within 3 (three) months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 (fifteen) days, failing which the concerned SCSB would have to pay interest at the rate of 15% p.a. for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications, for the stipulated period. Further, in terms of SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the Lead Manager, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Lead Manager shall compensate the investors at the rate higher of ₹ 100 per day or 15% per annum of the application amount for the period of such delay, which period shall start from the day following the receipt of a complaint from the investor. The following compensation mechanism has become applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications.	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher.	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock.
Blocking of multiple amounts for the same Bid made through the UPI Mechanism.	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock.
Blocking more amount than the Bid Amount.	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹ 100 per day or 15% per annum of the difference amount, whichever is higher.	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock.
Delayed unblock for non – Allotted / partially Allotted applications.	₹ 100 per day or 15% per annum of the Bid Amount, whichever is	From the Working Day subsequent to the finalisation of the Basis of

Scenario	Compensation amount	Compensation period
	higher.	Allotment till the date of actual unblock.

Our Company, the LM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

For helpline details of the Lead Manager pursuant to the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), see “General Information - Lead Manager” on page 44

### Disposal of Investor Grievances

The Company has appointed Cameo Corporate Services Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor’s grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA applicants or UPI Payment Mechanism Applicants. Our Company, the Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs / Sponsor Bank including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

The Company shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

Further, Our Board by a resolution on June 28, 2024 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is as follows:

Name of the Member	Nature of Directorship	Designation in Committee
Satyanarayan Punglia	Non-Executive Director	Chairman
Bhawna Hundlani	Non-Executive Independent Director	Member
Ronak Mistry	Whole Time Director & CFO	Member

For further details, please see the chapter titled “Our Management” beginning on page no. 108 of this Draft Prospectus.

Our Company has also appointed Priyanka Marvania, as the Compliance Officer for the Issue and she may be contacted at the Registered Office of our Company.

#### Priyanka Marvania

Office No. 11, 2nd Floor, 436 Shree Nath Bhuvan ,  
Kalbadevi Road, Mumbai City,  
Mumbai, Maharashtra, India, 400002  
Tel No.: 022-49794323

Email ID: [napsglobalindia@gmail.com](mailto:napsglobalindia@gmail.com)

Website: [www.napsglobalindia.com](http://www.napsglobalindia.com)

Investors can contact the Compliance Officer or the Registrar to the Issue or the Lead Manager in case of any pre- Issue or post- Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary accounts and refund orders.

**Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

**Disposal of Investor Grievances by Listed Companies under the same management**

For details of Investor Grievances by Listed Companies under the same Management, see the chapter “Our Group Companies” beginning on page no. 125 of this Draft Prospectus.

**Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

Our Company has not applied to SEBI for any exemption from complying with any provisions of the securities laws.

**Other confirmations**

Any person connected with the Issue shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the initial public offer, except for fees or commission for services rendered in relation to the Issue.



## SECTION X – ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, our Memorandum and Articles of Association, SEBI LODR Regulations, the terms of this Draft Prospectus, Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the Issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange(s), the RBI, ROC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.*

### THE ISSUE

The Issue comprises of a Fresh Issue.

The listing fees shall be borne by our Company. Other Issue-related expenses shall be borne by our Company. For details in relation to Issue expenses, see “*Objects of the Issue*” beginning on page 62.

### AUTHORITY FOR THE ISSUE

The present Issue of upto 13,20,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on June 25, 2024 and was approved by the Shareholders of our Company by passing special resolution at their Extra-Ordinary General Meeting held on June 27, 2024 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

### RANKING OF EQUITY SHARES

The Equity Shares being issued and transferred shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank pari-passu in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “*Main Provisions of Articles of Association*” on page no 214 of this Draft Prospectus.

### MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividend, if declared, to our Shareholders, as per the provisions of the Companies Act, the SEBI Listing Regulations, our MoA and the AoA, and any guidelines or directives that may be issued by the GoI in this respect. Any dividends declared, after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Applicants who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable law. For further details, in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on page nos. 126 and 214 of this Draft Prospectus.

### FACE VALUE AND ISSUE PRICE

The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Draft Prospectus at the price of ₹ [●] per Equity Share. The Issue Price is determined by our Company, in consultation with the Lead Manager and is justified under the chapter titled “*Basis for Issue Price*” beginning on page no. 68 of this Draft Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time

## **RIGHTS OF THE EQUITY SHAREHOLDERS**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- ✓ Right to receive dividend, if declared;
- ✓ Right to receive Annual Reports and notices to members;
- ✓ Right to attend general meetings and exercise voting rights, unless prohibited by law;
- ✓ Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- ✓ Right to receive offer for rights shares and be allotted bonus shares, if announced;
- ✓ Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- ✓ Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- ✓ Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the listing agreements with the Stock Exchange and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please see the section titled “*Main Provisions of Articles of Association*” beginning on page no. 214 of this Draft Prospectus.

## **ALLOTMENT ONLY IN DEMATERIALISED FORM**

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

- 1) Tripartite agreement dated April 27, 2024 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated May 14, 2024 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.

## **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

Trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE SME from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants.

Further, in accordance with SEBI ICDR Regulations the minimum application size in terms of number of specified securities shall not be less than ₹1.00 Lakh per application.

## **JOINT HOLDERS**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

## **MINIMUM NUMBER OF ALLOTTEES**

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within four (4) working days of closure of issue.

## **JURISDICTION**

The courts of Mumbai, India will have exclusive jurisdiction in relation to this Issue.

## **NOMINATION FACILITY TO INVESTOR**

In accordance with Section 72(1) & 72(2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72(3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72(4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- ✓ to register himself or herself as the holder of the Equity Shares; or
- ✓ to make such transfer of the Equity Shares, as the deceased holder could have made

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Applicant would prevail. If the Applicant wants to change the nomination, they are requested to inform their respective Depository Participant.

## **OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

Allotment of Equity Shares to successful Applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchange.

## **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the Lead Manager, reserve the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of Offered Shares, at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs and Sponsor Bank to unblock the bank accounts of the ASBA Applicants and the Escrow Collection Bank to release the Application Amounts to the Anchor Investors, if applicable, within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. If the Issue is withdrawn after the designated Date, amounts that have been credited to the Public Issue Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final ROC approval of the Prospectus after it is filed with the ROC. If our Company in consultation with the Lead Manager withdraw the Issue after the Application/ Issue Closing Date and thereafter determine that they will proceed with public Issue of the Equity Shares, our Company shall file a fresh Draft Prospectus with the Stock Exchanges.

## ISSUE PROGRAMME

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Allotment / Refunds / Unblocking of Funds <sup>(1)</sup>	[●]
Credit of Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

<sup>(1)</sup>In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Issue Closing Date, the applicant shall be compensated in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/ 2023/00094 dated June 21, 2023 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, shall be deemed to be incorporated in the agreements entered into by and between our Company and the relevant intermediaries, to the extent applicable.

A. Our Company shall, in consultation with the Lead Manager, consider closing the Issue Period for QIBs, one Working Day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations.

B. UPI mandate end time and date shall be at 5.00 p.m. on Issue Closing Date.

In terms of Regulation 265 of SEBI ICDR Regulations, the issue shall be open after at least three (3) working days from the date of filing the Prospectus with the Registrar of Companies.

In terms of Regulation 266 (3) of SEBI ICDR Regulations, in case of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Issue Period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the provisions of Regulation 266(1).

**The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager.**

**Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Issue Closing Date or such other time as may be prescribed by SEBI, the timetable may change due to various factors, such as extension of the Issue Period by our Company in consultation with the Lead Manager, or any delays in receiving the final listing and trading approval from the Stock Exchange or delay in receipt of final certificates from SCSBs, etc. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.**

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 3.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Investors after taking into account the total number of applications received upto the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In terms of the UPI Circulars, in relation to the Issue, the Lead Manager will submit reports of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Two (2) Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100/- per day for the entire duration of delay exceeding Two (2) Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Prospectus may result in changes to the above-mentioned timelines. Further, the issue procedure is subject to change basis any revised SEBI circulars to this effect.

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100/- per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchange Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100/- per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100/- per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding two Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100/- per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post issue LM shall be liable for compensating the Applicant at a uniform rate of ₹100/- per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/ 2023/00094 dated June 21, 2023 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable. SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any further notification from the SEBI after filing of this Draft Prospectus may result in changes in the timelines.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Issue closure time from the Issue Opening Date till the Issue Closing Date by obtaining the same from the Stock Exchange. The SCSB's shall unblock such applications by the closing hours of the Working Day.

**It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.**

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the (Issue) period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

## **MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten per Regulation 260(1) of SEBI ICDR Regulations.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the Issue Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received within 15 days from the closure of the issue, if there is a delay beyond such time, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest as prescribed under the SEBI ICDR Regulations, the Companies Act, 2013 and applicable laws.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within two (2) working days of closure of Issue.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Draft Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000 (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the application law of such jurisdiction.

## **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

## **RESTRICTIONS, IF ANY, ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING**

Except for the lock-in of the pre- Issue capital of our Company as provided in “*Capital Structure*” beginning on page no. 5353 of this Draft Prospectus and as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see “*Main Provisions of Articles of Association*” beginning on page no. 214 of this Draft Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which*

*may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.*

## **NEW FINANCIAL INSTRUMENTS**

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Issue.

## **AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

## **MIGRATION TO MAIN BOARD**

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the BSE SME for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI ICDR Regulations.

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the mainboard of BSE from the BSE SME on a later date subject to the following:

1. If the paid-up capital of the Company is likely to increase above ₹25 crores by virtue of any further offer of capital by way of rights, preferential offer, bonus offer etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
2. If the paid-up capital of the Company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter shareholders in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## **MARKET MAKING**

The shares offered through this Issue are proposed to be listed on the BSE SME with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on BSE SME. For further details of the market making arrangement please refer the chapter titled "General Information" beginning on page 44 of this Draft Prospectus.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (1) of the Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our post issue face value capital does not exceed ten crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE).

For further details regarding the salient features and terms of such this Issue, please see the chapters titled “*Terms of the Issue*” and “*Issue Procedure*” beginning on page nos. 181 and 191 respectively, of this Draft Prospectus.

### ISSUE STRUCTURE

Initial Public Issue of upto 13,20,000 Equity Shares for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹[●] per Equity Share), aggregating upto ₹ [●] Lakhs by our Company.

The Issue comprises a reservation of upto 72,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker (“the Market Maker Reservation Portion”) and Net Issue to Public of upto 12,48,000 Equity Shares of ₹ 10 each (“the Net Issue”). The Issue and the Net Issue will constitute 29.80% and 28.17% respectively of the post Issue paid up equity share capital of the Company. The Issue is being made through the Fixed Price Process.

