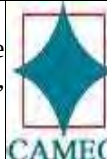




[Please scan this QR Code to view the Prospectus]

**VIRTUOSO OPTOELECTRONICS LIMITED****Corporate Identification Number: U74999MH2015PLC268355**

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL
Plot No. 7 M.I.D.C.Satur, Nasik -422007,Maharashtra, India.	N.A.	Renuka Kulkarni Company Secretary and Compliance officer	info@voepl.com
TELEPHONE / MOBILE NO.	WEBSITE		
+025 3235 0461	www.voepl.com		
THE PROMOTER OF OUR COMPANY IS SUKRIT BHARATI			
Initial Public Offer of 54,00,000 Equity Shares of ₹ 56/- Each (“Equity Shares”) Aggregating to ₹ 3024.00 Lakhs (“The Issue”)			
This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations and 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.			
OFFER FOR SALE			
NAME OF SELLING SHAREHOLDER	NO. OF SHARES OFFERED	AVERAGE COST OF ACQUISITION(IN ₹)	
N. A.	N. A.	N. A.	
GENERAL RISKS			
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this 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 this offering. 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 offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 26 of this Prospectus.			
COMPANY’S ABSOLUTE RESPONSIBILITY			
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 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 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 offered through this Prospectus are proposed to be listed on the SME Platform of BSE Limited (‘BSE SME’), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In- approval letter dated August 24, 2022 from BSE SME for using its name in this Prospectus for listing of our shares on the BSE SME. For the purpose of this Issue, the Stock Exchange will be BSE Limited			
LEAD MANAGERS TO THE ISSUE		REGISTRAR TO THE ISSUE	
 FEDEX SECURITIES PRIVATE LIMITED B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle - (East), Mumbai - 400 057, Maharashtra, India. Tel No.: +91 81049 85249 E-mail: mb@fedsec.in Website: www.fedsec.in Contact Person: Yash Kadakia SEBI Registration Number: INM000010163 Investor Grievance E-Mail: mb@fedsec.in	 CAMEO CORPORATE SERVICES LIMITED No.01, Club House Road, Mount Road, Chennai – 600002, India Tel No.: + 044 4002 0700 E-mail: priya@cameoindia.com Website: www.cameoindia.com Contact Person: Ms. K. Sreepriya SEBI Registration No.: INR000003753 Investor Grievance E-mail: investor@cameoindia.com		
ISSUE PROGRAMME			
ISSUE OPENS ON: September 02, 2022		ISSUE CLOSES ON: September 07, 2022	



VIRTUOSO OPTOELECTRONICS LIMITED

Our Company was originally incorporated as “Virtuoso Optoelectronics Private Limited” at Nashik, Maharashtra as a Private Limited Company under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated September 11, 2015 bearing Corporate Identification Number U74999MH2015PTC268355 issued by Deputy Registrar of Companies, Mumbai, Maharashtra. Subsequently, our Company was converted into a Public Limited Company pursuant to special resolution passed by the shareholders at the Extraordinary General Meeting held on March 24, 2021 and fresh certificate of incorporation consequently upon change of name was issued by Registrar of Companies, Mumbai, Maharashtra dated April 19, 2021 and name of our Company was changed to Virtuoso Optoelectronic Limited. The Corporate Identification Number is U74999MH2015PLC268355. For details of incorporation, change of name and registered office of our Company, please refer to the chapter titled “General Information” and “Our History and Certain Other Corporate Matters” beginning on page 66 and 156 respectively of this Prospectus.

Registered Office: Plot No. 7 M.I.D.C. Satpur, Nasik -422007, Maharashtra, India. **Tel No. / Mob No.:** +025 3235 0461;

Email: info@voepl.com; **Website:** www.voepl.com **Contact Person:** Renuka Kulkarni, Company Secretary & Compliance Officer

OUR PROMOTER: SUKRIT BHARATI

THE ISSUE

INITIAL PUBLIC ISSUE OF 54,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00/- EACH (“EQUITY SHARES”) OF VIRTUOSO OPTOELECTRONICS LIMITED (“THE COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ 56/- PER EQUITY SHARE (THE “ISSUE PRICE”), (INCLUDING A PREMIUM OF ₹ 46/- PER EQUITY SHARE), AGGREGATING ₹ 3024.00 LAKHS (“THE ISSUE”), OF WHICH 2,80,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00/- FOR CASH AT A PRICE OF ₹ 56/- EACH AGGREGATING ₹ 156.80 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION, I.E., ISSUE OF 51,20,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00/- EACH FOR CASH AT A PRICE OF ₹ 56/- PER EQUITY SHARE, AGGREGATING TO ₹ 2867.20 LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.49% AND 25.12% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE NO 266 OF THIS PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH AND THE ISSUE PRICE IS 5.60 TIMES OF THE FACE VALUE

THIS ISSUE IS BEING MADE THROUGH FIXED PRICE PROCESS, IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE “SEBI (ICDR) REGULATIONS”), AS AMENDED AND RULE 19(2)(b)(i) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN ISSUE FOR AT LEAST 25% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED “ISSUE PROCEDURE” BEGINNING ON PAGE 277 OF THIS PROSPECTUS. A COPY OF THE PROSPECTUS WILL BE DELIVERED TO THE REGISTRAR OF COMPANIES FOR FILING AS REQUIRED UNDER SECTION 26 OF THE COMPANIES ACT, 2013.

All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account and UPI ID in case of RII’s, if applicable, in which the application amount shall be blocked by the Self-Certified Syndicate Banks (“SCSBs”) or under UPI Mechanism as the case may be. For details in this regard, specific attention is invited to chapter titled “Issue Procedure” on page 277 of this Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the shares is ₹ 10/- per Equity Shares and the Issue price is ₹ 56/- per Equity Share and the Issue Price is 5.60 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager) as stated in the chapter titled on “Basis for Issue Price” beginning on page 100 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this 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 this offering. 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 offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 26 of this Prospectus.

COMPANY’S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 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 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 offered through this Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In-approval letter dated August 24, 2022 from BSE SME for using its name in this Prospectus for listing of our shares on the BSE SME. For the purpose of this Issue, the Stock Exchange will be BSE Limited.

LEAD MANAGERS TO THE ISSUE

	FEDEX SECURITIES PRIVATE LIMITED B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle - (East), Mumbai - 400 057, Maharashtra, India. Tel No.: +91 81049 85249 E-mail: mb@fedsec.in Website: www.fedsec.in Contact Person: Yash Kadakia SEBI Registration Number: INM000010163 Investor Grievance E-Mail: mb@fedsec.in

REGISTRAR TO THE ISSUE

	CAMEO CORPORATE SERVICES LIMITED No.01, Club House Road, Mount Road, Chennai – 600002, India Tel No.: + 044 4002 0700 E-mail: priya@cameoindia.com Website: www.cameoindia.com Contact Person: Ms. K. Sreepriya SEBI Registration No.: INR000003753 Investor Grievance E-mail: investor@cameoindia.com

ISSUE PROGRAMME

ISSUE OPENS ON:	September 02, 2022
ISSUE CLOSURES ON:	September 07, 2022

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SECTION - I - GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, rules, guidelines 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 that provision.

The words and expressions used in this Prospectus, but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under SEBI ICDR Regulations 2018, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “Basis for the Issue Price”, “Statement of Special Tax Benefits”, “Industry Overview”, “Key Industry Regulations & Policies”, “Restated Financial Statement”, “Outstanding Litigation and Other Material Developments”, and “Main Provisions of the Articles of Association” on pages 100, 104, 111, 142, 183, 241 and 316 will have the meaning ascribed to such terms in those respective sections.

GENERAL TERMS

Term	Description
“Virtuoso Optoelectronics Limited”, “VOEPL”, “We” or “us” or “Our Company” or “the Issuer”	Unless the context otherwise indicates or implies refers to Virtuoso Optoelectronics Limited, a company incorporated under the provisions of the Companies Act, 2013 having its registered office at Plot No. 7 M.I.D.C. Satpur, Nasik - 422007, Maharashtra, India
Promoter	Sukrit Bharati
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1) (pp) of SEBI ICDR Regulations as disclosed in the section titled “Our Promoter and Promoter Group” on page 173 of this Prospectus
“we”, “us” and “our”	Unless the context otherwise indicates or implies refers to our Company.
“you”, “your” or “yours”	Prospective Investors in this Issue

ISSUE RELATED TERMS

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Forms.
Acknowledgement Slip	The acknowledgement slips or document issued by the Designated Intermediary to a Bidder as proof of having accepted the Application Form
Allot / Allotment / Allotted / Allotment of Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allottee(s)	A successful Applicant to whom the Equity Shares are being Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to each successful applicant who have been or are to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allotment Date	Date on which the Allotment will be made
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of the Prospectus. All the applicants should make application through ASBA only.
Application Lot	2000 Equity Shares

Term	Description
Application Amount	The amount at which the Applicant makes an application 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 Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by applicant for blocking the application Amount mentioned in the ASBA Form
ASBA Form	An application form, whether physical or electronic, used by ASBA Applicant which will be considered as the application for Allotment in terms of this Prospectus
Bankers to the Company	Axis Bank Limited
Banker to the Issue / Refund Banker / Public Issue Bank	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account and Refund Account will be opened and in this case being, ICICI Bank Limited
Banker to the Issue Agreement	Agreement dated January 31, 2022 entered into amongst the Company, Lead Manager, the Registrar, Sponsor Bank and the Banker to the Issue for collection of the Application Amount 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, is described in the section titled “ <i>Issue Procedure</i> ” on page 277 of this Prospectus
Business Day	Any day on which commercial banks are open for the business
CAN /Confirmation of Allocation Note	A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, 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
Collection Centers	Broker Centers notified by BSE Limited where bidders can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers, are available on the website of the SME Platform of BSE Limited
Collecting Depository Participant or CDP/ Designated CDP Locations	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations (in terms of circular no. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI) as per the list available on the website of the Stock Exchange.
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate Application Forms by the ASBA Bidders with the Registrar to the Issue and SME Platform of BSE Limited and a list of which is available at www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Collecting Registrar and Share Transfer Agent	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Covid-19	The novel coronavirus disease which was declared as a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020, by the World Health Organisation
Demographic Details	The demographic details of the Applicant such as their address, PAN, occupation, bank account details and UPI ID as applicable

Term	Description
Depositories	National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) or any other Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depository Participant/DP	A depository participant registered with SEBI under the Depositories Act.
DP ID	Depository's Participant's Identity Number
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of this Prospectus, following which the Board may Allot Equity Shares to successful Applicants in the Issue
Designated Intermediaries	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue
Designated Market Maker	Gretex Share Broking Private Limited 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 applicant can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the BSE Limited.
Designated SCSB Branches	Such Branches of the SCSBs which shall collect the ASBA Forms used by the applicant, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35
Designated Stock Exchange	SME Platform of BSE Limited
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the ASBA Form and this Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants.
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation to participate in the Issue and in relation to whom the Draft Prospectus/ Prospectus constitutes an invitation to subscribe to Equity Shares issued thereby, and who have opened dematerialized accounts with SEBI registered qualified Depository Participants, and are deemed as FPIs under SEBI FPI Regulations
Escrow Account(s)	Account opened with the Escrow Collection Bank(s) and in whose favour the Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Applicant Amount
Escrow Agreement	An agreement dated January 31, 2022 entered among our Company the Registrar to the Issue, the Escrow Collection Bank(s), Refund Bank(s), the LM and the Syndicate Members for the collection of Application Amounts and where applicable, for remitting refunds, on the terms and conditions thereof
Escrow Collection Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Accounts will be opened, in this

Term	Description
	case being ICICI Bank Limited
Equity shares	Equity Shares of our Company of face value of Rs.10.00/- each
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
FII/ Foreign Institutional Investors	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First Applicant	Applicant whose name appears first in the Application Form or the Revision Form in case of a joint application form and whose name shall also appear as the first holder of the beneficiary account held in joint names or in any revisions thereof.
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under SEBI FPI Regulations
General Information Document/ GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. CIR/CFD/DIL/12/2013 dated October 23, 2013, notified by SEBI, suitably modified and included in the section titled "Issue Procedure" on page 277 of this Prospectus
Issue / Issue Size / Public Issue / IPO / Offer	Initial Public Issue of 54,00,000 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ 56/- per equity share (including a premium of ₹ 46/- per equity share) aggregating to ₹ 3024.00 Lakhs by our Company.
Issue Agreement	The agreement dated January 20, 2022 between 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.
Issue Opening Date	The date on which the Issue opens for subscription.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date (inclusive of such date and the Issue Opening Date) during which prospective bidders can submit their Application Forms, inclusive of any revision thereof. Provided however that the applications shall be kept open for a minimum of three (3) Working Days for all categories of bidders. Our Company, in consultation with the LM, may decide to close applications by QIBs one (1) day prior to the Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Issue Opening Date was published.
Issue Price	₹ 56 /- per Equity Share (Including Premium of Rs. 46/- per share)
Issue Proceeds	The proceeds from the Issue based on the total number of Equity Shares Allotted under the issue.
Lead Manager/ LM	The Lead Manager to the Issue namely, Fedex Securities Private Limited
Listing Agreement	The Listing Agreement to be signed between our Company and SME Platform of the BSE Limited ("BSE SME")
Lot Size	2000 Equity Shares
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment
Market Making Agreement	The Market Making Agreement dated August 17, 2022 between our Company, Lead Manager and Market Maker
Market Maker Reservation	The reserved portion of 2,80,000 Equity Shares of face value of ₹ 10/-

Term	Description
Portion	each fully paid-up for cash at a price of ₹ 56/- per Equity Share (Including premium of Rs. 46/- per share) aggregating to ₹ 156.80 Lakhs for the Market Maker in this Issue
MSE	Micro and Small Enterprises
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 51,20,000 Equity Shares of face value ₹ 10/- each fully paid-up of our Company for cash at a price of ₹ 56/- per Equity Share (the Issue Price) aggregating up to ₹ 2867.20 Lakhs
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please refer to section titled “ <i>Objects of the Issue</i> ” on page 90 of this Prospectus
Non-Institutional Bidders / Non-Institutional Investor / NIB/ NII	All Applicants (including Eligible NRIs), who are not QIBs or Retail Individual Bidders and who have applied for Equity Shares for an amount of more than ₹ 2,00,000
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
BSE	Bombay Stock Exchange of India Limited (“BSE Ltd”)
BSE SME	SME Platform of BSE Limited
Overseas Corporate Body/ OCB	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 beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership firm, limited liability partnership firm, 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 may require
Prospectus	The Prospectus issued in accordance with Section 26 & Section 32 of the Companies Act and the provisions of SEBI ICDR Regulations, which has complete particulars of the price at which the Equity Shares will be offered and the size of the issue, including any addenda or corrigenda thereto
Public Issue Account	The account to be opened with the Banker to the Issue and Sponsor Bank under section 40 of Companies Act, 2013 to received monies from the Escrow Account and ASBA
QIBs or Qualified Institutional Buyers	Qualified Institutional Buyers as defined under Regulation 2(1) (ss) of SEBI ICDR Regulations
Refund Account	Account to which Application monies are to be refunded to the Bidders
Refund through electronic transfer of funds	Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable
Refund Bank / Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this

Term	Description
	case being ICICI Bank Limited
Registered Brokers	Stock brokers registered with SEBI as trading members (except Syndicate/sub-Syndicate Members) who hold valid membership of National having right to trade in stocks listed on Stock Exchange and eligible to procure Application Forms in terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012.
Registrar Agreement	The agreement dated September 21, 2021 entered into between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar pertaining to the Issue
Registrar and Share Transfer Agents or 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 to the Issue/Registrar	Registrar to the Issue being, Cameo Corporate Services Limited
Retail Individual Bidders/RIBs/ Retail Individual Investors/ RIIs	Individual Bidders (including HUFs applying through their Karta and Eligible NRIs), submitting Application Forms, who have applied for Equity Shares for an amount not more than ₹ 200,000 in any of the application options in the Net Issue
Revision Form	The form used by the Applicant, to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s) QIB Applicant and Non-Institutional Applicant are not allowed to lower their Application Forms (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Bidders can revise their Application Forms during the Issue Period and withdraw their Application Forms until Issue Closing Date
Resident Indian	A person resident in India, as defined under FEMA
Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time.
Resident Indian	A person resident in India, as defined under FEMA
SME	Small and medium sized enterprises
SEBI SAST / SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time.
SEBI LODR/SEBI (Listing Obligations and Disclosure Requirement) Regulations/ Listing Regulations/	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement), Regulations 2015, as amended from time to time.
SEBI(PIT)Regulations/ PFUTP Regulations	SEBI (Prohibition Insider Trading) Regulations 2015 as amended from time to time.
Self-Certified Syndicate Bank(s) / SCSBs	A bank registered with SEBI under SEBI (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA a list of which is available on website of SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35)
Sponsor Bank	Sponsor Bank being ICICI Bank Limited being a Banker to the Offer, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIIs using the UPI Mechanism and carry

Term	Description
	out other responsibilities, in terms of the UPI Circulars
Specified Locations	Collection centers where the SCSBs shall accept application form, a list of which is available on the website of SEBI (https://www.sebi.gov.in/) and updated from time to time
Syndicate Member	Intermediaries registered with the SEBI eligible to act as syndicate member and who is permitted to carry on the activity as an underwriter.
TRS / Transaction Registration Slip	The slip or document issued by the Designated Intermediary (only on demand), to the Applicant, as proof of registration of the Application Form
Underwriters	Fedex Securities Private Limited
Underwriting Agreement	The Agreement dated August 17, 2022 entered between the Underwriter and our Company
UPI	Unified payment Interface which is an instant payment mechanism, developed by National Payment Corporation of India (NPCI), which allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identified a person's bank account ID created on the unified payments interface for single window mobile payment system developed by the National Payments Corporation of India.
UPI Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular No SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/ dated March 16, 2021 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	ID Created on the UPI for single-window mobile payment system developed by NPCI
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI mobile application) to the RII 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
UPI Mechanism	The bidding mechanism that may be used by RIIs in accordance with the UPI Circulars to make an ASBA Bid in the Offer
UPI PIN	Password to authenticate UPI transaction
U.S Securities Act	U.S Securities Act of 1933, as amended
Wilful Defaulter or a fraudulent borrower	An entity or a person categorized as a Wilful defaulter or fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1) (III) of the SEBI ICDR Regulations.
Working Day	"Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in city as mentioned in Prospectus are open for business and in case of the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars

Term	Description
	issued by SEBI.

COMPANY/ ISSUER RELATED TERMS

Term	Description
AOA/Articles / Articles of Association	The Articles of Association of Virtuoso Optoelectronics Limited, as amended from time to time
Audit Committee	The Committee of the Board of Directors constituted dated as on May 03, 2021 as the Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013 as described in the section titled " <i>Our Management</i> " beginning on page 160 of this Prospectus.
Auditors/Statutory Auditors	The Statutory Auditors of our Company being M/s. Jain Chhajer & Associates, Chartered Accountants (Firm Registration No. 127911W).
Board / Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted any Committees thereof
Company Secretary and Compliance Officer	The Company Secretary of our Company, being Renuka Kulkarni
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Sajid Shaikh
CIN	Corporate Identification Number is U74999MH2015PLC268355
Companies Act / Act	The Companies Act, 2013 and amendments thereto and erstwhile Companies Act 1956 as applicable
Director(s)	Director(s) on the Board of Virtuoso Optoelectronics Limited as appointed from time to time, unless otherwise specified
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares/Shares	Equity Shares of our Company having face value of ₹ 10 each, fully paid up, unless otherwise specified in the context thereof
Equity Shareholders / Shareholders	Persons /entities holding Equity Shares of our Company
Executive Directors	Executive Directors are the Managing Director & Whole-time Directors of our Company.
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
Group Companies	Companies (other than our Promoters and Subsidiaries) with which there were Related Party Transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed in " <i>Our Group Companies</i> " on page 178 of this Prospectus.
Indian GAAP	Generally Accepted Accounting Principles in India.
Independent Director	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 details of the Independent Directors, please refer to section titled " <i>Our Management</i> " on page 160 of this Prospectus
ISIN	International Securities Identification Number is INE010T01010