Particulars	Net Issue to Public	Market Maker Reservation Portion
Number of Equity Shares available for allocation <sup>(1)</sup>	Upto 12,48,000 Equity Shares	Upto 72,000 Equity Shares
Percentage of Issue Size available for Allocation	94.55% of the Issue Size	5.45% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each. <sup>(1)</sup>  For further details please refer section explaining the Basis of Allotment in the GID.	Firm Allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA).	
Mode of Allotment	Compulsorily in dematerialised form.	
Minimum Application Size	<i>For Other than Retail Individual Investors:</i>  Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds ₹ 2,00,000.  <i>For Retail Individuals Investors:</i>  [●] Equity Shares	Upto 72,000 Equity Shares
Maximum Application Size	<i>For Other than Retail Individual Investors:</i>  Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Size does not exceed 12,48,000 Equity Shares, subject to applicable limits to the Applicant.  <i>For Retail Individuals Investors:</i>  Such number of Equity Shares in multiples of [●] Equity Shares such that the application	Upto 72,000 Equity Shares



Particulars	Net Issue to Public	Market Maker Reservation Portion
	value does not exceed ₹ 2,00,000.	
Trading Lot	[●] Equity Shares	[●] Equity Shares. However, the Market Maker may buy odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Who can Apply <sup>(2)</sup>	<p><i>For Other than Retail Individual Investors:</i></p> <p>Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions societies and trusts.</p> <p><i>For Retail Individuals Investors:</i></p> <p>Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs.</p>	Market Maker
Terms of Payment <sup>(3)</sup>	The entire Application Amount will be payable at the time of submission of the Application Form.	
Application Lot Size	[●] Equity Share and in multiples of [●] Equity Shares thereafter	

<sup>(1)</sup> Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- a) Minimum fifty per cent to retail individual investors; and
- b) Remaining to:
  - (i) individual applicants other than retail individual investors; and
  - (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

Explanation - For the purpose of sub-regulation (2), if the retail individual investor category is entitled to more than fifty per cent of the Issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.”

<sup>2)</sup> In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.

<sup>(3)</sup> In case of ASBA Applicants, the SCSB shall be authorised to block such funds in the bank account of the ASBA Applicant (including retail applicants applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

## ISSUE PROGRAMME

<b>ISSUE OPENING DATE</b>	[●]
<b>ISSUE CLOSING DATE</b>	[●]

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form. On the Issue Closing Date applications will be accepted only between 10.00 a.m. to 4.00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1.00 p.m. IST on the Issue Closing Date. Any time mentioned in this Draft Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday)

### Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the “Circular”) standardized the lot size for Initial Public Issue proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price (in ₹)	Lot Size (No. of shares)
Upto 14	10,000
More than 14 upto 18	8,000
More than 18 upto 25	6,000
More than 25 upto 35	4,000
More than 35 upto 50	3,000
More than 50 upto 70	2,000
More than 70 upto 90	1,600
More than 90 upto 120	1,200
More than 120 upto 150	1,000
More than 150 upto 180	800
More than 180 upto 250	600
More than 250 upto 350	400
More than 350 upto 500	300
More than 500 upto 600	240
More than 600 upto 750	200
More than 750 upto 1,000	160
Above 1,000	100

Further to the circular, at the Initial Public Offer stage the Registrar to Issue in consultation with Lead Manager, our Company and BSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/ allotment stage, facilitating secondary market trading. At the Initial Public Offering stage if the price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into. For example: if the proposed price band is at 24-28 than the Lot size shall be 4,000 shares.

## ISSUE PROCEDURE

All Applicants should read the General Information Document, for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment Instructions for ASBA Applicants; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) price discovery and allocation; (vii) General Instructions (limited to instructions for completing the Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Application Form; (xi) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI vide the UPI Circulars, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. SEBI vide the UPI Circulars, has introduced an alternate payment mechanism using UPI and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI mechanisms for RIIs applying through Designated Intermediaries have been made effective along with the existing process and existing timeline of T+6 days (“UPI Phase I”). The same was applicable until June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the Covid- 19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days was made effective using the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”) and modalities of the implementation of UPI Phase III has been notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended by circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 has introduced certain additional measures for streamlining the process of initial public issue and redressing investor grievances. This circular has come into force for initial public issue opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. Subsequently, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars. The provisions of these circulars are deemed to form part of this Draft Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are upto ₹5,00,000 shall use the UPI Mechanism. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing

Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Application are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

Further, the Company and the Lead Manager are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

Investors must ensure that their PAN is linked with Aadhar and are in compliance with the notification by the Central Board of Direct Taxes dated February 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

Applicants should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, for UPI Bidders using the UPI Mechanism, shall be treated as incomplete and will be rejected. However, they may get the Equity Share rematerialized subject to allotment of the equity shares in the Issue, subject to applicable laws.

#### **PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia*, equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to upto three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an Retail Individual Investor had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Under this phase, submission of the ASBA Form by Retail Individual Investor through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice.

**Phase III:** This phase has become applicable on voluntary basis for all the issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the UPI Streamlining Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Issue LM will be required to compensate the concerned investor.

The Issue will be made under UPI Phase III of the UPI Circular.

Our Company will be required to appoint one or more of the SCSBs as a Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Investors.

The processing fees may be released to the remitter banks (SCSBs) only after an application is made by the SCSBs to the LM with a copy to the Registrar, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

#### **FIXED PRICE ISSUE PROCEDURE**

The Issue is being made in compliance with the provisions of Chapter IX of SEBI ICDR Regulations through a Fixed Price Process wherein 50% of the Net Issue is allocated for Retail Individual Investors and the balance shall be issued to individual applicants other than Retail Individual Investors and other investors including Corporate Bodies or Institutions, QIBs and Non-Institutional Investors. However, if the aggregate demand from the Retail Individual Investors is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion issued to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Additionally, if the Retail Individual Investors category is entitled to more than 50% on proportionate basis, the Retail Individual Investors shall be allocated that higher percentage. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Investors shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number/UPI ID (for UPI Bidders Applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.**

#### **AVAILABILITY OF DRAFT PROSPECTUS, PROSPECTUS AND APPLICATION FORMS**

Copies of the Application Form and the Abridged Prospectus will be available at the offices of the LM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Application Form

will also be available for download on the websites of the Stock Exchange(s), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one (1) day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. UPI Bidders are mandatorily required to use the UPI Mechanism for submitting their Applications to Designated Intermediaries and are allowed to use ASBA Process by way of ASBA Forms to submit their Applications directly to SCSBs.

UPI Bidders applying using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Application Form and the Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Applicants (including Applicants using UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected or the UPI ID, as applicable, in the relevant space provided in the ASBA Form. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. UPI Bidders using the UPI Mechanism may also apply through the mobile applications using the UPI handles as provided on the website of the SEBI

ASBA Applicants shall ensure that the Applications are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Applying Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Registered Brokers, RTAs or CDPs. RIIs authorising an SCSB to block the Application Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Applicants must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Application Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Application

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour <sup>(1)</sup>
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

<sup>(1)</sup> Excluding electronic Application Form

Designated Intermediaries (other than SCSBs) after accepting application form submitted by UPI Bidders (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the Applicants has a bank account and shall not submit it to any non-SCSB Bank.

For UPI Bidders using UPI mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Application entered in the Stock Exchange bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the Banker to an Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to an Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Issue for Analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the website of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following intermediaries (Collectively called – Designated Intermediaries”):

1. An SCSB, with whom the bank account to be blocked, is maintained
2. A syndicate member (or sub-syndicate member)
3. A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4. A Depository Participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5. A Registrar to an Issue and share transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by Investors to SCSBs:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository’s records for DP ID/ Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/ Client ID or Pan ID (Either DP ID/ Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants. Applicants shall submit an Application Form either in physical or electronic form to the SCSB’s authorising blocking of funds that are available in the bank account specified in the Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

## **ELECTRONIC REGISTRATION OF APPLICATIONS**

The Designated Intermediary may register the Applications using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Issue on a regular basis before the closure of the Issue.

On the Issue Closing Date, the Designated Intermediaries may upload the Applications till such time as may be permitted by the Stock Exchanges and as disclosed in the Prospectus.

Only Applications that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next working day following the Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Issue Period after which the Stock Exchange(s) send the Application information to the Registrar to the Issue for further processing

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

#### **WHO CAN APPLY?**

In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

1. Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional investor's category;
10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
11. Foreign Venture Capital Investors registered with the SEBI;



12. Trusts/ societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
13. Scientific and/ or Industrial Research Organizations authorized to invest in equity shares;
14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
15. Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
16. Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
17. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
18. Insurance funds set up and managed by army, navy or air force of the Union of India;
19. Multilateral and bilateral development financial institution;
20. Eligible QFIs;
21. Insurance funds set up and managed by army, navy or air force of the Union of India;
22. Insurance funds set up and managed by the Department of Posts, India;
23. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.
24. Applications not to be made by:
  - a. Minors (except through their Guardians)
  - b. Partnership firms or their nominations
  - c. Foreign Nationals (except NRIs)
  - d. Overseas Corporate Bodies

**PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER, PROMOTER, PROMOTERS GROUP AND PERSONS RELATED TO PROMOTER/PROMOTERS GROUP**

The Lead Manager shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the LM may subscribe to or purchase Equity Shares in the Issue, either in the QIB Portion or in Non-Institutional Portion as may be applicable to such Applicants. Such Applying and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the LM or any associates of the LM, except Mutual Funds sponsored by entities which are associates of the LM or insurance companies promoted by entities which are associate of LM or AIFs sponsored by the entities which are associate of the LM or FPIs (other than individuals, corporate bodies and family offices), sponsored by the entities which are associates of the LM nor; (ii) any “person related to the Promoters and members of the Promoters Group” shall apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoters and members of the Promoters Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoters and members of the Promoters Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Our Promoters and members of our Promoters Group will not participate in the Issue.

## MAXIMUM AND MINIMUM APPLICATION SIZE

### For Retail Individual Investors

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹2,00,000. In case of revision of Applications, the Retail Individual Investors have to ensure that the Application Price does not exceed ₹2,00,000.

### For Other than Retail Individual Investors (Non-Institutional Investors and QIBs)

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Investors, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.**

**The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations**

## PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER, PROMOTER, PROMOTER GROUP AND PERSONS RELATED TO PROMOTER/PROMOTER GROUP

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis. The Promoters, Promoter Group, Lead Manager and any persons related to the Lead Manager (except Mutual Funds sponsored by entities related to the Lead Manager) cannot apply in the Issue.

## APPLICATION BY MUTUAL FUNDS

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company in consultation with Lead Manager, reserves the right to reject any Application, without assigning any reason thereof. The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with the SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that such Applications clearly indicate the scheme concerned for which the Application is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

## APPLICATION BY HUFs

Applications by HUFs Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole

or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Applications by HUFs may be considered at par with Applications from individuals.

#### **APPLICATION BY ELIGIBLE NRIs**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Applicant applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of UPI Bidders using the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Applicant applying on a non-repatriation basis by using Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of UPI Bidders applying using the UPI Mechanism) to block their Non-Resident Ordinary (“NRO”) accounts for the full Application Amount, at the time of the submission of the Application Form. However, NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank where their account is UPI linked prior to submitting their application.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents. (White in colour).

Participation by Eligible NRIs in the Issue shall be subject to the FEMA Non -Debt Instruments Rules. Only Applications accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

In accordance with the FEMA Non-Debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

For further details, see “*Restrictions on Foreign Ownership of Indian Securities*” on page no. 213 of this Draft Prospectus.

#### **APPLICATION BY FPIs AND FIIs**

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post- Issue Equity Share capital. Further, in terms of the FEMA Non-Debt Instruments Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid -up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be upto the sectoral cap applicable to the sector in which our Company operates (i.e., upto 100%). In terms of the FEMA Non -Debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Additionally, the aggregate foreign portfolio investment upto 49% of the paid -up capital on a fully diluted basis or the sectoral / statutory cap, whichever is lower, does not require Government approval or compliance of sectoral conditions as the case may be, if such investment does not result in transfer of ownership and control of the resident Indian company from resident Indian citizens or transfer of ownership or control to persons resident outside India. Other investments by a person resident outside India will be subject to conditions of Government approval and compliance with sectoral conditions as laid down in these regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for Issue procedure, as prescribed by SEBI from time to time.