Term	Description
Key Management Personnel /KMP	Key management personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations which includes Key management personnel in terms of the Section 2(51) of the Companies Act, 2013. For details, please refer section titled <i>"Our Management"</i> on page 160 this Prospectus.
LLP	Limited Liability Partnership
MoA / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on May 03, 2021 in accordance with the requirements of the SEBI (ICDR) Regulations, 2018 as amended from time to time.
MD or Managing Director	The Managing Director of our Company is Sukrit Bharati
Nomination & Remuneration Committee	The Nomination and Remuneration Committee of our Board constituted as on May 03, 2021 described in the section titled <i>"Our Management"</i> on page 160 of this Prospectus.
Non-Executive Director	A Director not being an Executive Director.
NRIs / Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act ,1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Promoter(s)	For further details, please refer to section titled <i>"Our Promoters & Promoter Group"</i> beginning on page 173 of this Prospectus.
Promoter Group	Includes such Persons and companies constituting our promoter group covered under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section titled <i>"Our Promoters and Promoter Group"</i> beginning on page 173 of this Prospectus.
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.
Registered Office of our Company	Plot No. 7, M.I.D.C Satpur, Nashik - 422007 Maharashtra, India
Roc/Registrar of Companies	Registrar of Companies, Mumbai situated at 100, Everest, Marine Drive, Mumbai - 400002, Maharashtra, India.
Restated Financial Statements	The restated audited financial statements of our Company for the year ended March 31, 2020, March 31, 2021 and March 31, 2022 and for the three months period ended June 30, 2022 which comprises of the Restated Audited Balance Sheet, Restated Audited Statement of Profit and Loss and the Restated Audited Cash Flow Statement, together with the annexures and notes thereto disclosed in section titled <i>"Restated Financial Statements"</i> on page 183 of this prospectus.
Stakeholders' Relationship Committee	The Stakeholders' Relationship Committee of the Board of Directors constituted as on May 03, 2021 described in the section titled <i>"Our Management"</i> on page 160 of this Prospectus
Statutory Auditors / Peer Reviewed Auditor	Our Statutory Auditors and Peer Review Auditors, being, M/s. Jain Chhajer & Associates (FRN 127911W)

TECHNICAL / INDUSTRY RELATED TERMS

Term	Description
₹/ Rupees/ INR	Indian Rupees
A/c	Account
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined under SEBI AIF Regulations
APAC	Asia-Pacific
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
Approx.	Approximately
Bn.	Billion
B. A	Bachelor of Arts
B.Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
C.A	Chartered Accountant
CAIIB	Certified Associate of Indian Institute of Bankers
CAGR	Compounded Annual Growth Rate
CARO	Companies (Auditor's Report) Order, 2016, as amended
CCPS	Compulsorily Convertible Preference Shares
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
C.P.C.	Code of Civil Procedure, 1908
CrPC	Code of Criminal Procedure, 1973
Cr.	Crore
CSR	Corporate Social Responsibility
CSO	Central Statistics Organization
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
CY	Calendar Year
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DP / Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository Participant Identification
EGM/ EOGMs	Extraordinary General Meeting
EPS	Earnings Per Share
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization
EMEA	Europe, Middle East, and Africa
EPFO	Employees' Provident Fund Organization
ESOP	Employee Stock Option Plan
ESIC	Employee State Insurance Corporation
FBP	Foreign Bill Purchase
FC	Foreign Currency
FCNR Account/ FCNR	Foreign currency non-resident account

Term	Description
FDI	Foreign Direct Investment
FD	Fixed Deposit
FEMA Act/ 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 and amendments thereto
FFS	Form Filled Sealed
FI	Financial Institution
FICCI	Federation of Indian Chambers of Commerce & Industry
Financial Year / Fiscal / FY	Unless stated otherwise, the period of 12 (twelve) months ending March 31 of that particular year
FIPB	Foreign Investment Promotion Board, Department of Economic Affairs, Ministry
FVCI	Foreign venture capital investors as defined and registered under SEBI FVCI Regulations
GMP	General Manufacturing Practice
Gol or Government	Government of India
GST	Goods and Services Tax
GSTIN	GST Identification Number
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
HVAC	Heating, Ventilation and Air Conditioning
IBEF	India Brand Equity Foundation
ICAI	The Institute of Chartered Accountants of India
IEC	Import Export Code
IFRS	International Financial Reporting Standards
IIA	India Industries Association
IMF	International Monetary Fund
RM	Raw Material
Indian GAAP	Generally Accepted Accounting Principles in India
INCOTERMS	International Commercial Terms
IST	Indian Standard Time
IT Act	The Income Tax Act, 1961
IT Rules	Income Tax Rules, 1962
Kms	Kilometers
LC	Letter of Credit
LIBOR	London Interbank Offered Rate
MCA	Ministry of Corporate Affairs, Government of India
MCLR	Marginal cost of funds-based lending rate
M&E	Media and Entertainment
MICR	Magnetic Ink Character Recognition
MNCs	Multi-National Companies
Mn	Million
MT	Metric Tones
Mutual Fund(s)	Mutual Fund(s) means mutual funds registered under SEBI (Mutual Funds) Regulations, 1996
MoU	Memorandum of Understanding
N.A. / NA	Not Applicable

Term	Description
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NPCI	National Payment Corporation of India
NR	Non-resident
NRE Account	Non-Resident External Account
NRI	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
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.
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PLI	Product Linked Incentive
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
RBI	Reserve Bank of India
RONW	Return on Net Worth
RoCE	Return on Capital Employed
RTGS	Real Time Gross Settlement
SEBI	Securities and Exchange Board of India
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEZ	Special Economic Zones
SEBI	The Securities and Exchange Board of India constituted under SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds)

Term	Description
	Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Sq. meters	Square Meters
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TPA	Tones Per Annum
UK	United Kingdom
U.S. / USA / United States	United States of America
USD / US\$	United States Dollars
UV	Ultraviolet
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with SEBI under SEBI VCF Regulations or SEBI AIF Regulations, as the case may be
YoY	Year on year

TECHNICAL / INDUSTRY RELATED TERMS

Term	Description
ASSOCHAM	The Associated Chambers of Commerce of India
CCEA	Cabinet Committee on Economic Affairs
CNC	Computerized Numeric Control Machine
CPI	Consumer Price Index
DPIIT	Department for Promotion of Industry and Internal Trade
EEPC	Engineering Export Promotion Council
ERP	Enterprise Resource Planning
EMDEs	Emerging Market and Developing Economies
FAME II	Faster Adoption and Manufacturing of (Hybrid) and Electric Vehicles
GDP	Gross Domestic Product
GMP	Good Manufacturing Practice
HMC	Horizontal Machining Center
IIP	India's Index of Industrial Production
IMD	India Meteorological Department
MoU	Memorandum of Understanding
MPI	Magnetic Particle Inspection
N.D.T	Magnetic Particle Inspection
PMI	Purchasing Managers' Index
PPP	Purchasing Power Parity
PLI	Product Linked Incentive Scheme for White Goods (Air Conditioners & LED)
R&D	Research and Development
SPMs	Special Purpose Machines
VMV	Vertical Machining Center
WEO	World Economic Outlook
WHO	World Health Organization

The words and expressions used but not defined in this Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the "SEBI Act"), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “*Main Provisions of the Articles of Association*”, “*Statement of Tax Benefits*”, “*Industry Overview*”, “*Regulations and Policies in India*”, “*Financial Information of the Company*”, “*Outstanding Litigations and Material Developments*” and “*Issue Procedure*”, will have the meaning ascribed to such terms in these respective sections.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

All statements contained in the Prospectus that are not statements of historical facts constitute “forward-looking statements”. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in the Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

All forward-looking statements 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. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- ❖ Impact of the COVID-19 pandemic on our business and operations
- ❖ General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- ❖ Competition from existing and new entities may adversely affect our revenues and profitability;
- ❖ Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- ❖ Our business and financial performance is particularly based on market demand and supply of our products;
- ❖ Failure to successfully upgrade our product portfolio, from time to time;
- ❖ Our failure to keep pace with rapid changes in technology;
- ❖ Our ability to grow our business
- ❖ The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian national, state and local Governments;
- ❖ Our business depends on our manufacturing facility and the loss of or shutdown of operations of the production facility on any grounds could adversely affect our business or results of operations
- ❖ Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company
- ❖ The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

For further discussion of factors that could cause the actual results to differ from the expectations, see the section titled “Risk Factors” and section titled “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 26, 129 and 219 of this

Prospectus, respectively. By their nature, certain market risk disclosures are only estimating and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to Applicants that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Applicants are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect the current views as of the date of this Prospectus and are not a guarantee of future performance.

These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although our Company believes 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. None of our Company, the Directors, the Lead Manager, or 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. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references in this Prospectus to “India” are to Republic of India and its territories and possessions and all references herein to the ‘Government’, ‘Indian Government’, ‘Gol’, ‘Central Government’ or the ‘State Government’ are to the Gol, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Prospectus are to a calendar year.

Unless stated otherwise, throughout this Prospectus, all figures have been expressed in Rupees and Lakh.

In this Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Unless stated otherwise, all references to page numbers in this Prospectus are to the page number of this Prospectus.

Financial Data

Unless stated otherwise, the financial data included in this Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “*Restated Financial Statements*” beginning on page 183 of this Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulation. The Restated Financial Statements included in this Prospectus are for the financial year ended March 31, 2020, March 31, 2021 and March 31, 2022 and for the three months period ended as on June 30, 2022.

Our fiscal year commences on April 1st of each year and ends on March 31st of the next year. All references to a particular fiscal year are to the 12-month period ended March 31st of that year. In this Prospectus, any discrepancies in any table, graphs or charts 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. Further, any figures sourced from third party industry sources may be rounded off to other than to the second decimal to conform to their respective sources.

Unless stated otherwise or the context requires otherwise, the financial information and financial ratios in this Prospectus have been derived from our Restated Financial Statements

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in the section titled “*Risk Factors*”, “*Business Overview*” and “*Management's Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 26, 129 and 219, respectively, of this Prospectus and elsewhere in the Prospectus, unless otherwise indicated, have been calculated on the basis of our Restated Financial Statements prepared in

accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP as stated in the report of our Peer Review Auditor, set out in section titled *“Restated Financial Statements”* beginning on page 183 of this Prospectus.

For additional definitions used in this Prospectus, see the section *“Definitions and Abbreviations”* on page 02 of this Prospectus. In the section titled *“Main Provisions of the Articles of Association”*, on page 316 of this Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Industry and Market Data

Unless stated otherwise, industry data used throughout the Prospectus has been obtained or derived from industry and government publications, publicly available information and sources.

Industry 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 are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in the Prospectus is reliable, it has not been independently verified by the Lead Manager or any of their affiliates or advisors. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

Further, the extent to which the industry and market data presented in the Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

In accordance with the SEBI ICDR Regulations, *“Basis for Issue Price”* on page 100 includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither our Company, nor Lead Manager have independently verified such information. Accordingly, no investment decision should be made solely on the basis of such information. Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although we believe the industry and market data used in this Prospectus is reliable, it has not been independently verified by us, the LM or any of their affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation.

The extent to which the market and industry data used in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which business of our Company is conducted, and methodologies and assumptions may vary widely amongst different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in *“Risk Factors”* on page 26. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI (ICDR) Regulations, 2018 the section titled *“Basis for Issue Price”* on page 100 of this Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the LM, have independently verified such information.

Currency and units of presentation

In the Prospectus, unless the context otherwise requires, all references to;

- ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ or ‘₹’ are to Indian rupees, the official currency of the Republic of India.
- ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United

States of America, EURO or "€" are Euro currency,

All references to the word 'Lakh' or 'Lac', means 'One hundred thousand' and the word 'Million' means 'Ten lakhs and the word 'Crore' means 'Ten Million' and the word 'Billion' means 'One thousand Million'.

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

Exchange Rates

This Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the years indicated, information with respect to the exchange rate between the Rupee and USD (in Rupees per USD):

Particular	Three months period ended June 30, 2022	March 2022	March 2021	March 2020
1 USD	78.94	75.81	73.51	75.39

Source: www.rbi.org.in and www.fbil.org.in

Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day has been disclosed. The reference rates are rounded off to two decimal places

All figures are rounded up to two decimals

Notice to Prospective Investors in the United States

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under 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 applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be 'qualified institutional buyers' (as defined in Rule 144A under the U.S. Securities Act and referred to in this Prospectus as "U.S. QIBs") in transactions exempt from the registration requirements of the U.S. Securities Act and (b) outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. For the avoidance of doubt, the term 'U.S. QIBs' does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Prospectus as 'QIBs'. This Prospectus is being furnished on a confidential basis solely for the purpose of enabling a prospective investor to consider subscribing for the particular securities described herein. Any reproduction or distribution of this Prospectus in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited.

SUMMARY OF OFFER DOCUMENT

This section is a general summary of certain disclosures included in this Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including the sections titled “Risk Factors”, “Our Business”, “Industry Overview”, “Capital Structure”, “The Issue” and “Outstanding Litigation and Other Material Developments” beginning on pages 26, 129, 111, 76, 61 and 241 respectively of this Prospectus.

SUMMARY OF INDUSTRY

Indian consumer durables market is broadly segregated into urban and rural markets and is attracting marketers from across the world. The sector comprises of a huge middle class, relatively large affluent class and a small economically disadvantaged class. Global corporations view India as one of the key markets from where future growth is likely to emerge. The growth in India’s consumer market would be primarily driven by a favorable population composition and increasing disposable income.

For more details, please refer section titled “Industry Overview” on page 111 of this Prospectus

SUMMARY OF BUSINESS

We manufacture consumer durable goods and assemble a wide array of products and provide end-to-end product solutions. We serve under both original equipment manufacturer (“OEM”) and original design manufacturer (“ODM”) business models. Under the ODM model, in addition to manufacturing, we conceptualize and design the products which are then marketed to our customers’ and prospective customers under their brands. We have developed ODM capabilities with respect to lighting products and small appliances

Our current product portfolio of consumer goods includes (i) Split Air Conditioners;; (ii) LED Lighting products; and (iii) other miscellaneous products such as injection molding components for air conditioners.

For more details, please refer section titled “Business Overview” on page 129 of this Prospectus.

PROMOTER

The Promoter of our Company is Sukrit Bharati.

ISSUE SIZE

The Issue size comprises of issuance of 54,00,000 Equity Shares of face value of ₹10.00/- each fully paid-up for cash at price of ₹ 56.00/- per Equity Share (including premium of ₹ 46 /- per share) aggregating to ₹ 3024.00 Lakhs.

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 02, 2021 and approved by the shareholders of our Company vide a special resolution at the Extra Ordinary General Meeting held on August 25, 2021 pursuant to section 62(1)(c) of the Companies Act.

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects (“Objects of the Issue”):

(₹ in Lakhs)

Particulars	Amount
Funding the incremental working capital requirements of our Company	2040.00
General corporate purposes*	678.60
Total	2718.60

**the amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the issue*

PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP

Particulars	Pre-Issue	
	Number of Shares	Percentage (%) holding
Promoter		
Sukrit Bharati	1,46,57,059	97.83%
Promoter Group		
Vishrut Bharati	2,43,333	1.62%
Nikitha Poddatur	81,844	0.55%
Total	1,49,82,236	100.00%

SUMMARY OF FINANCIAL INFORMATION

Particulars	For the three months period ended June 30, 2022	For the year ended		
		March 31, 2022	March 31, 2021	March 31, 2020
Share Capital (₹ in Lakhs)	1,498.25	1,498.25	166.42	166.42
Net worth (₹ in Lakhs)	2,538.68	2,126.34	1,332.32	1,123.99
Total Revenue (₹ in Lakhs)	7,399.61	20,028.20	11,551.30	6,839.34
Profit after Tax (₹ in Lakhs)	412.34	394.01	208.33	140.89
Earnings per share (Basic & diluted) (₹)	2.75	3.11	1.79	1.23
Net Asset Value per Equity Share (Basic & diluted) (₹)	16.94	14.19	80.06	67.54
Total borrowings (₹ in Lakhs)	7,108.23	6,800.26	5,142.56	3,852.97

**As certified by Jain Chhajed & Associates, Chartered Accountants, pursuant to their certificate dated August 24, 2022*

QUALIFICATIONS OF AUDITORS

The Restated Financial Statements do not contain any qualification which have not been given effect in the Restated Financial Statements.

SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPEMENTS

A summary of pending legal proceedings and other material litigations involving our Company is provided below:

(₹ in Lakhs)

Nature of Cases	Number of Cases	Total Amount Involved
Proceedings against our Company		
Civil	1	4.34
Criminal	NIL	NIL
Tax	1	1.18
Proceedings by our Company		
Civil	2	claim amount not ascertainable
Criminal	NIL	NIL
Tax	NIL	NIL
Proceedings against our Promoter		

Civil	NIL	NIL
Criminal	NIL	NIL
Tax	2	2.88
Proceedings by our Promoter		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
Proceedings against our Group Companies		
Civil	1	44.21
Criminal	NIL	NIL
Tax	1	2737.81
Proceedings by our Group Companies		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL

For further details, please refer section “*Outstanding Litigations & Material Developments*” beginning on page 241 of this Prospectus.

RISK FACTORS

For details relating to risk factors, please refer section titled “*Risk Factors*” on page 26 of this Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

(₹ in Lakhs)

Particulars	For the three months period ended June 30, 2022	For the year ended		
		March 31, 2022	March 31, 2021	March 31, 2020
Contingent liabilities	294.64	294.64	56.28	Nil

SUMMARY OF RELATED PARTY TRANSACTIONS

(₹ in Lakhs)

Nature of Transaction	For the three months period ended June 30, 2022		March 31, 2022		March 31, 2021		March 31, 2020	
	Transaction Value for the year	Closing Balances at the period end	Transaction Value for the year	Closing Balances at the year end	Transaction Value for the year	Closing Balances at the year end	Transaction Value for the year	Closing Balances at the year end
A) Key Management Personnel -								
Issue of Share Capital	0.00	0.00	400.00	0.00	0.00	0.00	495.55	0.00
Share Application Money	0.00	0.00	(300.00)	0.00	300.00	300.00	0.00	0.00
Director's Remuneration	7.50	0.75	30.00	3.46	30.00	12.88	12.00	0.00

Sale of Goods	0.00	0.00	0.00	0.00	2.04	0.00	0.00	0.00
Unsecured Loans	0.00	450.00	450.00	450.00	0.00	0.00	0.00	0.00
B) Transactions with Relatives of KMP and the entities which is controlled by the Key Management Personnel -								
Issue of Share Capital	0.00	0.00	0.00	0.00	0.00	0.00	38.00	0.00
Salary Payment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sale of Goods	0.00	0.00	0.20	0.91	1.29	6.33	6.51	3.62
Purchase of Goods	0.00	0.00	8.28	0.00	0.00	0.00	792.71	0.00
Advance for Purchases	25.50	26.41	0.00	0.00	0.00	0.00	0.00	0.00
C) Transactions with the entities which is controlled by the Relatives of KMP -								
Issue of Share Capital	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sale of Goods	0.00	42.40	399.42	46.85	308.32	837.87	2,410.38	1,092.46
Purchase of Goods	0.00	2.34	1,312.03	2.34	1,969.00		2,216.40	0.00
Advance for Purchases	80.80	80.80	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of Fixed Assets	0.00	0.00	0.00	0.00	115.72	0.00	2.20	0.00

For details, please refer to Section titled “Restated financial Statement” on page 183 of this Prospectus.

FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoter, members of the Promoter Group, our directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six (6) months immediately preceding the date of this Prospectus

WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY EACH OF OUR PROMOTER IN THE ONE YEAR PRECEDING THE DATE OF THIS PROSPECTUS

The weighted average price at which the equity shares were acquired by each of our Promoter(s) in the one year preceding the date of this Prospectus.

Name	Number of Shares	Average Cost of Acquisition per Equity Share (in ₹)*
Sukrit Bharati	1,30,09,622	2.88

*As certified by Jain Chhajed & Associates, Chartered Accountants, pursuant to their certificate dated August 24, 2022.

AVERAGE COST OF ACQUISITION

The average cost of acquisition per Equity Share to our Promoter(s) as at the date of this Prospectus is:

Name	No of shares held	Average Cost of Acquisition per Equity Share (in ₹)*
Sukrit Bharati	1,46,57,099	7.92

Name	No of shares held	Average Cost of Acquisition per Equity Share (in ₹)*
Sukrit Bharati	1,46,57,099	7.92

**As certified by Jain Chhajer & Associates, Chartered Accountants, pursuant to their certificate dated August 24, 2022*

DETAILS OF PRE-ISSUE PLACEMENT

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Prospectus till the listing of the Equity Shares.