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/ or may purchase or sell securities other than equity instruments FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to, inter alia, the following conditions:

- a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

The FPIs who wish to participate in the Issue is advised to use the Application Form for non-residents.

Further, Bids received from FPIs bearing the same PAN will be treated as multiple Applications and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI FPI Regulations (such structure "MIM Structure") provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Application Forms that the relevant FPIs making multiple Applications utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Applications will be rejected.

Participation of FPIs in the Issue shall be subject to the FEMA Rules

#### **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS (VCF) AND FOREIGN VENTURE CAPITAL INVESTORS (FVCI)**

The SEBI VCF Regulations, the SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF or FVCI registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only upto 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of their investible funds in one Investee Company. A category III AIF cannot invest more than 10% of their investible funds in one Investee Company. A VCF registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules

**Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

**All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only, and net of bank charges and commission.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 (“IRDAI Investment Regulations”) are set forth below:

- a. Equity shares of a company: the lower of 10%\* of the investee company’s outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or a reinsurer;
- b. The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c. The industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or a reinsurer or health insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be.

*\* The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000 million or more but less than ₹2,500,000 million.*

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (“**IRDA Investment Regulations**”).

#### **APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS**

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 25 Crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form. Failing this, the Company in consultation with the Lead Manager reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY BANKING COMPANIES**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Application Form, failing which our Company in consultation with the LM, reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (“Banking Regulation Act”), and the Reserve Bank of India (“Financial Services provided by Banks”) Directions, 2016, as amended is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks ‘interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company’s paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company’s paid-up share capital and reserves.

#### **APPLICATION BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Applications made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager, reserves the right to reject any Application without assigning any reason thereof. Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **APPLICATIONS BY SCSBS**

SCSBs participating in the Issue is required to comply with the terms of the SEBI circulars nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013 respectively. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

The information set out above is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as specified in this Draft Prospectus and the Prospectus

## APPLICATION UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million (subject to applicable laws), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, must be lodged along with the Application Form. Failing this, our Company in consultation with the LM, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. Our Company in consultation with the LM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company in consultation with the LM, may deem fit.

*The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure any single Application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus or the Prospectus*

**In accordance with RBI regulations, OCBs cannot participate in the Issue.**

## ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA)

Applicants In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

## INFORMATION FOR THE APPLICANTS

In addition to the instructions provided to the Applicants in the *General Information Document for Investing in Public Issues*, Applicants are requested to note the following additional information in relation to the Issue.

1. The Issue Period shall be for a minimum of three Working Days and shall not exceed ten working days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days
2. The relevant Designated Intermediary will enter each Application into the electronic applying system as a separate Application and generate an acknowledgement slip (“**Acknowledgement Slip**”), for each price and demand option and give the same to the Applicant. Therefore, an Applicant can receive upto three Acknowledgement Slips for each Application Form. It is the Applicant’s responsibility to obtain the TRS from the relevant Designated Intermediary. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/ allotted. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind. When a Applicant revises his or her Application (in case of revision in the Price), he /she shall surrender the earlier Acknowledgement Slip and may request for a revised TRS from the relevant Designated Intermediary as proof of his or her having revised the previous Application.
3. In relation to electronic registration of Applications, the permission given by the Stock Exchanges to use their network and software of the electronic applying system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the

financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

4. In the event of an upward revision in the Price, Retail Individual Applicants could either (i) revise their Application or (ii) shall make additional payment based on the revised Price (such that the total amount i.e., original Application Amount plus additional payment does not exceed ₹ 200,000. The revised Applications must be submitted to the same Designated Intermediary to whom the original Application was submitted. If the total amount (i.e., the original Application Amount plus additional payment) exceeds ₹ 200,000, the Applicant will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Applicant does not either revise the Application or make additional payment the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Applicant and the Retail Individual Applicant is deemed to have approved such revised Application.
5. In the event of a downward revision in the Price, Retail Individual Applicant may revise their Application; otherwise, the excess amount paid at the time of Application would be unblocked after Allotment is finalised.
6. Any revision of the Application shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Application.

**The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.**

#### **GENERAL INSTRUCTIONS**

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Application(s) or lower the size of their Application(s) (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can revise their Application(s) during the Issue Period and withdraw their Application(s) until Issue Closing Date

#### **Do's:**

- 1) Check if you are eligible to apply as per the terms of this Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals; All Applicants should submit their Applications through the ASBA process only;
- 2) Ensure that you have apply within the Price Band
- 3) Read all the instructions carefully and complete the Application Form in the prescribed form;
- 4) Ensure that you have mentioned the correct ASBA Account number if you are not an UPI Bidders applying using the UPI Mechanism in the Application Form and if you are an UPI Bidders using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle) in the Application Form;
- 5) Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Applications) within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
- 6) UPI Bidders Applying in the Issue shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI (only for UPI Bidders using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
- 7) Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries.



- 8) In case of joint Applications, ensure that first applicant is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first applicant is included in the Application Form;
- 9) Ensure that you request for and receive a stamped acknowledgement counterfoil by specifying the application number for all your Applications options as proof of registration of the Application Form for all your Applications options from the concerned Designated Intermediary;
- 10) If the first Applicants is not the ASBA Account holder (or the UPI-linked bank account holder, as the case may be), ensure that the Application Form is signed by the ASBA Account holder (or the UPI-linked bank account holder, as the case may be);
- 11) Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Applicant is included in the Application Forms. PAN of the First Applicant is required to be specified in case of joint Applications;
- 12) Ensure that you submit the revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- 13) UPI Applicant not using the UPI Mechanism, should submit their Application Form directly with SCSBs and not with any other Designated Intermediary;
- 14) Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining / specifying their PAN for transacting in the securities market including without limitation, multilateral/ bilateral institutions, and (iii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- 15) Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- 16) Ensure that the correct investor category and the investor status is indicated in the Application Form;
- 17) Ensure that in case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
- 18) Ensure that Applications submitted by any person outside India is in compliance with applicable foreign and Indian laws;
- 19) Application by Eligible NRIs for a Amount of less than ₹2,00,000 would be considered under the Retail Category for the purposes of allocation and Applications for a Amount exceeding ₹2,00,000 would be considered under the Non-Institutional Category for allocation in the Issue
- 20) Since the allotment will be in dematerialised form only, ensure that the Applicant’s depository account is active, the correct DP ID, Client ID , PAN and UPI ID, if applicable, are mentioned in their Application Form and that the name of the Applicant, the DP ID, Client ID , PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
- 21) In case of ASBA Applicants (other than UPI Bidders using UPI Mechanism), ensure that while Applying through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Applying Centre and that

the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);

- 22) Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Issue Closing Date;
- 23) Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the mobile application and the UPI handle being used for making the application in the Issue is also appearing in the “list of mobile applications for using UPI in public issues” displayed on the SEBI website;
- 24) Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application. Application, in case of UPI Bidders submitting their Applications and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Issue Amount and subsequent debit of funds in case of Allotment;
- 25) UPI Bidders using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a UPI Bidder shall be deemed to have verified the attachment containing the application details of the Retail Individual Applicant in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount specified in the Application Form;
- 26) However, Applications received from FPIs bearing the same PAN shall not be treated as multiple Applications in the event such FPIs utilise the MIM Structure and such Applications have been made with different beneficiary account numbers, Client IDs and DP IDs;
- 27) FPIs making MIM Applications using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Applications are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Applications shall be rejected;
- 28) UPI Bidders who wish to revise their Applications using the UPI Mechanism should submit the revised Applications with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount in the UPI Bidders ASBA Account and
- 29) Ensure that the Demographic Details are updated, true and correct in all respects

The Application Form was liable to be rejected if the above instructions, as applicable, were not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 was liable to be rejected.

**Don'ts:**

- 1) Do not apply for lower than the minimum Application size;
- 2) Do not submit a Application using UPI ID, if you are not a RII;
- 3) Do not apply for an Amount exceeding ₹2,00,000 (for Applications by Retail Individual Applicants).
- 4) Do not pay the Application Amount in cheques, demand drafts or by cash, money order or postal order or by stock invest or any mode other than blocked amounts in the bank account maintained with SCSB;

- 5) Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- 6) Do not Apply at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
- 7) Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- 8) Do not submit the Applications for an amount more than funds available in your ASBA account.
- 9) Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- 10) In case of ASBA Applicants, do not submit more than one ASBA Forms per ASBA Account;
- 11) If you are a Retail Individual Applicant and are using UPI Mechanism, do not submit more than one Application Form for each UPI ID;
- 12) If you are a Retail Individual Applicant and are using UPI Mechanism, do not make the ASBA application using third party bank account or using third party linked bank account UPI ID;
- 13) Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
- 14) Do not Apply on a Application Form that does not have the stamp of the relevant Designated Intermediary;
- 15) Do not submit the General Index Register (GIR) number instead of the PAN;
- 16) Do not submit incorrect details of the DP ID, Client ID PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- 17) Do not submit a Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 18) Do not Apply if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- 19) Do not submit a Application/revise a Issue Amount, with a price less than the Issue Price;
- 20) Do not submit your Apply after 3.00 pm on the Issue Closing Date;
- 21) If you are a QIB, do not submit your Application after 3:00 pm on the QIB Issue Closing Date;
- 22) Do not Apply on another ASBA Form after you have submitted a Application to any of the Designated Intermediaries;
- 23) Do not Apply for Equity Shares in excess of what is specified for each category;
- 24) Do not fill up the Application Form such that the Equity Shares Application for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Prospectus;
- 25) Do not withdraw your Application or lower the size of your Application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Applicants. Retail Individual Applicant can revise their Applications during the Issue Period and withdraw their Applications on or before the Issue Closing Date;
- 26) Do not Apply, if you are an OCB;
- 27) Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by RIIs using the UPI Mechanism;

- 28) UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected;
- 29) Do not submit a Bid using UPI ID, if you are not a UPI Bidder; and

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to our Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, see “*General Information*” on page no. 44 on this Draft Prospectus

For helpline details of the LM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “*General Information - Lead Manager*” on page no. 44 on this Draft Prospectus

### **GROUNDS FOR TECHNICAL REJECTIONS**

In addition to the grounds for rejection of Application on technical grounds as provided in the “*General Information Document for Investing in Public Offers*” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

1. Applications submitted without instruction to the SCSBs to block the entire Application Amount;
2. Applications which do not contain details of the Application Amount and the bank account or UPI ID (for RIBs using the UPI Mechanism) details in the Application Form;
3. Applications submitted on plain paper;
4. Applications submitted by Retail Individual Applicants using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Applications under the UPI linked Mechanism submitted by Retail Individual Applicants using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. Application Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Application submitted without the signature of the First Applicant or sole Applicants;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Applicant;
9. ASBA Form by the RIIs by using third party bank accounts or using third party linked bank account UPI IDs;
10. Applications by person for whom PAN details have not been verified and whose beneficiary accounts are ‘suspended for credit’ in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
11. GIR number furnished instead of PAN;
12. Application by Retail Individual Applicants with Application Amount for a value of more than ₹ 200,000
13. Applications by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Applications accompanied by cheque(s), demand draft(s), stock invest, money order, postal order or cash;
15. Applications uploaded by QIBs after 4.00 p.m. on the QIB Issue Closing Date and by Non-Institutional Applicants uploaded after 4.00 p.m. on the Issue Closing Date, and Applications by Retail Individual Applicants uploaded after 5.00 p.m. on the Issue Closing Date, unless extended by the Stock Exchanges; and
16. Application by OCB.

For further details of grounds for technical rejections of Application Form, please refer to the General Information Document and UPI Circulars.