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE (1) YEAR

Date of Allotment	No. of Equity Allotted	Face Value	Issue Price	Reason for Allotment	Benefits accrued to company
October 15, 2021	99,85,014	10	Nil	Bonus Issue	Capitalization of Profits
January 05, 2022	33,33,333	10	12	Conversion of Unsecured loan	Reduction in borrowings of the company

For details, please refer to Section titled “*Capital Structure*” on page 76 of this Prospectus.

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken a split or consolidation of the Equity Shares in the one (1) year preceding the date of this Prospectus.

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS GRANTED BY SEBI

Our Company has not undertaken any exemption with related to provision of securities law granted by SEBI.

SECTION II: RISK FACTOR

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all of the information in this Prospectus, including the risks and uncertainties described below and the Restated Financial Statements incorporated in this Prospectus, before making an investment in the Equity Shares of our Company. Any potential investor in, and subscribers of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in other countries.

In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the risks involved. If any or some combination of the following risks occur or if any of the risks that are currently not known or deemed to be not relevant or material now, actually occur, our business, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. For further details, please refer to section titled "Business Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 129 and 219, respectively of this Prospectus, as well as the other financial and statistical information contained in this Prospectus. If our business, results of operations or financial condition suffers, the price of the Equity Shares and the value of your investments therein could decline.

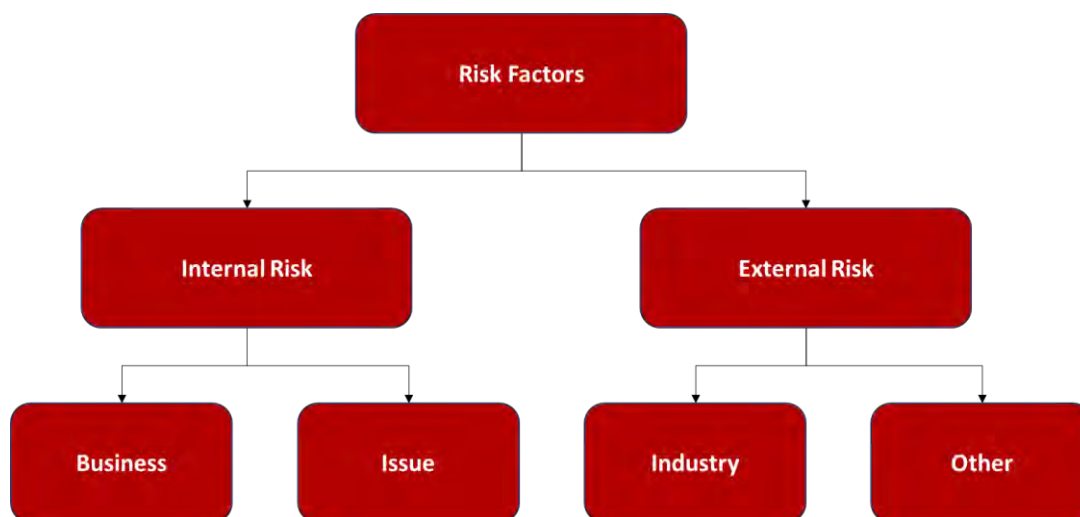
The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality therein:

- Some risks may not be material at present but may have a material impact in the near future.*
- Some risks may not be material individually but may be found material when considered collectively*
- Some risks may have material impact qualitatively and not quantitatively and vice-versa*

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 or irrelevant, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of the Equity Shares and may also have an adverse effect on our business. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this section. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares. This Prospectus also contains forward-looking statements that involve risks and uncertainties. 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 Prospectus. For further details, please refer to section titled "Forward-Looking Statements" beginning on page 16 of this Prospectus.

Unless otherwise indicated, industry and market data used in this section has been derived from the IBEF Report, which has been commissioned by us in connection with the Offer. Neither we, nor the Managers, nor any other person connected with the Offer has independently verified any third-party statistical, financial and other industry information in the IBEF Report. Unless otherwise indicated, all financial, operational, industry and other related information derived from the IBEF Report and included herein with respect to any particular year, refers to such information for the relevant year.

Unless otherwise indicated, all financial information included herein are based on our Financial Statements. Please refer to the section titled "Restated Financial Statements" beginning on page 183 of this Prospectus. The risk factors are classified as under for the sake of better clarity and increased understanding:



INTERNAL RISKS

Business Related Risks:

1. **The extent to which the coronavirus disease (COVID-19 pandemic) affects our business, results of operations and financial condition will depend on future developments, which are uncertain and cannot be predicted.**

An outbreak of COVID-19 was recognized as a pandemic by the World Health Organization (“WHO”) on March 11, 2020. In response to the COVID-19 outbreak the governments of many countries, including India, had taken and may continue to take preventive or protective actions, such as imposing country-wide lockdowns, restrictions on travel and business operations and advising or requiring individuals to limit their time outside of their homes. Temporary closures of businesses had been ordered and numerous other businesses were temporarily closed on a voluntary basis as well. The scope, duration, and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. Resurgence of the virus or a variant of the virus that causes a rapid increase in cases and deaths, if measures taken by governments fail or if vaccinations are not administered as planned, may cause significant economic disruption in India and in the rest of the world.

The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have reacted by taking measures, including in the regions in which we operate, such as prohibiting people from assembling in heavily populated areas, instituting quarantines, restricting travel, issuing lockdown orders and restricting the types of businesses that may continue to operate, among many others. The outbreak of COVID-19 was recognized as a public health emergency of international concern on January 30, 2020 and as a pandemic by the WHO on March 11, 2020. On March 14, 2020, India declared COVID-19 as a “notified disaster” and imposed a nationwide lockdown announced on March 24, 2020. Progressive relaxations have been granted for movement of goods and people and cautious re-opening of businesses and offices. However, lockdowns have been re-introduced in certain areas and it may be re-introduced in other areas or extended in the future. The COVID-19 pandemic may affect our business, results of operations and financial condition, in the future, in a number of ways such as:

- result in a complete or partial closure of, or disruptions or restrictions on our ability to conduct, our manufacturing operations;
- impact ability of our management and employees to travel, enter into or complete manufacturing products and other business transactions and delay movement of our products;
- our inability to source key raw materials as a result of the temporary or permanent closure of the facilities of suppliers of our key raw materials;

- non-availability of labour, which could result in a slowdown in our operations and delay the expansion of our manufacturing facilities;
- our inability to access debt and equity capital on acceptable terms, or at all;
- the effects of the COVID-19 pandemic on our future results of operations, cash flows and financial condition could adversely impact our compliance with the covenants in our credit facilities and other financing agreements and could result in events of default and the acceleration of indebtedness;
- increased vulnerability to cyber-security threats and potential breaches, including phishing attacks, malware and impersonation tactics, resulting from the increase in numbers of employees working from home;
- uncertainty as to what conditions must be satisfied before government authorities completely lift lockdown orders; and
- the potential negative impact on the health of our employees, particularly if a significant number of them are afflicted by COVID-19, could result in a deterioration in our ability to ensure business continuity during this disruption.

On account of the lockdown, our operations were disrupted at manufacturing facilities from March 2020 to May 2020 and this resulted in a reduction in our revenues. We also incurred additional expenses in connection with, among other things, retaining employees, fixed costs payable for maintaining our manufacturing plants and loss of inventory. However, events beyond our control may unfold in the future, which makes it difficult for us to predict the impact that COVID-19 will have on us, our customers or suppliers in the future. Further, our insurance policies may not provide adequate coverage in circumstances, such as the COVID-19 pandemic.

Considering the above, we have assessed the carrying value of our assets including goodwill and intangible assets by considering internal and external information. We have also performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions and while we expect to recover the carrying amount of these assets, there is no assurance that these expectations may materialize.

It is not possible to accurately predict the full impact of the COVID-19 pandemic on our business, cash flows, financial condition and results of operations due to the evolving nature of the COVID-19 pandemic and the extent of its impact across industries and geographies and numerous other uncertainties, including the duration and spread of the outbreak, additional actions that may be taken by governmental authorities. The extent to which COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Our existing insurance coverage may not provide protection for all costs that may arise from all such possible events. The spread of any severe communicable diseases, such as COVID-19, may adversely affect our business, which could adversely affect our business, cash flows, financial condition and results of operations.

2. There are outstanding legal proceeding involving our Company, the Promoter and our Group Companies

In the ordinary course of business, our Company and our Promotor and our group companies are involved in certain legal proceedings, which are pending at varying levels of adjudication at different forum. The summary of outstanding matters set out below includes details of civil proceedings, criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving our Company, Promoter, Directors and our Group Company.

(₹ in Lakhs)

Nature of Cases	Number of Cases	Total Amount Involved
Proceedings against our Company		
Civil	1	4.34
Criminal	NIL	NIL
Tax	1	1.18
Proceedings by our Company		
Civil	2	claim amount not ascertainable
Criminal	NIL	NIL
Tax	NIL	NIL
Proceedings against our Promoter		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	2	2.88
Proceedings by our Promoter		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
Proceedings against our Group Companies		
Civil	1	44.21
Criminal	NIL	NIL
Tax	1	2737.81
Proceedings by our Group Companies		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL

Brief details of such outstanding litigation as of the date of this Prospectus are set forth in section titled "*Outstanding Litigation and Material Developments*" on page 241 of this Prospectus. We cannot assure you that any of the legal proceedings described above will be decided in favor of the Company, the Promoters, Directors and the Group Companies, respectively.

3. We are highly dependent on certain key customers for a substantial portion of our revenues. Loss of relationship with any of these customers may have a material adverse effect on our profitability and results of operations.

Our top five customers contributed 80.48% and 79.60% of our total revenue from operations for the three months period ended June 30, 2022 and for the year ended March 31, 2022. Our customers often undertake vendor rationalization to reduce costs related to procurement from multiple vendors. Since we are largely dependent on certain key customers for a significant portion of our sales, the loss of any one of our key customers or a significant reduction in demand from such customers could have a material adverse effect on our business, financial condition, results of operations and future prospects.

We face the risk of the loss of all or any of our customers, including due to termination of contracts with such customers owing to delays on our part with respect to completion of the orders placed; failure to renew sales contracts with one or more of our significant customers; and failure to renegotiate favorable terms with our key customers, all of which could have a material adverse effect on our business, financial condition, results of operations and future prospects. Further, since our business is presently concentrated among a few significant customers, we may also experience reduction in cash flows and liquidity if we lose one or more of our top customers due to any dispute with respect to our contractual arrangements.

favorable terms with our key customers, all of which could have a material adverse effect on our business, financial condition, results of operations and future prospects. Further, since our business is presently concentrated among a few significant customers, we may also experience reduction in cash flows and liquidity if we lose one or more of our top customers due to any dispute with respect to our contractual arrangements.

Additionally, the loss of any key customer may significantly affect our revenues and we may have difficulty securing comparable levels of business from other customers or may not be able to secure new customers in a timely manner or at all to offset any loss of revenue from the loss of any of our key customers, including our largest customer or even our top five customers. We may also not be able to easily re-allocate our resources and assets in a timely or efficient manner. Additionally, in order to retain some of our significant customers we may also be required to offer terms to them which may place restraints on our resources and reduce our profitability.

The occurrence of any of the above may have a significant adverse impact on our business, financial condition, results of operations and future prospects.

In addition, we generate account receivables in connection with providing manufacturing services to our key customers. If one or more of our customers were to become insolvent or otherwise unable to pay for the products supplied by us, this could have a have an impact on our business as we may not be able to recoup the unpaid production costs and materials incurred for manufacturing purposes.

Our profitability also depends on the performance and business of our key customers. In the ODM and OEM verticals in which we operate in, our revenues are directly affected by the resales of our products by our customers under their own brand names. We rely on the success of our customers in marketing and selling these products and therefore any negative impact on their reputation may also have an effect on our business. Accordingly, risks that could seriously harm our key customers could harm us as well, including:

- action undertaken by the government to tax the business of ours or that of our customers;
- reduced consumer spending on discretionary items in our customers' key markets;
- recession in our countries in which our key customers operate their businesses;
- loss of market share of our key customers' products which are manufactured by us;
- failure of our key customers' products to gain widespread commercial acceptance;
- our key customers' inability to effectively manage their operations or also seeing a change in their management or constitution which may render us not being a preferred choice for manufacturing products for them; and
- in laws affecting our customers to operate profitably.

There can be no assurance that the past performance of our business verticals including under ODM or OEM can continue in the future

4. We require certain approvals, licenses, registrations and permits for our business, and the failure to obtain or renew them in a timely manner may adversely affect our operations.

We are governed by various laws and regulations for our business and operations. While we have obtained all necessary and material approvals, licenses, registrations and permits from the relevant authorities, they may contain conditions, some of which could be onerous. Additionally, we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or seek fresh approvals, from time to time, as and when required in the ordinary course of our business.

Some of these approvals are required to be transferred in the name of "Virtuoso Optoelectronics Limited" from "Virtuoso Optoelectronics Private Limited" pursuant to conversion and name change of our company and any failure or delay in obtaining such approvals or renewal of the same in a timely manner may adversely affect our operations.

For the details, please refer to section titled "*Government And Other Statutory Approvals*" on page 249 of this Prospectus.

We shall be taking necessary steps for transferring the approvals in new name of our company. In case we fail to transfer/obtain the same in name of the Company same may adversely affect our business or we may not be able to carry our business.

Any failure to apply for and obtain the required approvals, licences, registrations or permits in a timely manner, or any suspension or revocation of any of the approvals, licences, registrations and permits would result in a delay in our business operations which could otherwise adversely affect our financial condition, results of operations and prospects of the Company. We cannot assure you that the approvals, licences, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. In addition to same, our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business and results of operations. For further details see section titled on "*Government and Other Approvals*" beginning on page 249 of this Prospectus.

5. If our customers do not continue to outsource manufacturing, or if there is a downward trend in consumer durable good business, our sales could be adversely affected.

We manufacture consumer goods including components as OEM/ODM solutions to clients. In recent years, consumer companies/brands have increasingly outsourced the manufacturing of their products to OEM/ODM players like us. However, there can be no assurance that they will continue to do so in the future.

A customer's decision to outsource is affected by its ability and capacity for internal manufacturing and the competitive advantages of outsourcing. Our sales to our customers are also dependent on their business position and financial health. There can be no assurance that our customers will continue to outsource or increase the share of outsourcing. If the brands do not continue to outsource the manufacturing of their products or reduce the amount of manufacturing outsourced by them or if our customers decide to perform these functions internally or use other providers of these services, our future growth could be limited and our sales and operating results may suffer.

6. We do not have firm commitment agreements with our customers. If our customers choose not to source their requirements from us, our business and results of operations may be adversely affected.

We do not have firm commitment, long-term supply agreements with all our customers and instead rely on purchase orders to govern the volume and other terms of our sales of products. Many of the purchase orders we receive from our customers specify a price per unit and delivery schedule, and the quantities to be delivered are determined closer to the date of delivery. However, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place, it may adversely impact our production schedules and inventories. Further, where we have contracts with customers, such contracts do not bind our customers to provide us with a specific volume of business and can be terminated by our customers with or without cause, with little or no advance notice and without compensation. Consequently, there is no commitment on the part of the customer to continue to place new work orders with us and as a result, our sales from period to period may fluctuate significantly as a result of changes in our customers' vendor preferences and we may be unable to procure repeat orders from our customers.

Cancellation by customers or delay or reduction in their orders or instances where anticipated orders fail to materialize can result in mismatch between our inventories of raw materials and of manufactured products, thereby increasing our costs relating to maintaining our inventory and reduction of our margins, which may adversely affect our profitability and liquidity. Further, we may not find any customers or purchasers for the surplus or excess capacity, in which case we would be forced to incur a loss. Further, our inability to find customers for surplus products may result in excessive inventories which may become obsolete and may be required to be written off in the future.

Additionally, our customers have high and stringent standards for product quality and quantity as well as delivery schedules. Any failure to meet our customers' expectations could result in the cancellation or non-renewal of contracts or purchase orders. There are also a number of factors, other than our performance that could cause the loss of a customer. Customers may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, or replace their existing products with alternative products, any of which may have an adverse effect on our business, financial condition, results of operations and future prospects.

7. Our inability to identify and understand evolving industry trends, technological advancements, customer preferences and develop new products to meet our customers' demands may adversely affect our business.

The consumer goods market in India is characterized by technological advancements, introduction of innovative products, price fluctuations and intense competition. Changes in consumer preferences, regulatory or industry requirements or in competitive technologies may render certain of our products less attractive or obsolete. Our ability to anticipate changes in technology and regulatory standards and to successfully develop and introduce new and enhanced products to create new or address yet unidentified needs among our current and potential customers in a timely manner, is a significant factor in our ability to remain competitive. However, there can be no assurance that we will be able to secure the necessary technological knowledge, through our own research and development or through technical assistance agreements that will allow us to continue to develop our product portfolio or that we will be able to respond to industry trends by developing and offering cost effective products. We may also be required to make significant investments in research and development, which may strain our resources and may not provide results that can be monetized. If we are unable to obtain such knowledge in a timely manner, or at all, we may be unable to effectively implement our strategies, and our business and results of operations may be adversely affected.

Moreover, we cannot assure you that we will be able to achieve the technological advances that may be necessary for us to remain competitive or that certain of our products will not become obsolete. Further, if we do not continue to distinguish our products through distinctive, technologically advanced features and design, as well as continue to build and strengthen our brand recognition, we could lose market share and our revenues and earnings could decline. We are also subject to the risks generally associated with new product introductions, including lack of market acceptance, delays in product development and failure of products to operate properly which may lead to increased warranty claims.

To compete effectively in the consumer durable goods industry, we must be able to develop, upgrade and manufacture new products to meet our customers' demand in a timely manner. In order to do so, we need to identify and understand the key market trends and address our customers' evolving needs proactively and on a timely basis. As a result, we may incur, and have in the past incurred, capital expenditures for development of products to meet the demands of our customers. We cannot assure you, however, that we will be able to install and commission the equipment needed to manufacture products for our customers in time. Our failure to successfully and timely develop and manufacture new products in order to cater to the requirements of our customers and industry trends could have a material adverse effect on our business, financial condition, results of operations and future prospects.

8. The markets in which our customers compete are characterized by consumers and aggressive price points, advancement in technology and other related factors including lower manufacturing costs and therefore as a result our Company may be affected by any disruptions in the industry.

This price pressure from our customers may adversely affect the prices of the products which we supply, which may lead to reduced revenues, lower profit margins or loss of market share etc, any of which would have a material adverse effect on our business, financial condition and results of operations. Further any drastic changes in technology or design will also have an adverse effect on the operation of the company.

9. We have entered into certain related party transactions and may continue to do so.

Our sales to Promoter Group Entities constituted 2.00 % of our total revenue during Financial 2022. We have entered into transactions with related parties for purchases aggregating to ₹ 1320.31 Lakhs for the year ended March 31, 2022 as per the Restated audited Financial Statements. While all transactions have been conducted on the arm's length basis in the ordinary course of business, we cannot assure you that we might have achieved more favorable terms had such transaction have been entered into with unrelated parties. Furthermore, it is likely that we may enter into related party transactions in the future. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition. For details, please refer "*Annexure XXX – Related Party Transactions under Restated Financial Statements*" beginning on page no. 183 of this Prospectus.

10. Our revenues are significantly dependent on sale of some of our products. Any factor adversely affecting these products will negatively impact our profitability

We manufacture Lighting and Consumer Durable Products which contributed 99.99% & 99.81% respectively of our total revenue from operations for the three months period ended June 30, 2022 and for the year ended March 31 of 2022 as per the Restated Audited Financial Statements. In case we are not able to launch new products, our dependence on this product will increase. Any decline in revenues from these products on account of reasons beyond our control or any other factor that negatively affects these products will adversely affect our business, financial performance and results of operations.

11. Our Registered Office from where we operate is not owned by the Company.

Our Company does not own the premises at which our Registered Office is located at Plot No. 7 M.I.D.C. Satpur, Nasik - 422007. The premises of Registered office are owned by the family member of our Promoter. The Company had obtained No Objection Certificate to use the premises.

Further, the registered office of our Company is also the registered office of our Promoter Group Entities and we do not have any rent sharing agreement with these Promoter Group Entities. Any forced change of registered office will increase operation cost of the Company. For details about other properties and its ownership, please refer to section titled "*Our Business*" appearing on page no. 129 of this Prospectus.

12. Our continued success is dependent on our senior management and skilled manpower. Our inability to attract and retain key personnel or the loss of services of our Promoter or Managing Director may have an adverse effect on our business prospects.