For details of instruction in relation to the Application Form, please refer to the General Information Document and UPI Circulars.

### **ISSUANCE OF A CONFIRMATION OF ALLOCATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

### **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

In addition to the instructions for completing the Application Form provided in the sub-section “*General Information Document for Investing in Public Offers – Applying in the Offer – Instructions for filing the Application Form / Application Form*” Applicants are requested to note the additional instructions provided below.

1. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Applications must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).
2. Applications must be made in a single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Prospectus and in the Application Form.
3. Applications on a repatriation basis shall be in the names of FIIs or FPIs but not in the names of minors, OCBs, firms or partnerships and foreign nationals.

### **DESIGNATED DATE AND ALLOTMENT**

- (a) Our Company will ensure that the Allotment and credit to the successful Applicants’ depository account will be completed within three Working Days, or such period as may be prescribed by SEBI, of the Issue Closing Date or such other period as may be prescribed.
- (b) Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
- (c) Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

### **NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER**

The authorised employees of the Designated Stock Exchange, along with the LM and the Registrar to the Issue, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

## **DEPOSITORY ARRANGEMENTS**

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

1. Agreement dated May 14, 2024 among NSDL, our Company and the Registrar to the Issue.
2. Agreement dated April 27, 2024 among CDSL, our Company and Registrar to the Issue.

## **METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME**

Our Company will not make any Allotment in excess of the Equity Shares through the Issue Document except in case of over-subscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon over-subscription, an allotment of not more than one per cent of the Issue may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Applicants shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Applicants shall not be less than the minimum Application lot, subject to the availability of shares in Retail Individual Applicants portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

## **PRE- ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation. In the pre- Issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

## **SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING**

- a) Our Company, the Lead Manager, and the Market Maker have entered into an Underwriting Agreement on [●].
- b) For terms of the Underwriting Agreement please see chapter titled “*General Information*” beginning from page no. 44 of this Draft Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26 and all other provision applicable as per Companies Act.

## **IMPERSONATION.**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who—

*(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

*(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

*(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name*

*shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less

than six months period extending upto 10 years and fine of an amount not less than the amount involved in the fraud, extending upto three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

## **INVESTOR GRIEVANCE**

In case of any pre- Issue or post- Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please refer to the chapter titled “*General Information*” on page no. 44 of this Draft Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Issue Closing Date, the Applicant shall be compensated as per the UPI Circulars by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

## **UNDERTAKING BY OUR COMPANY**

Our Company undertakes the following:

- 1) If our Company does not proceed with the Issue after the Issue Closing Date but before allotment, then the reason thereof shall be given as a public notice within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 2) That the complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily;
- 3) That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within three Working Days of the Issue Closing Date or such other period as may be prescribed;
- 4) If Allotment is not made within prescribed timelines under applicable laws, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and other applicable laws for the delayed period;
- 5) That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit for the refund;
- 6) That the Promoters’ contribution in full, if applicable, shall be brought in advance before the Issue opens for subscription;
- 7) That funds required for making refunds to unsuccessful applicants as per mode(s) disclosed shall be made available to the Registrar to the Issue by the Company;
- 8) No further Issue of Equity Shares shall be made until the Equity Shares offered through the Prospectus are listed or until the Application monies are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;
- 9) That if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh Issue document with the SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 10) That our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;

- 11) That the allotment of securities/refund confirmation to Eligible NRIs shall be dispatched within specified time;
- 12) That adequate arrangements shall be made to collect all Application Forms from Applicants; and
- 13) That our Company shall not have recourse to the Issue Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges.

#### **UTILIZATION OF NET PROCEEDS**

Our Company specifically confirms and declares that:

- 1) All monies received out of the Issue of specified securities to public shall be credited/ transferred to separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
- 2) Details of all monies utilized out of the Issue referred to in sub-item(i) shall be disclosed and continue to be disclosed till the time any part of the Fresh Issue proceeds remains un-utilised under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised and;
- 3) Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under the appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.
- 4) The utilisation of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy upto any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“FDI Policy”), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations, (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

As per the FDI policy, the sector in which our Company operates, is permitted upto 100% of the paid-up share capital of such company under the automatic route.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “*Issue Procedure*” on page 191 of this Draft Prospectus. Each Applicant should seek independent legal advice about its ability to participate in the issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Issue Period.

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and the applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) under Section 4(a) of the U.S. Securities Act, and (ii) outside the United States in offshore transactions as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. There will be no public offering of Equity Shares in the United States.**

**The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations, seek independent legal advice about its ability to participate in the issue and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

## SECTION XI – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

### *Public Company*

The company is a Public Company within the meaning of section 2(71) of the Companies Act, 2013.

#### 1. CONSTITUTION OF THE COMPANY

(a) The regulations contained in table “F” of Schedule I to the Companies Act, 2013 shall apply to the Company only in so far as the same are not provided for or are not inconsistent with these Articles.

(b) The regulations for the management of the Company and for the observance of the members thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by special resolution as prescribed by the Companies Act, 2013.

#### 2. DEFINITIONS AND INTERPRETATION

##### A. Definitions

In the interpretation of these Articles the following words and expressions shall have the following meanings unless repugnant to the subject or context.

- a. “Act” means the Companies Act, 2013 along with the relevant Rules made there under, in force and any statutory amendment thereto or replacement thereof and including any circulars, notifications and clarifications issued by the relevant authority under the Companies Act, 2013, and applicable and subsisting provisions of the Companies Act, 1956, if any, along with the relevant Rules made there under. Reference to Act shall also include the Secretarial Standards issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980.
- b. “Annual General Meeting” shall mean a General Meeting of the holders of Equity Shares held annually in accordance with the applicable provisions of the Act.
- c. “Articles” shall mean these articles of association as adopted or as from time to time altered in accordance with the provisions of these Articles and Act.
- d. “Auditors” shall mean and include those persons appointed as such for the time being by the Company.
- e. “Board” or “Board of Directors” shall mean the collective board of directors of the Company, as duly called and constituted from time to time, in accordance with Law and the provisions of these Articles.
- f. “Board Meeting” shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.
- g. “Business Day” shall mean a day on which scheduled commercial banks are open for normal banking business;
- h. “Capital” or “Share Capital” shall mean the authorized share capital of the Company.
- i. “Chairman” shall mean such person as is nominated or appointed in accordance with Article 35 herein below.
- j. “Companies Act, 1956” shall mean the Companies Act, 1956 (Act I of 1956), to the extent that such provisions have not been repealed or superseded by the Companies Act, 2013 or de-notified.
- k. “Company” or “this Company” shall mean Infosys Limited.
- l. “Committees” shall have the meaning ascribed to such term in Article 66.
- m. “Depositories Act” shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.
- n. “Director” shall mean any director of the Company, including alternate directors, independent directors and nominee directors appointed in accordance with the Law and the provisions of these Articles.
- o. “Dividend” shall include interim dividends.
- p. “Encumbrance” shall mean any encumbrance including without limitation any mortgage, pledge, charge, lien, deposit or assignment by way of security, bill of sale, option or right of pre-emption, entitlement to beneficial ownership and any interest or right held, or claim that could be raised, by a third party or any other encumbrance or security interest of any kind;
- q. “Equity Share Capital” shall mean the total issued and paid-up equity share capital of the Company, calculated on a fully diluted basis.
- r. “Equity Shares” shall mean fully paid-up equity shares of the Company having a par value of INR 10 (Rupees Five) per equity share of the Company, or any other issued Share Capital of the Company that is reclassified, reorganized, reconstituted or converted into equity shares of the Company.
- s. “Executor” or “Administrator” shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the

holder thereof to negotiate or transfer the Shares or other Securities of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.

t. “Extraordinary General Meeting” shall mean an extraordinary general meeting of the holders of Equity Shares duly called and constituted in accordance with the provisions of the Act.

u. “Financial Year” shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.

v. “Law/Laws” shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules or guidelines for compliance, of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or Ind-AS or any other generally accepted accounting principles.

w. “Memorandum” shall mean the memorandum of association of the Company, as amended from time to time.

x. “Office” shall mean the registered office for the time being of the Company.

y. “Paid-up” shall include the amount credited as paid up.

z. “Person” shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).

aa. “Register of Members” shall mean the register of Shareholders to be kept pursuant to Section 88 of the Act. (bb) “Registrar” shall mean the Registrar of Companies, from time to time having jurisdiction over the Company. (cc) “Rules” shall mean the rules made under the Act and as notified from time to time.

ab. “Seal” shall mean the common seal(s) for the time being of the Company, if any.

ac. “SEBI” shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992. (ff) “SEBI Listing Regulations” shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any statutory amendment thereto and any listing agreement entered into by the Company with the Stock Exchanges.

ad. “Securities” or “securities” shall mean any Share (including Equity Shares), scrips, stocks, bonds, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares, and any other marketable securities.

ae. “Shares” or “shares” shall mean any share issued in the Share Capital of the Company, including Equity Shares and preference shares.

af. “Shareholder” or “shareholder” or “member” shall mean any shareholder of the Company, from time to time.

ag. “Shareholders’ Meeting” shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings, convened from time to time in accordance with the Act, applicable Laws and the provisions of these Articles.

ah. “Stock Exchanges” shall mean Bombay Stock Exchange Limited, the National Stock Exchange of India Limited and any other stock exchange in India where the Securities are listed.

## B. Interpretation

In these Articles (unless the context requires otherwise):

- a. References to a person shall, where the context permits, include such person’s respective successors, legal heirs and permitted assigns.
  - b. The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.
  - c. References to articles and sub-articles are references to Articles and sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and sub-articles herein.
  - d. Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
  - e. Wherever the words “include,” “includes,” or “including” is used in these Articles, such words shall be deemed to be followed by the words “without limitation”.
  - f. The terms “hereof”, “herein”, “hereto”, “hereunder” or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.
- Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.
- h. In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

### **3. EXPRESSIONS IN THE ACT AND THESE ARTICLES**

Save as aforesaid, any words or expressions defined in the Act or the Depositories Act or the SEBI Listing Regulations, shall, as the case may be, if not inconsistent with the subject or context, bear the same meaning in these Articles.

### **4. SHARE CAPITAL**

- a. The authorised Share Capital of the Company shall be as stated under Clause V of the Memorandum of Association of the Company with such rights, privileges and conditions respectively attached thereto as may be from time to time and the Company may sub- divide, consolidate and increase the Share Capital from time to time and upon the sub-division of Shares, apportion the right to participate in profits in any manner as between the Shares resulting from the sub-division.
- b. The Company has power, from time to time, to increase or reduce its authorised or issued and Paid up Share Capital, in accordance with the Act, applicable Laws and these Articles.
- c. The Share Capital of the Company may be classified into Shares with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.
- d. The Board may, subject to the relevant provisions of the Act and these Articles, allot and issue Shares as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or in respect of an acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any Shares which may be so allotted may be issued as fully/partly Paid-up Shares and if so issued shall be deemed as fully/partly Paid-up Shares.
- e. Except so far as otherwise provided by the conditions of issue or by these Articles, any Share Capital raised by the creation of new Shares, shall be considered as part of the existing Share Capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
- f. Any application signed by or on behalf of an applicant for Shares in the Company, followed by an allotment of any Shares therein, shall be an acceptance of Shares within the meaning of these Articles and every person who thus or otherwise accepts any Shares and whose name is on the Register of Members, shall for the purposes of these Articles, be a Shareholder.
- g. The money, (if any), which the Board shall, on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them, shall immediately on the insertion of the name of the allottees, in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottees thereof, and shall be paid by him accordingly.