Our experienced Promoter and Managing Director and senior management have significantly contributed to the growth of our business, and our future success is dependent on the continued services of our senior management team. Our Managing Director has been employed with our Company since our incorporation. An inability to retain any key managerial personnel may have an adverse effect on our operations.

Our ability to execute orders and to obtain new clients also depends on our ability to attract, train, motivate and retain highly skilled professionals, particularly at managerial levels. We might face challenges in recruiting suitably skilled personnel, particularly as we continue to grow and diversify our operations. In the future, we may also not be unable to compete with other larger companies for suitably skilled personnel due to their ability to offer more competitive compensation and benefits. The loss of any of the members of our senior management team, or other key personnel or an inability on our part to manage the attrition levels; may materially and adversely impact our business, results of operations, financial condition and growth prospects.

The success of our business is also dependent upon our ability to hire, retain, and utilize qualified personnel, including engineers, designers, and corporate management professionals who have the

Such skilled personnel may also not be easily available in the market. In addition, as some of our key personnel approach retirement age, we need to have appropriate succession plans in place and to successfully implement such plans. If we cannot attract and retain qualified personnel or effectively implement appropriate succession plans, it could have a material adverse impact on our business, financial condition, and results of operations. Moreover, we may be unable to manage knowledge developed internally, which may be lost in the event of our inability to retain employees.

13. Our failure to compete effectively in the highly competitive consumer goods industry and equipment manufacturing industry could result in the loss of customers, which could have an adverse effect on our business, results of operations, financial condition and future prospects.

Our failure to obtain new business or to retain or increase our existing market share could adversely affect our financial results. In addition, we may incur significant expense in preparing to meet anticipated customer requirements that we may not be able to recover or pass on to our customers. We compete on the performance, functionality, customer service and support, availability, price and brand recognition of our products. Increased competition may force us to improve our process, technical, product and service capabilities and/or lower our prices or result in loss of customers, which may adversely affect our profitability and market share, in turn, affecting our business, financial condition, results of operations and prospects.

We face competition from other OEM/ODM players as well as from imports from low-cost manufacturing destinations such as China. Further, we may also face competition from our customers in the future in case their proportion of in-house manufacturing or acquire manufacturing capabilities through organic or inorganic growth is increased. There is no assurance that we will remain competitive with respect to technology, design, quality or cost. Some of our competitors may have certain advantages, including greater financial resources, technology, research and development capability, greater market penetration and operations in diversified geographies and product portfolios, which may allow our competitors to better respond to market trends. Accordingly, we may not be able to compete effectively with our competitors across our product portfolio, which may have an adverse impact on our business, financial condition, results of operations and future prospects.

14. Shortages in, or rises in the prices of, raw materials or components for products we manufacture, which account for majority of our costs, may adversely affect our business.

Our production depends on obtaining adequate supplies of input components on a timely basis. We procure the raw materials for our business from local suppliers as well from overseas supplies. For example, we procure plastic parts, packaging, PCB from local suppliers and electronic components from suppliers who are located in China. The percentage contribution of domestic and foreign suppliers towards the purchases made by our Company for the year ended as on March 31 of 2022, 2021 and 2020 respectively are set out below:

Particulars	For the three months period ended	For the Year ended		
	June 30, 2022	March 31, 2022	March 31 2021	March 31, 2020
Foreign	8.51%	14.27%	17.76%	5.44%
Domestic	91.49%	85.73%	82.24%	94.6%
Total	100%	100 %	100%	100%

Given the variety of products and services that we manufacture and with the number of our suppliers dispersed across the country and outside; coupled with the long lead times involved in a typical the manufacturing process; delays in the delivery of certain of these components could result in delays and planning production and our failure to efficiently manage inventory levels could have an adverse effect on us, including the possibility of not being able to detect defective parts, or resulting in an increase in input component costs, reduced control over delivery schedules, and shortages of input components.

planning production and our failure to efficiently manage inventory levels could have an adverse effect on us, including the possibility of not being able to detect defective parts, or resulting in an increase in input component costs, reduced control over delivery schedules, and shortages of input components. We also do not have control of the schedules of the suppliers and hence there can be delays in us receiving the raw materials. Similarly, in cases where we import the raw materials we are also exposed to exchange fluctuations and we may not be able to control any sudden escalation in prices during the production cycle.

The purchase orders we issue to our suppliers do not contain detailed terms and conditions for eventualities where the supply is not done in accordance with the supply terms agreed with our suppliers. For instance, where we have specified the delivery schedule to be four weeks from the date of the purchase order, our purchase order does not specify the damages that we may levy on our suppliers in case the material is not delivered to us with 4 weeks. The purchase orders do not provide for clauses relating to indemnification, liquidated damages, dispute resolution and termination. Such purchase orders may have commercial implications on our Company in case of a dispute with our suppliers. In the absence of a contractual basis for a liability, we may have to approach the courts with relevant jurisdiction for enforcing our rights against our suppliers, which may lead to delays in supply, strained relationship with our suppliers, protracted litigation and delays in our obligations with our customers resulting in an adverse effect on our business, results of operations, financial condition and cash flows. The costs incurred towards the manufacturing including procuring raw materials is borne by us while the cost of shipping of the manufactured products are borne by customers.

Further, under our OEM business model, the raw material specifications are given by the customers and, in some cases, the suppliers from whom the raw materials are to be purchased are also identified by the customers. Any volatility in prices of such raw materials does not affect our profitability as the contract with the customer states these parameters, on the basis of which the raw material cost is a pass-through item for us. The conversion cost is agreed upon prior to placing of orders as the cost sheet is shared with the customers. Conversion cost is the entire value-add provided by us for converting the raw material into finished goods till the final dispatch to the customer. Similarly, under our ODM business model, raw material procurement is directly carried out by us. We manage the supply chain of raw materials and components by implementation of strategic drivers, business tools and processes which aim to improve the overall effectiveness and efficiency of designing, manufacturing and delivering of products. We monitor raw material price trend in international markets, freight rate and transit time, ERP based software at centralized warehouses across product verticals, budget costing for each product vertical and monitoring the same against actual cost of manufacturing.

Therefore, irrespective of the mode of our manufacturing activity we are exposed to the risk that we may be unable to acquire necessary raw materials and components for our business on time. At various times, supplies of some of the raw materials and electronic components that we use, have been scarce as a result of strong demand for those input components or problems experienced by suppliers. We may face similar situations or shortages in the future. In addition, in certain circumstances, we are required to source certain key components from suppliers on approved vendor lists, who have been qualified by our customers and we may not be able to obtain alternative sources of supply should such qualified suppliers be unable to supply our requirements in the future.

Since we do not maintain long term inventories of raw materials and components, we may also be exposed to price risks should the cost of the components we require increase due to market conditions or any other factors. Shortages of raw materials and components at prices favourable to us could result in reduced production or delays in production, which may restrict our capacity to fulfil large orders at short notice or prevent us from making scheduled shipments to customers. Any future inability to accept high volume orders at short notice or make scheduled shipments could cause us to experience a reduction in our sales and could adversely affect our relationship with existing customers as well as prospective customers. Component shortages may also increase our costs of goods sold because we may be required to pay higher prices for components in short supply and redesign or reconfigure

products to accommodate substitute components. As a result, component shortages could adversely affect our operating results for a particular period due to the resulting revenue shortfall and increased manufacturing or component costs.

- 15. We are subject to fluctuations in the prices of raw material and component prices and this may result in a decline in the stated value of our inventory thereby affecting our inventory management which may adversely affect our business**

As we procure raw materials for short periods of our manufacturing cycle, there can be shortages or oversupply (as the case maybe) of key components. A shortage of any of these components generally increases their prices, and may depress our margins to the extent that it is not possible to pass these higher component prices on to our customers. This could be possible in the case of our ODM business model. In our experience, such shortages, can quickly end and result in oversupply as suppliers ramp up production following capital expenditures to increase capacity. If we fail to anticipate customer demand properly, a temporary oversupply could result in excess or obsolete components which could affect our gross margin and may also affect our working capital management. Such volatility in supply of raw materials or components may adversely affect our business if we cannot manage our supply of such components and react quickly to market changes. Since shortages and oversupply are cyclical in nature and integral to our business cycle, there can be no assurance that shortages or oversupply of key components (among others) will not occur in the future or that any such shortages or oversupply will not be a major contributing factor on the results of our operations

- 16. Pricing pressure from customers may adversely affect our gross margin, profitability and ability to increase our prices.**

Our customers often pursue price reduction initiatives and objectives with their suppliers including us. Adopting cost cutting measures while maintaining stringent quality standards may lead to a decrease in our margins, which may have a material adverse effect on our business, financial condition, results of operations and future prospects. Our business is capital intensive, requiring us to maintain a substantial fixed asset base. Therefore, our profitability is dependent, in part, on our ability to spread fixed production costs over higher production volume. Our customers typically negotiate for larger discounts in price as the volume of their orders increases. If we are unable to efficiently undertake manufacturing and generate sufficient cost savings in the future to offset price reductions or if there is any reduction in consumer demand for consumer durable goods, our sales, gross margin and profitability may reduce, which may have a material adverse effect on our business, financial condition, results of operations and future prospects.

- 17. Our Company generally does business with our customers on purchase order basis and we have not entered into long term contracts with any of them.**

Our business is dependent on our continuing relationships with our customers. Our Company neither has any long-term contract with any of customers or distributors. Any change in the buying pattern of our customers or distributors from us can adversely affect the business of our Company. Further, our inability to add new buyers to our sales portfolio may hamper growth of our business and profitability. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

- 18. If we are unable to attract new customers, retain customers at existing levels or sell additional products to our existing customers, our revenue growth will be adversely affected.**

To continue to grow our business, it is important that we continue to acquire new customers. Our success in adding new customers depends on numerous factors, including our ability to offer various value-added products, execute our sales and marketing strategy, attract, effectively train, and retain new sales, marketing, professional services, and support personnel, develop or expand relationships

with distributors, expand into new geographies and verticals, effectively manage and forecast our customer count, and expand our use cases for our existing customers.

It is important for our continued growth that we retain our existing customers. Our customers have no long-term contracts or obligation to purchase our products at the same prices and terms or at all. Our customer retention may decline or fluctuate as a result of a number of factors, including our customers' satisfaction with our products, our prices, reduction in our customers' spending levels, availability of cheaper substitutes, etc. Our ability to increase revenue also depends in part on our ability to increase the number of value-added products to be offered to our existing and new customers.