### **5. PREFERENCE SHARES**

#### **a. Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

#### **b. Convertible Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible preference shares liable to be converted in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for conversion at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

### **6. PROVISIONS IN CASE OF PREFERENCE SHARES**

Upon the issue of preference shares pursuant to Article 5 above, the following provisions shall apply:

- a. No such preference shares shall be redeemed except out of profits of the Company which would otherwise be available for Dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;
- b. No such shares shall be redeemed unless they are fully paid;
- c. The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's securities premium account, before the shares are redeemed;
- d. Where any such shares are proposed to be redeemed out of the profits of the Company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the "Capital

Redemption Reserve Account" and the applicable provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided by Section 55 of the Act, apply as if the Capital Redemption Reserve Account were Paid up Share Capital of the Company;

- e. The redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital;
- f. The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up un-issued shares of the Company to be issued to the Shareholders as fully paid bonus shares; and
- g. Whenever the Company shall redeem any redeemable preference shares, the Company shall, within 30 (thirty) days thereafter, give notice thereof to the Registrar as required by Section 64 of the Act.

## **7. COMPANY'S LIEN:**

### **A. On shares:**

- a. The Company shall have a first and paramount lien :

(I) on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share;

(II) on all shares (not being fully paid shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company;

Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article.

b. The Company's lien, if any, on the shares, (not being a fully paid share), shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.

c. For the purpose of enforcing such lien, the Board may sell such partly Paid-up shares, subject thereto in such manner as the Board shall think fit, and for that purpose may cause to be issued, a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to said shares be affected by any irregularity or invalidity in the proceedings in reference to the sale of such shares;

Provided that no sale of such shares shall be made:

(I) unless a sum in respect of which the lien exists is presently payable; or

(II) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the Person entitled to the shares at the date of the sale.

d. No Shareholder shall exercise any voting right in respect of any shares or Debentures registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

e. Subject to the Act and these Articles, the right of lien under this Article 7 shall extend to other Securities.

## **8. CALLS**

a. Subject to the provisions of Section 49 of the Act, the terms on which any shares may have been issued and allotted, the Board may, from time to time, by a resolution passed at a meeting of the Board, make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by installments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.

b. 14 (fourteen) days' notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment, provided that before the time for payment of such call, the Board may revoke or postpone the same.

c. The call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Members on such date as shall be fixed by the Board.

d. The joint holder of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof.

e. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.

If any Shareholder or allottee fails to pay the whole or any part of any call or instalment, due from him on the day appointed for payment thereof, or any such extension thereof, he shall be liable to pay interest on the same from the day appointed for the payment to the time of actual payment at 10 (ten) per cent per annum or such lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or

recover any interest from any such Shareholder and the Board shall be at liberty to waive payment of such interest either wholly or in part.

g. Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by instalments at a fixed time whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.

h. On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt and the same shall be recovered by the Company against the Shareholder or his representative from whom it is ought to be recovered, unless it shall be proved, on behalf of such Shareholder or his representatives against the Company that the name of such Shareholder was improperly inserted in the Register of Members or that the money sought to be recovered has actually been paid.

i. The Company may enforce a forfeiture of shares under Article 11 below notwithstanding the following : (i) a judgment or a decree in favour of the Company for calls or other money due in respect of any share; (ii) part payment or satisfaction of any calls or money due in respect of any such judgement or decree; (iii) the receipt by the Company of a portion of any money which shall be due from any Shareholder to the Company in respect of his shares; and (iv) any indulgence granted by the Company in respect of the payment of any such money.

j. The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board may agree upon; provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. Provided always that if at any time after the payment of any such money the rate of interest so agreed to be paid to any such Member appears to the Board to be excessive, it shall be lawful for the Board from time to time to repay to such Member so much of such money as shall then exceed the amount of the calls made upon such shares in the manner determined by the Board. Provided also that if at any time after the payment of any money so paid in advance, the Company shall go into liquidation, either voluntary or otherwise, before the full amount of the money so advanced shall have become due by the members to the Company, on instalments or calls, or in any other manner, the maker of such advance shall be entitled (as between himself and the other Members) to receive back from the Company the full balance of such moneys rightly due to him by the Company in priority to any payment to members on account of capital, in accordance with and subject to the provisions of the Act.

k. No Shareholder shall be entitled to voting rights in respect of the money (ies) so paid by him until the same would but for such payment, become presently payable.

## **9. TRANSFER AND TRANSMISSION OF SHARES**

a. The Company shall record in the Register of Members fairly and distinctly particulars of every transfer or transmission of any share, Debenture or other Security held in a material form.

b. In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.

c. I. An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act.

II. Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.

Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.

e. Subject to the provisions of the Act, a person entitled to a share by transmission shall, subject to the right of the Board to retain such Dividends as hereinafter provided in Article 72(g) be entitled to receive, and may give a discharge for any dividends or other moneys payable in respect of the shares.

f. The Board shall have power on giving not less than 7 (seven) days ' previous notice or such lesser period as may be specified by SEBI, by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated and by publishing a notice on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.

g. Subject to the provisions of Sections 58 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any Securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

h. Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transfer / transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.

i. Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/ transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the listing requirements of the relevant Stock Exchanges on the ground that the number of shares to be transferred is less than any specified number.

j. In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only Shareholder(s) recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person.

k. The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint- holders) or his nominee(s), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 9 (a) of these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.

l. (1) Subject to the provisions of Articles and the Act, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

m. A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

(I) Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to register himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

(II) Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a unpaid dividend account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

(III) In case of transfer and transmission of shares or other securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

n. Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.

o. No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration or other similar documents.

p. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Members), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

q. The provision of these Articles shall be subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

## **10. DEMATERIALIZATION OF SECURITIES**

a. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

b. Subject to the applicable provisions of the Act, the Company may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.

c. If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

d. Securities in Depositories to be in fungible form :

All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

e. Rights of Depositories & Beneficial Owners :

(I) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.

(II) Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(III) Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.

(IV) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.

f. Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute



owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them, subject to Article 17(l).

g. Register and Index of Beneficial Owners :

The Company shall cause to be kept a register and index of members with details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media.

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.

h. Cancellation of Certificates upon surrender by Person :

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

i. Service of Documents :

Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

j. Transfer of Securities :

(I) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

(II) In the case of transfer or transmission of shares or other Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

k. Allotment of Securities dealt with in a Depository:

Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.

l. Certificate Number and other details of Securities in Depository :

Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

m. Provisions of Articles to apply to Shares held in Depository :

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

n. Depository to furnish information :

Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.

o. Option to opt out in respect of any such Security :

Subject to compliance with applicable Law, if a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

p. Overriding effect of this Article :

Provisions of this Article will have full effect and force notwithstanding anything to the contrary or inconsistent contained in any other Articles.

## **11. FORFEITURE OF SHARES**

a. If any Shareholder fails to pay any call or instalment of a call or any part thereof or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or instalment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to

such Shareholder or his legal representatives requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

b. The notice shall name a day, (not being less than 14 (fourteen) days from the date of service of notice), and a place or places on or before which such call or instalment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or instalment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited.

c. If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, instalments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act.

d. When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

e. Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.

f. Any Shareholder whose shares have been forfeited shall, cease to be a shareholder of the Company and notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest and expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.

g. The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

h. A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the shares.

i. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some Person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

j. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

k. The Board may, at any time, before any share so forfeited shall have been sold, re- allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

l. The Directors may subject to the provisions of the Act, accept a surrender of any share certificates from or by any Shareholder desirous of surrendering them on such terms as the Directors think fit.

## **12. ALTERATION OF SHARE CAPITAL**

Subject to these Articles and Section 61 of the Act, the Company may, by an Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may:

a. increase its Share Capital by such amount as it thinks expedient;

b. consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares :

c. Provided that no consolidation and division which results in changes in the voting percentage of Shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;

d. convert all or any of its fully Paid up shares into stock, and reconvert that stock into fully Paid up shares of any denomination;

e. sub-divide its existing Shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and  
f. cancel its Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled. Cancellation of shares in pursuance of this Article shall not be deemed to be reduction of Share Capital within the meaning of the Act.

### **13. REDUCTION OF SHARE CAPITAL**

The Company may, subject to the applicable provisions of the Act, from time to time by a Special Resolution, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted.

### **14. POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES**

Pursuant to a resolution of the Board or a Special Resolution of the Shareholders, as required under the Act, the Company may purchase its own Equity Shares or other Securities, as may be specified by the Act read with Rules made there under from time to time, by way of a buy- back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with the applicable Laws.

### **15. POWER TO MODIFY RIGHTS**

a. Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may be varied, subject to the provisions of Section 48 of the Act and applicable Laws, and whether or not the Company is being wound up, be varied provided the same is affected with consent in writing of the holders of not less than three-fourths of the issued shares of that class or by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class.

b. To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

c. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

### **16. REGISTERS TO BE MAINTAINED BY THE COMPANY**

a. The Company shall, in terms of the provisions of Section 88 of the Act, cause to be kept the following registers in terms of the applicable provisions of the Act

- (I) A Register of Members indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;
- (II) A register of Debenture holders; and
- (III) A register of any other security holders.

b. The Company may keep in any country outside India, a part of the registers referred above, called "foreign register" containing names and particulars of the Shareholders, Debenture holders or holders of other Securities or beneficial owners residing outside India.

c. The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

### **17. SHARES AND SHARE CERTIFICATES**

a. The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

b. A duplicate certificate of shares may be issued, if such certificate :

- (I) is proved to have been lost or destroyed; or
- (II) has been defaced, mutilated or torn; and is surrendered to the Company.

c. The Company shall be entitled to dematerialise its existing Shares, rematerialise its Shares held in the depository and/or to offer its fresh shares in a dematerialised form pursuant to the Depositories Act, and the regulations framed there under, if any.

d. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding rupees fifty for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with the applicable provisions of the Act and Law.

e. The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.

f. When a new share certificate has been issued in pursuance of sub-article (e) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.

g. All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.

h. The Secretary of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub- article (g) of this Article.

i. All books referred to in sub-article (h) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.

j. The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

k. If any Shares stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of such Shares shall be severally as well as jointly liable for the payment of all deposits, instalments and calls due in respect of such Shares, and for all incidents thereof according to these Articles.

l. Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of such Equity Shares or whose name appears as the beneficial owner of such Equity Shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such Equity Shares on the part of any other Person whether or not such Shareholder shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any Equity Shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them. The Company shall not be bound to register more than 3 (three) persons as the joint holders of any share except in the case of executors or trustees of a deceased member.

## 18. SHARES AT THE DISPOSAL OF THE DIRECTORS

a. Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par at such time as they may, from time to time, think fit.

b. Subject to applicable Law, the Directors are hereby authorised to issue Equity Shares or Debentures (whether or not convertible into Equity Shares) for offer and allotment to such of the officers, employees and workers of the Company as the Directors may decide or the trustees of such trust as may be set up for the benefit of the officers, employees and workers in accordance with the terms and conditions of such scheme, plan or proposal as the Directors may formulate. Subject to the consent of the Stock Exchanges and SEBI, the Directors may impose the condition that the shares in or debentures of the Company so allotted shall not be transferable for a specified period.

c. If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.

d. Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or

times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.

e. In accordance with Section 56 and other applicable provisions of the Act and the Rules:

(I) Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued in the manner prescribed under section 46 of the Act and the Rules framed thereunder. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the Person, to whom it has been issued, indicating the date of issue. A certificate issued under the Seal of the Company, if any, or signed by two Directors or by a Director and the Secretary, specifying the Shares held by any Person shall be prima facie evidence of the title of the Person to such Shares. Where the Shares are held in depository form, the record of Depository shall be the prima facie evidence of the interest of the beneficial owner.

(II) Every Shareholder shall be entitled, without payment, to one or more certificates, in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment in case of Shares and 6 (six) months from the date of allotment in case of Debentures, or within 1 (one) month of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be in the form and manner as specified in Article 17 above and in respect of a share or shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the first named joint holders shall be sufficient delivery to all such holders. For any further certificate, the Board shall be entitled but shall not be bound, to prescribe a charge not exceeding Rs. 20 (Rupees 20).

(III) the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot. Where share certificates are issued in either more or less than marketable lots, sub-division or consolidation of share certificates into marketable lots shall be done free of charge.

(IV) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

## **19. UNDERWRITING AND BROKERAGE**

a. Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in connection with the subscription or procurement of subscription to its securities, whether absolute or conditional, for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

b. The Company may also, on any issue of shares or Debentures, pay such reasonable brokerage as may be lawful.

## **20. FURTHER ISSUE OF SHARE CAPITAL**

a. Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—

(I) to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:

A. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

B. the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in Article 20(a)(i)A above shall contain a statement of this right;

C. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company.

(II) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or  
(III) to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in sub-articles (i) or Article (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules and such other conditions, as may be prescribed under Law.

b. The notice referred to in sub-clause A of Article 20(a)(i)(A) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.

c. Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting.

d. The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act and the Rules.

## **21. NOMINATION BY SECURITIES HOLDERS**

a. Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.

b. Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities of the Company shall vest in the event of death of all the joint holders.

c. Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.

d. Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.

e. The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

## **22. NOMINATION FOR DEPOSITS**

A security holder may, at any time, make a nomination and the provisions of Section 72 of the Act shall, as far as may be, apply to the nominations made in relation to the deposits made subject to the provisions of the Rules as may be prescribed in this regard.

## **23. NOMINATION IN CERTAIN OTHER CASES**

Subject to the applicable provisions of the Act and these Articles, any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Securities or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Securities.

## **24. BORROWING POWERS**

a. Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:

- (I) accept or renew deposits from Shareholders;
- (II) borrow money by way of issuance of Debentures ;

- (III) borrow money otherwise than on Debentures;
- (IV) accept deposits from Shareholders either in advance of calls or otherwise; and
- (V) generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting.

b. Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board (not by circular resolution) shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture-stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company (including its uncalled Capital), both present and future. and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.

c. Subject to the applicable provisions of the Act and these Articles, any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

d. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board. Company shall have the power to keep in any state or country outside India a branch register of debenture holders resident in that state or country.

e. Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.

f. The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

## **25. SHARE WARRANTS**

a. Share warrants may be issued as per the provisions of applicable Law.

b. Power to issue share warrants

The Company may issue share warrants subject to, and in accordance with the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up on application in writing signed by the persons registered as holder of the share, and authenticated, by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application, and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

c. Deposit of share warrant

(I) The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit as if his name were inserted in the Register of Members as the holder of the share included in the deposited warrant.

(III) Not more than one person shall be recognised as depositor of the share warrant.

(IV) The Company shall, on two days' written notice, return the deposited share warrant to the depositor.

d. Privileges and disabilities of the holders of share warrant

(I) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant sign a requisition for calling a meeting of the Company, or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notices from the Company.

(II) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the Register of Members as the holder of the share included in the warrant, and shall be a Member of the Company.

e. Issue of new Share Warrant or Coupon

The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruct.

**26. CONVERSION OF SHARES INTO STOCK AND RECONVERSION**

a. The Company in General Meeting may, by Ordinary Resolution, convert any Paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, by an Ordinary Resolution, at any time reconvert any stock into Paid-up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal account from which the stock arose.

b. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards Dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose, but no such privileges or advantages, (except participation in the Dividends and profits of the Company and in the assets on winding-up), shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

c. Where the shares are converted into stock, such of the Articles as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock -holder" respectively.

**27. CAPITALISATION OF PROFITS**

The Company in General Meeting may, upon the recommendation of the Board, resolve :

a. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Company's profit and loss account or otherwise, as available for distribution, and

b. that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (c) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.

c. The sum aforesaid shall not be paid in cash but shall be applied either in or towards:

(I) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;

(II) paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or

(III) partly in the way specified in sub-article (i) and partly in the way specified in sub-article (ii).

d. A securities premium account may be applied as per Section 52 of the Act, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares.

**28. RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE**

a. The Board shall give effect to a Resolution passed by the Company in pursuance of this Article 28.

b. Whenever such a Resolution as aforesaid shall have been passed, the Board shall :

(I) make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid shares or Securities, if any; and

(II) generally do all acts and things required to give effect thereto.

c. The Board shall have full power :

(I) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fraction; and

(II) to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by



the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.

d. Any agreement made under such authority shall be effective and binding on all such shareholders.

### **29. ANNUAL GENERAL MEETING**

In accordance with the provisions of Section 96 of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, subject to the provisions of the Act, not more than 15 (fifteen) months' gap shall elapse between the date of one Annual General Meeting and that of the next. All General Meetings other than Annual General Meetings shall be Extraordinary General Meetings.

### **30. WHEN ANNUAL GENERAL MEETING TO BE HELD**

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 (1) of the Act to extend the time within which any Annual General Meeting may be held.

### **31. VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING**

a. Every Annual General Meeting shall be called during business hours as specified under the Act or Rules on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.

b. Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the Registrar, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting.

### **32. NOTICE OF GENERAL MEETINGS**

a. Number of days' notice of General Meeting to be given : A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served. However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to :

- (I) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,
- (II) Auditor or Auditors of the Company, and
- (III) All Directors.

The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

b. Notice of meeting to specify place, etc., and to contain statement of business : Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.

c. Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof either in writing or through electronic mode as prescribed in the Act and relevant Rules thereunder personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.

d. Special Business: Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special. In case of an Annual General Meeting of the

Company, all business to be transacted thereat shall be deemed to be special with the exception of the business specified in Section 102 of the Act.

e. Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.

f. Notice of Adjourned Meeting when necessary : When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.

g. Notice when not necessary: Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

h. The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

### **33. REQUISITION OF EXTRAORDINARY GENERAL MEETING**

a. The Board may, whenever it thinks fit, call an Extraordinary General Meeting or it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.

b. Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

c. Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty -one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

d. Any meeting called under the foregoing sub-articles by the

e. No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.

f. The Extraordinary General Meeting called under this Article shall be subject to and in accordance with the provisions under the Act read with the Companies (Management and Administration) Rules, 2014.

### **34. NO BUSINESS TO BE TRANSACTED IN GENERAL MEETING IF QUORUM IS NOT PRESENT**

The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the meeting if convened by or upon the requisition of Members, shall stand dissolved but in case of any other Shareholders' Meeting shall be adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day at such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

### **35. CHAIRMAN**

The Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director is present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect one of their members to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.

### **36. CHAIRMAN CAN ADJOURN THE GENERAL MEETING**

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

### **37. DEMAND FOR POLL**

- a. At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded in accordance with the Act, be decided in the manner set out in the Act. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.
- b. In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.
- c. If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the city, town or village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
- d. Where a poll is to be taken, the Chairman of the meeting shall appoint such number of scrutinizers as prescribed under the Act and Rules to scrutinise the votes given on the poll and to report thereon to him. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutinizers from office and fill vacancies in the office of scrutinizers arising from such removal or from any other cause.
- e. Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith.
- f. The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- g. No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.
- h. The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles

### **38. PASSING RESOLUTIONS BY POSTAL BALLOT**

- a. Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.
- b. Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time.

### **39. VOTES OF MEMBERS**

- a. No Shareholder shall be entitled to vote either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
- b. Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.  
Provided however, if any Shareholder holding Preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares.
- c. On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.

- d. A Shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.
- e. If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other joint - holders shall be entitled to be present at the meeting. Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.
- f. Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder.
- g. Any Person entitled to transfer any shares of the Company may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
- h. Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the seal of such corporation or be signed by an officer or an attorney duly authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.
- i. An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.
- j. A Shareholder present by proxy shall be entitled to vote only on a poll.
- k. Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out under Section 105 and other provisions of the Act and in the Companies (Management and Administration) Rules, 2014.
- l. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.
- m. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.
- n. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.
- (I) The Company shall cause minutes of the proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.
- (II) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.
- (IV) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (IV) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.
- (V) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.
- (VI) Any such Minutes shall be evidence of the proceedings recorded therein.

(VII) The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.

(VIII) The Company shall cause minutes to be duly entered in books provided for the purpose of:

A. the names of the Directors and Alternate Directors present at each General Meeting;

B. all Resolutions and proceedings of General Meeting.

o. All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.

p. Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).

q. The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, SEBI Listing Regulations or any other Law, if applicable to the Company.

#### **40. DIRECTORS**

a. Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). However, the Company may at any time appoint more than 15 (fifteen) directors after passing Special Resolution at a General Meeting. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.

b. Subject to Article 41(a), Sections 149, 152 and 164 of the Act and other provisions of the Act, the Company may increase or reduce the number of Directors.

c. The Company may, and subject to the provisions of Section 169 of the Act, remove any Director before the expiration of his period of office and appoint another Director.

#### **41. CHAIRMAN OF THE BOARD OF DIRECTORS**

a. The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.

b. If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.

#### **42. APPOINTMENT OF ALTERNATE DIRECTORS**

Subject to Section 161 of the Act, the Board shall be entitled to nominate an alternate director to act for a director of the Company during such director's absence for a period of not less than 3 (three) months from India. The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called "the Original Director") (subject to such person being acceptable to the Chairman) during the Original Director's absence. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

#### **43. CASUAL VACANCY AND ADDITIONAL DIRECTORS**

Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 40. Any Person so appointed as an addition shall hold office only upto the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

#### **44. DEBENTURE DIRECTORS**

If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/lender or Persons/lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/lender or Persons/lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/lender or Persons/lenders in

whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company, but shall automatically cease and vacate office as a Director if and when the Debentures are fully discharged.

#### **45. INDEPENDENT DIRECTORS**

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed SEBI Listing Regulations.

#### **46. NOMINEE DIRECTORS**

a. The Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any Law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government Company.

b. So long as any moneys remain owing by the Company to The Industrial Development Bank of India, Industrial Finance Corporation of India, The Industrial Credit and Investment Corporation of India Limited, The Industrial Reconstruction Corporation of India Limited, Life Insurance Corporation of India, General Insurance Corporation of India, National Insurance Company Limited, The Oriental Fire & General Insurance Company Limited, The New India Assurance Company Limited, United India Insurance Company Ltd., Karnataka State Industrial Investment and Development Corporation Ltd. or any State Financial Corporation or any Financial Institution owned or controlled by the Central Government or any State Government or the Reserve Bank of India or by two or more of them by Central Government themselves (each of the above and Unit Trust of India are hereinafter referred to as the Corporation) out of any loans/debentures, assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of any guarantee furnished by the Corporation on behalf of the Company and remaining outstanding, the Corporation shall have a right to appoint from time to time, any person as Director, Wholtime or non-Wholtime (which Director or Directors, is/are hereinafter referred to as 'Nominee Director/s') on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person in his or their places. The Board shall have no power to remove from the office of the Nominee Directors. At the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation. Subject as aforesaid, Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Directors of the Company.

#### **47. PERIOD OF HOLDING OF OFFICE BY NOMINEE DIRECTORS**

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said powers shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/ shares in the Company or on the satisfaction of liability of the Company arising out of any guarantee furnished by the Corporation.

#### **48. APPOINTMENT OF SPECIAL DIRECTORS**

On behalf of the Company, whenever Directors enter into a contract with any Government, Central, State or Local, any Bank or Financial institution or any person or persons (hereinafter referred to as "the appointer") for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or entering into any other arrangement whatsoever the Directors shall have, subject to the provisions of Section 152 of the Act, the power to agree that such appointer shall have right to appoint or nominate by notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in any vacancy which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.

#### **49. NO QUALIFICATION SHARES FOR DIRECTORS**

A Director shall not be required to hold any qualification shares of the Company.

## **50. REMUNERATION OF DIRECTORS**

- a. Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.
- b. Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the central government from time to time for each meeting of the Board or any Committee thereof attended by him.
- c. The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the Central Government pursuant to the first proviso to Section 197 of the Act.
- d. All fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board subject to Section 197 and other applicable provisions of the Act, the Rules thereunder and of these Articles. Notwithstanding anything contained in this Article, the Independent Directors shall not be eligible to receive any stock options.

## **51. SPECIAL REMUNERATION FOR EXTRA SERVICES RENDERED BY A DIRECTOR**

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.

## **52. MISCELLANEOUS EXPENSES OF DIRECTORS**

In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them : (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or (b) in connection with the business of the Company. The rules in this regard may be framed by the Board of Directors from time to time.

## **53. CONTINUING DIRECTORS**

The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 40 hereof, the continuing Directors may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

## **54. DISQUALIFICATION AND VACATION OF OFFICE BY A DIRECTOR**

- a. A person shall not be eligible for appointment as a Director of the Company if he incurs any of the disqualifications as set out in section 164 and other relevant provisions of the Act. Further, on and after being appointed as a Director, the office of a Director shall ipso facto be vacated on the occurrence of any of the circumstances under section 167 and other relevant provisions of the Act.
- b. Subject to the applicable provisions of the Act, the resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later.

## **55. RELATED PARTY TRANSACTIONS AND DISCLOSURE OF INTEREST**

The Company shall comply with the applicable provisions of the Act, Rules framed thereunder and other relevant provisions of Law in respect of related party transactions and the Directors shall comply with the disclosure of interest provisions under the Act.

## **56. RETIREMENT OF DIRECTORS BY ROTATION**

- a. At every Annual General Meeting of the Company, one third of such of the Directors as are liable to retire by rotation in accordance with section 152 of the Act (excluding Independent Directors), or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re- election.
- b. The Directors to retire by rotation shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Provided that and to the extent permissible under the Act, the Managing Director, joint managing director, deputy managing director, manager or whole-time Director(s) appointed or such other directors nominated pursuant to Articles 44 and 46 hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

#### **57. PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP**

a. If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.

b. If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless :

- (I) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
- (II) retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed;
- (III) he is not qualified or is disqualified for appointment;
- (IV) a resolution whether Special or Ordinary is required for the appointment or reappointment by virtue of any applicable provisions of the Act; or
- (V) Section 162 of the Act is applicable to the case.

#### **58. MANAGING DIRECTOR(S) / WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S) / MANAGER**

Subject to the provisions of Section 203 of the Act and other applicable provisions of the Act and of these Articles, the Board may appoint from time to time one or more of their Directors to be the Managing Director or joint managing director or whole time director or deputy managing director or manager of the Company on such terms and on such remuneration (in any manner, subject to it being permissible under the Act) partly as the Board may think fit in accordance with the applicable provisions of the Act and the Rules thereunder. Subject to the provisions of the Act, the Managing Director or Joint Managing Director or Wholetime Director or Deputy Managing Director or Manager of the Company so appointed by the Board shall not while holding that office, be subject to retirement by rotation or taken into account in determining the rotation of retirement of directors, but their appointment shall be subject to determination ipso facto if they cease from any cause to be a director or if the company in General Meeting resolve that their tenure of the office of Managing Director or Joint Managing Director or Wholetime Director or Deputy Managing Director or Manager be determined.

#### **59. PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT**

a. Unless permitted under the Act, the Company however, shall not appoint or employ at the same time more than one of the following categories of management personnel namely, a managing director and manager.

b. The remuneration of a Managing Director/ whole time director or executive director or manager shall (subject to Sections 196, 197 and other applicable provisions of the Act, the Rules thereunder and of these Articles and of any contract between him and the Company) be paid in the manner permitted under the Act.

#### **60. POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER**

Subject to the provisions of the Act, the Directors, may from time to time entrust and confer upon a Managing Director, whole time director(s), executive director(s) or managers for the time being such of the powers exercisable upon such terms and conditions and with such restrictions as they may think fit either collaterally with or to the exclusion of and in substitution for all or any of their own powers and from time to time revoke, withdraw, alter or vary ail or any of such powers.

#### **61. POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING**

Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board:

- a. to make calls on Shareholders in respect of money unpaid on their shares;
- b. to authorise buy-back of securities under Section 68 of the Act;
- c. to issue securities, including debentures, whether in or outside India;
- d. to borrow money(ies);
- e. to invest the funds of the Company;
- f. to grant loans or give guarantee or provide security in respect of loans; and
- g. any other matter which may be prescribed under the Act, Companies (Meetings of Board and its Powers) Rules, 2014 and the SEBI Listing Regulations to be exercised by the Board only by resolutions passed at the meeting of the Board.



The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above. In respect of dealings between the company and its bankers the exercise by the company of the powers specified in clause (d) shall mean the arrangement made by the company with its bankers for the borrowing of money by way of overdraft or cash credit or otherwise and not the actual day to day operation on overdraft, cash credit or other accounts by means of which the arrangement so made is actually availed of.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the restrictions on the powers of the Board under section 180 of the Act.

## **62. PROCEEDINGS OF THE BOARD OF DIRECTORS**

a. At least 4 (four) Board Meetings shall be held in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings.

b. The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed under the Act, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. However, such matters as provided under the Companies (Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio visual means. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.

c. The Secretary, as directed by a Director, or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.

d. The Board may meet either at the Office of the Company, or at any other location in India or outside India, as the Chairman may determine.

e. At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any urgent matters as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.

f. At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

## **63. QUORUM FOR BOARD MEETING**

a. Quorum for Board Meetings

(I) Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength or two directors, whichever is higher, and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested present at the meeting being not less than two, shall be the quorum during such meeting.

(II) If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned to such other time as may be fixed by the Chairman.

## **64. CASTING VOTE**

Questions arising at any meeting of the Board, other than as specified in these Articles and the Act, if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairman shall have a second or casting vote. No regulation made by the Company in General Meeting, shall invalidate any prior act of the Board, which would have been valid if that regulation had not been made.

## **65. POWERS OF THE BOARD**

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law:

a. The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the Memorandum and Articles of association of the Company.

b. The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.

Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-

- (I) Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Act;
- (II) Remit, or give time for repayment of, any debt due by a Director;
- (III) Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and
- (IV) Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up capital of the Company and its free reserves.

Provided further that prior permission of the Company in a General Meeting shall be required for making a contribution, in any Financial Year, to bonafide charitable and other funds in excess of an aggregate amount equivalent to 5 (five) % of the Company's average net profits for the 3 (three) immediately preceding Financial Years.

#### c. Certain Powers of the Board

Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article and other provisions of the Act, it is hereby declared that the Directors shall have the following powers, that is to say, power:

- (I) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the company.
- (II) Payment out of Capital : To pay and charge to the capital account of the company any commission or interest lawfully payable thereout under the provisions of Sections 40(6) of the Act,
- (III) To acquire property : Subject to Sections 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights, privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they think fit, and in any such purchases or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory,
- (IV) To pay for property, etc. : At their discretion and subject to the provisions of the Act, to pay for any property, rights, or privileges acquired or services rendered in the Company either wholly or partially, in cash or in shares, bonds, debentures, mortgages, or other securities of the such amount credited as paid up thereon as may be agreed upon and any such bonds; debentures, mortgages or other securities may be either, specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
- (V) To secure contracts : To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.
- (VI) To accept surrender of shares : To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.
- (VII) To appoint Trustees : To appoint any person to accept and to hold in trust for the Company any property belonging to the Company, or in which it is interested, or for any other purposes; and to execute and do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.
- (VIII) To bring and defend actions : To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise payment or satisfaction of any debts due, and of any claims or demands by or against the Company, and to refer any differences to arbitration, and observe and perform any awards made thereon.
- (IX) To act in insolvency matters : To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- (X) To give receipts : To make and give receipts, releases and other discharges for moneys payable to the Company, and for the claims and demands of the Company.
- (XI) To invest moneys: Subject to the provisions of Sections 179, 180 (1) (c), 185, and 186 of the Act, to invest, deposit and deal with any moneys of the Company not immediately required for the purpose thereof, upon such security (not being shares of this Company), or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.
- (XII) To provide for Personal Liabilities : To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety; for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit; and any such mortgage may contain a power of sale, and such other powers, provisions, covenants and agreements as shall be agreed upon.

(XIII) To authorise acceptances: To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give necessary authority for such purpose.

(XIV) To distribute bonus : To distribute by way of bonus amongst the staff of the Company a share in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as part of the working expenses of the Company.

(XV) To provide for welfare of employees : To provide for the welfare of Directors or Ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependants or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of moneys, pensions, gratuities, allowances, bonus or other payments; or by creating and from time to time subscribing or contributing to provident and other associations, institutions or funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the provisions of Section 180 of the Act. To subscribe or contribute or otherwise to assist or to guarantee money to any charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation, or of public and general utility or otherwise.

(XVI) To create reserve fund : Before recommending any dividend to set aside, out of the profits of the Company such sums as they may think proper for depreciation or to a Depreciation Fund or to an Insurance Fund or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause), as the Board may in their absolute discretion think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion, think, conducive to the interest of the company notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the company might rightly be applied or expended, and to divide the reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of the Reserve Fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund and with full power to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the company or in the purchase or repayment of debentures or debenture- stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.

(XVII) To appoint managers etc. : To appoint, and at their discretion remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries, or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the company in any specified locality in India or elsewhere in such h manner as they think fit.

(XVIII) To comply with local Laws: To comply with requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.

(XIX) To delegate powers : Subject to Section 179 of the Act, from time to time and at any time to delegate to any persons so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make call or to make loans or borrow moneys, and any such appointment or delegation may be made on such terms, and subject to such conditions as the Board may think fit, and the Board may at any time remove any persons so appointed and may annul any such delegation.

(XX) To authorise by power of attorney : At any time and from time to time by Power of Attorney (if so resolved by the Board under the Seal of the Company), to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities, and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in the limits authorised by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may (if the Board thinks fit) be made in favour of the shareholders, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly, or indirectly by the Board and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain Powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the Powers, authorities and discretions for the time- being vested in them.

(XXI) To negotiate : Subject to Section 188 of the Act for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient.

(XXII) To make and vary Regulations : From time to time make, vary or repeal bye- laws for the regulation of the business of the Company, its officers and servants.

(XXIII) Amendments to Accounts : Subject to Section 130, the directors shall, if they consider it to be necessary and in the interest of the company, be entitled to amend the Audited Accounts of the company of any financial year which have been laid before the Company in General Meeting. The amendments to the Accounts effected by the directors in pursuance of this Article shall be placed before the members in General Meeting for their consideration and approval.

(XXIV) To formulate schemes, etc. : Subject to provisions of Law, the directors may formulate, create, institute or set up such schemes, trusts, plans or proposals as they may deem fit for the purpose of providing incentive to the officers, employees and workers of the company, including without limiting the generality of the foregoing, formulation of schemes for the subscription by the officers, employees and workers to shares in, or debentures of, the company.

#### **66. COMMITTEES AND DELEGATION BY THE BOARD**

a. The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the SEBI Listing Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.

b. Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

c. The meetings and proceedings of any such Committee of the Board consisting of more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.

#### **67. ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT**

a. All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

b. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

#### **68. PASSING OF RESOLUTION BY CIRCULATION**

a. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the Chairman shall put the resolution to be decided at a meeting of the Board.

b. A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

## **69. MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE BOARD**

- a. The Company shall prepare, circulate and maintain minutes of each Board Meeting in accordance with the Act and Rules and such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.
- b. The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 1 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the Central Government and applicable provisions of the Act and Law.

## **70. THE SECRETARY**

Subject to the provisions of Section 203 of the Act, the Board may, from time to time, appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him by the Board. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by the Company.

## **71. SEAL**

- a. The Board may provide a Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and if the Seal is provided for, the Board shall provide for the safe custody of the Seal for the time being.
- b. Subject to Article 72 (a), the Board may, if a Seal is required to be affixed on any instrument, affix the Seal of the Company, to any instrument by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least 2 (two) Directors and of the Secretary or such other person as the Board may appoint for the purpose; and those 2 (two) Directors and the Secretary or other person aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

## **72. DIVIDEND POLICY**

- a. The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.
- b. Subject to the provisions of Section 123 of the Act, the Company in General Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.
- c. No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with the provisions of the Act and remaining undistributed, or out of both, and provided that the declaration of the Board as to the amount of the net profits shall be conclusive.
- d. Subject to Section 123, the Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.
- e. Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.
- f.
  - (I) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid but if and so long as nothing is paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.
  - (II) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this Article as paid on shares.
  - (III) All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid, but if any shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.
- g. Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.

- h. Any one of several Persons who are registered as the joint -holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.
- i. Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.
- j. Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.
- k. Unless otherwise directed any Dividend may be paid by cheque or warrant or by a pay slip or receipt (having the force of a cheque or warrant) and sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint -holders of any Share(s) any one of them can give effectual receipts for any money (ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands, shall for the purposes of this Article be deemed to be joint-holders thereof.
- l. No unpaid Dividend shall bear interest as against the Company.
- m. Any General Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the Meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set -off against such calls.
- n. Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.

### **73. UNPAID OR UNCLAIMED DIVIDEND**

- a. Subject to the provisions of the Act, if the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank.
- b. Subject to provisions of the Act, any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund".
- c. Subject to the provisions of the Act, no unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.

### **74. ACCOUNTS AND BOARD'S REPORT**

- a. The Company shall prepare and keep the books of accounts or other relevant books and papers and financial statements for every Financial Year which give a true and fair view of the state of affairs of the Company, including its branch office or offices, if any, in accordance with the Act, Rules and as required under applicable Law.
- b. In accordance with the provisions of the Act, along with the financial statements laid before the Shareholders, there shall be laid a 'Board's report' as to the state of the Company's affairs and as to the amounts, if any, which it proposes to carry to any reserves in such balance sheet and the amount, if any, which it recommends should be paid by way of dividend; and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the balance sheet relates and the date of the report. The Board shall also give the fullest information and explanations in its report aforesaid or in an addendum to that report, on every reservation, qualification or adverse remark contained in the auditor's report and by the company secretary in practice in his secretarial audit report.
- c. The Company shall comply with the requirements of Section 136 of the Act.

### **75. DOCUMENTS AND NOTICES**

- a. A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by sending it by post or by registered post or by courier, to him to his registered address.

- b. Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.
- c. A document or notice may be given or served by the Company to or on the joint - holders of a Share by giving or serving the document or notice to or on the joint- holder named first in the Register of Members in respect of the Share.
- d. Every person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.
- e. Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, photostat or lithographed.
- f. All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.
- g. Where a document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a member has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each member an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfil all conditions required by Law, in this regard.

#### **76. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS**

If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighbourhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

#### **77. NOTICE BY ADVERTISEMENT**

Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated.

#### **78. WINDING UP**

- a. If the Company shall be wound up, the Liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act divide amongst the Shareholders, in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- b. For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders.
- c. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### **79. INDEMNITY**

Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

#### **80. DIRECTOR'S ETC. NOT LIABLE FOR CERTAIN ACTS**

Subject to the provision of the Act, no Director, Manager or Officer of the Company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager or Officer or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the company through the insufficiency or deficiency of title to any property acquired by order of the directors or for any loss or expenses happening to the Company through the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any monies,

securities or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part, or for any other loss, damage or misfortune whatsoever which shall happen in the execution thereof, unless the same shall happen through the negligence, default, misfeasance, breach of duty or breach of trust of the relevant Director, Manager or Officer.

#### **81. SIGNING OF CHEQUES**

Subject to applicable Law and Section 64 of the Act, all cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts for moneys paid by the company, shall be signed, drawn, accepted or otherwise executed as the case may be, in such manner as the Directors shall from time to time by resolution determine.

#### **82. INSPECTION BY SHAREHOLDERS**

The register of charges, register of investments, Register of Members, books of accounts and the minutes of the meeting of the shareholders shall be kept at the office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the board determines for inspection of any shareholder without charge. In the event such shareholder conducting inspection of the abovementioned documents requires extracts of the same, the Company may charge a fee which shall not exceed rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of Law.

#### **83. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION**

The Company may amend its Memorandum of Association and Articles of Association subject to Sections 13, 14 and 15 of the Act and such other provisions of Law, as may be applicable from time-to-time.

#### **84. SECRECY OF WORKS OR INFORMATION**

No shareholder shall be entitled to visit or inspect the Company's work without permission of the Directors or to require discovery of any information respectively any details of Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the Shareholders of the Company to communicate to the public.

#### **85. DUTIES OF THE OFFICER TO OBSERVE SECRECY**

Every Director, Managing Directors, manager, Secretary, Auditor, trustee, members of the committee, officer, servant, agent, accountant or other persons employed in the business of the Company shall, if so required by the Directors before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the Company with its customers and the state of accounts with individuals and all manufacturing, technical and business information of the company and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors, or by resolution of the Company in the general meeting.

#### **86. AUTHORIZATIONS**

- a. Wherever in the Act it has been provided that the Company or the Board shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company or the Board is so authorized by its Articles, then and in that case these Articles hereby authorize and empower the Company and/ or the Board (as the case may be) to have all such rights, privileges, authorities and to carry out all such transactions as have been permitted by the Act without there being any specific regulation to that effect in these Articles save and except to the extent that any particular right, privilege, authority or transaction has been expressly negated or prohibited by any other Article herein).
- b. If pursuant to the approval of these Articles, if the Act requires any matter any matter previously requiring a special resolution is, pursuant to such amendment, required to be approved by an ordinary resolution, then in such a case these Articles hereby authorize and empower the Company and its Shareholders to approve such matter by an ordinary resolution without having to give effect to the specific provision in these Articles requiring a special resolution to be passed for such matter.

*This set of articles of association was adopted by the members through a special resolution passed in the Extra Ordinary General Meeting of shareholders held on April 26, 2024.*



## SECTION XII – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Draft Prospectus which will be delivered to the RoC for registration. Copies of the above mentioned contracts and also the documents for inspection referred to here under, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days (Monday to Friday) Application/Issue Opening Date until the Application/Issue Closing Date.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

#### A. Material Contracts

- 1) Memorandum of Understanding dated August 9, 2024 between our Company and the Lead Manager.
- 2) Memorandum of Understanding dated September 3, 2024 between our Company and the Registrar to the Issue
- 3) Escrow Agreement dated [●] between our Company, the Lead Manager, Escrow Collection Bank(s) / Sponsor Bank and the Registrar to the Issue.
- 4) Market Making Agreement dated [●] between our Company, the Lead Manager and Market Maker.
- 5) Underwriting Agreement dated [●] between our Company, the Lead Manager and the Market Maker.
- 6) Tripartite agreement between the CDSL, our Company and the Registrar to the Issue dated April 27, 2024
- 7) Tripartite agreement between the NSDL, our Company and the Registrar to the Issue dated May 14, 2024.

#### B. Material Documents

- 1) Certified true copies of the updated Memorandum and Articles of Association of our Company, as amended from time to time.
- 2) Copy of Certificate of Incorporation dated March 28, 2014 issued under the name NAPS Trading Private Limited by Registrar of Companies, Mumbai.
- 3) Copy of Fresh Certificate of Incorporation dated January 02, 2024 issued by Registrar of Companies, Mumbai consequent to name change from NAPS Trading Private Limited to NAPS Global India Private Limited.
- 4) Copy of Fresh Certificate of Incorporation dated June 20, 2024 issued by Central Processing Centre, Haryana pursuant to the conversion of our Company into a Public Limited Company from NAPS Global India Private Limited to NAPS Global India Limited.
- 5) Resolution of the Board of Directors dated June 25, 2024 in relation to the Issue.
- 6) Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held with a shorter notice on June 27, 2024 in relation to the Issue.
- 7) Statutory Auditor's report for Restated Financials dated August 16, 2024 included in this Draft Prospectus.
- 8) The Statement of Tax Benefits dated August 16, 2024 from our Statutory Auditors included in this Draft Prospectus.
- 9) Certificate on KPI's issued by Statutory Auditor dated August 16, 2024.

- 10) Consents of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Banker(s) to the Company\*, Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Banker to the Issue\*, Underwriters\* and Market Maker\* to act in their respective capacities.

*\*The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

- 11) Due Diligence Certificate(s) dated [●] to SEBI by the Lead Manager.
- 12) Approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of Equity Shares on the SME Platform of BSE.

## **DECLARATION**

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

**SIGNED BY THE CHAIRMAN & MANAGING DIRECTOR OF OUR COMPANY:**

**Sd/-**

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**Pankaj Jain**

(Chairman and Managing Director)

**Date:** September 09, 2024

**Place:** Mumbai

## DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

**SIGNED BY THE WHOLE TIME DIRECTOR & CHIEF FINANCIAL OFFICER OF OUR COMPANY:**

Sd/-

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**Ronak Mistry**

*(Whole Time Director and Chief Financial Officer)*

**Date:** September 09, 2024

**Place:** Mumbai

## **DECLARATION**

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

**SIGNED BY THE NON EXECUTIVE DIRECTOR OF OUR COMPANY:**

**Sd/-**

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**Satyanarayan Punglia**  
(Non-Executive Director)

**Date:** September 09, 2024

**Place:** Mumbai

## **DECLARATION**

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

**SIGNED BY THE NON-EXECUTIVE INDEPENDENT DIRECTOR OF OUR COMPANY:**

**Sd/-**

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**Bhawna Hundlani**

(Non-Executive Independent Director)

**Date:** September 09, 2024

**Place:** Mumbai

## **DECLARATION**

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

**SIGNED BY THE NON-EXECUTIVE INDEPENDENT DIRECTOR OF OUR COMPANY:**

**Sd/-**

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**Nikhil Malpani**

(Non-Executive Independent Director)

**Date:** September 09, 2024

**Place:** Gwalior

## **DECLARATION**

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

**SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY:**

**Sd/-**

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**Priyanka Marvania**

(Company Secretary & Compliance Officer)

**Date:** September 09, 2024

**Place:** Gujarat