19. Our manufacturing capacity may not correspond precisely to customers' demands which may affect our results of operations.

Our customers may require us to have a certain percentage of excess capacity that would allow us to meet unexpected increases in purchase orders. The volume and timing of sales to our customers may vary due to a number of reasons, including but not limited to a variation in demand for our customers' products, our customers' endeavors to manage their inventory, design changes, changes in their product mix, manufacturing strategy and growth strategy, and macroeconomic factors affecting the economy in general and our customers in particular. Occasionally, customers may require rapid increase in order quantities beyond our available capacity, and we may not have sufficient capacity at any given time to meet sharp increases in these requirements. On the other hand, at times there is also a risk of the underutilization of the production line, which may result in lower profit margins. Our inability to forecast the level of customer demand for our products, as well as inability to accurately schedule our raw material purchases and production and manage our inventory may adversely affect our business and cash flows from operations. Our inability to accurately forecast demand of our products and any consequent mismatch in production demand and our capacity can adversely affect our profitability or results of operations.

20. We have not entered into any technical support service contract for the maintenance and smooth functioning of our equipment's and machineries, which may affect our performance.

Our processing operations involve daily use of various machineries and technical equipment. They require periodic maintenance checks and technical support in an event of technical breakdown or malfunctioning. Our company has not entered into any technical support service contract with any competent third party.

However, we conduct in-house machinery maintenance periodically in order to ensure the quality of the machinery used in the process and further avoid any mishaps. The machines are cleaned on periodic basis to ensure quality of the processing of the cloth. Further, we also maintain certain spare parts of the machines in case of breakdown of the machines. Despite of the above maintenance, in case of any future event which leads to breakdown of the machinery and our failure to reduce the downtime in case of occurrence of such events, may adversely affect our productivity, business and results of operations.

21. We depend on a certain supplier for our raw materials and other components required for our manufacturing process which could result in delays and adversely affect our output.

Our production depends on obtaining adequate supplies of components on a timely basis. We purchase our main components from domestic and international third-party component manufacturers that can satisfy our quality standards as well as those of our customers and meet our volume requirements and with who we have good relations with. Therefore, in light of this there are few suppliers we believe who may supply (within time) the raw materials of the required specifications and up to the quality standards which we believe are essential in our manufacturing process and for our products. In some cases, pursuant to our contractual arrangements and requirements therein, we are required to procure components from certain identified suppliers which are set out by our customers in the agreements that we enter into with them. Therefore, we place reliance on these key suppliers and this generally involves several risks, including a shortage of components, increases in component costs and reduced control

over delivery schedules. Also, the capacity of certain of these suppliers may not be equipped to cope with increase in orders on short notice or may prefer other customers to make supplies to over us.

In the aggregate, our top five suppliers accounted for 3.78 % and 12.23 % of our purchases for the three months period ended June 30, 2022 and for the year ended March 31, 2022, respectively. Our reliance on certain key suppliers could result in delays that could adversely affect our output, results of operations and financial condition. Where alternative sources of components are available, qualification of the alternative suppliers, establishment of reliable supplies from such sources and reliance on them over time may result in delays that could adversely affect our manufacturing processes, results of operations or financial condition.

22. We may be subject to financial and reputational risks due to product quality and liability issues which may have an adverse effect on our business, financial condition and results of our operations.

In the event that we and our component suppliers are not able to meet the regulatory quality standards, or strict quality standards imposed by our customers, which are applicable to us in our manufacturing processes, it could have an adverse effect on our business, financial condition, and results of operations. The contracts we enter into with our customers typically include warranties that the products we deliver will be free from defects and perform in accordance with specifications agreed with the customers. To the extent that products shipped by us to our customers do not, or are not deemed to, satisfy such warranties, we could be responsible for repairing or replacing any defective products, or, in certain circumstances, for the cost of effecting a recall of all products which might contain a similar defect, as well as for consequential damages. However, we are still subject to claims from our customers if end products sold by our customers fail to perform or cause injury, death or damage due to problems in our products due to defects attributable to us. If any of the products sold by us fail to comply with applicable quality standards, it may result in customer dissatisfaction, which may have an adverse effect on our business, sales and results of operations. From time to time, due to human or operational error, orders may not meet the specifications required by those customers and may therefore be rejected by customers. Any ongoing issues with products not meeting required specifications could reduce our revenue and negatively impact our reputation and financial performance.

While we undertake sample-based testing of our products in accordance with the agreements entered into with customers, the possibility of future product failures could cause our Company to incur substantial expense to replace defective products, provide refunds or resolve disputes with our customers through litigation, arbitration or other means. While we maintain provision for warranties for the products we manufacture, this may not be sufficient. There can be no assurance that we will be able to recover any losses incurred as a result of product liability in the future from any third party, or that defects in the products sold by us, regardless of whether we are responsible for such defects, would not adversely affect our standing and reputation in the marketplace and customer relationships, result in monetary losses and have a material adverse effect on our business, financial condition and results of operations.

23. Orders placed by customers may be delayed, modified, cancelled or not fully paid for by our customers, which may have an adverse effect on our business, financial condition and results of operations.

We may encounter problems in executing the orders in relation to our products and services, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, may result in the postponement of the delivery of products or cause its cancellation. Further, since we do not execute contracts with our customers, the order could be cancelled or there could be changes in scope and/ or scheduled delivery of the products. Accordingly, it is difficult to predict with certainty if, when, and to what extent we may be able to deliver the orders placed. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business. In addition, even where a delivery

proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. While we have not yet experienced any material delay, reduction in scope, cancellation, execution difficulty, delay or default in payment with regard to the orders placed with us, or any material disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income. Any delay, modification, cancellation of order by our large customers may have material adverse effect on our financial condition and results of operations.

24. We are subject to strict quality control requirements and any failure by us to comply with quality standards may lead to cancellation of existing and future orders and product recalls, which could adversely affect our business, financial condition and results of operations.

We may not meet regulatory quality standards, or strict quality standards imposed by our customers, applicable to our manufacturing processes, which could have an adverse effect on our business, financial condition, and results of operations. We cannot assure you that we comply or can continue to comply with all regulatory requirements or the quality requirement standards of our customers. The failure by us to achieve or maintain compliance with these requirements or quality standards may disrupt our ability to supply products sufficient to meet demand until compliance is achieved. Brands have their own policies regarding product recalls and other product liability actions relating to their suppliers. However, as suppliers become more integrally involved in the design process and assume more assembly functions, brands may seek compensation from their suppliers for contributions when faced with product recalls, product liability or warranty claims. Despite our quality control and quality assurance efforts, problems may occur, or may be alleged, in or resulting from the design and/or manufacturing of these products. Whether or not we are responsible, problems in the products we design and/or manufacture, or in products which include components we manufacture, whether real or alleged, whether caused by faulty customer specifications, the design or manufacturing processes or a component defect, may result in increased costs to us, as well as delayed shipments to customers, and/or reduced or cancelled customer orders and a loss of reputation.

Our failure to comply with applicable regulations could cause sanctions to be imposed on us, including warning letters, fines, injunctions, civil penalties, failure of regulatory authorities to grant approvals, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of products, operating restrictions and criminal prosecutions, which could adversely affect our business. In event of the products being classified as defective by our customers, we are required to replace/ repair such products at our sole cost or bear sole costs of defective products replaced/ repaired by such customer along with reasonable cost of repair/ replacement or refund the purchase price of the defective products to our customer. We cannot assure you that if we need to engage new suppliers to satisfy our business requirements, we can engage new suppliers in compliance with regulatory requirements in a timely manner and on terms acceptable to us, or at all. Our failure to do so could lead to cancellation of existing and future orders and have a material adverse effect on our business and revenue.

25. We have experienced growth in the past few years and if we are unable to sustain or manage our growth, our business and results of operations may be adversely affected.

We have experienced growth in the past three years. For the year ended March 31, 2022, our total income were ₹ 20,028.20 Lakhs, as compared to ₹ 11,551.30 Lakhs for the year ended March 31, 2021 and for the year ended March 31, 2021, our total revenues were ₹ 11,551.30 Lakhs, as compared to ₹ 6,839.34 Lakhs for the year ended March 31, 2020. Our operations have also grown significantly over the last three Financial years and we presently have 02 manufacturing facilities. Our growth requires us to continuously invest in our operations, evolve and improve our operational, financial and internal controls and administrative infrastructure. We may not be able to sustain our growth due to a variety of reasons, including but not limited to, the following:

- a decline in the demand for consumer durable good and components; acquiring new customers and increasing/maintaining demand of our products from existing customers;
- maintaining the quality and precision levels of our products;
- our ability to maintain high level of customer satisfaction;
- increased price competition,
- non-availability of raw materials,
- preserving a uniform work culture and environment across our manufacturing facilities and maintaining and improving operational synergies; and
- a general slowdown in the economy.

A failure to sustain our growth may have an adverse effect on our business, financial condition, results of operations and future prospects. We are embarking on a growth strategy which involves expanding our customer base by focusing on advanced technology and higher profit products, focusing on operational efficiencies to improve returns and pursuing strategic alliances and inorganic growth opportunities. Such a growth strategy will place significant demands on our management as well as our financial, accounting and operating systems. We cannot assure you that our future performance or growth strategy will be successful. Further, as we scale-be up and diversify our products, we may not be able to execute our operations efficiently, which may result in delays, increased costs and lower quality products. Our failure to manage our growth effectively may have an adverse effect on our business, financial condition, results of operations and future prospects.

26. Our Company has reported certain negative cash flows from its operating activity, financing activity and investing activity, details of which are given below. Sustained negative cash flow could impact our growth and business

We had negative cash flow, as per the audited Restated Financial Statements details of which are as under:

(₹ in Lakhs)

Particulars	For the three months period ended June 30, 2022	For the year ended		
		2022	2021	2020
Net Cash flow from operating activities	60.80	2,107.44	103.49	(548.37)
Net Cash flow from investing activities	(185.67)	(2,880.14)	(955.90)	(1,565.22)
Net Cash flow from financing activities	45.57	852.20	848.63	2,062.71
Total Net Cash flow	(79.29)	79.50	(3.78)	(50.87)

The net cash flow of a company is a key indicator to show the extent of total cash generated from all activities of the company including operations, investment and financing for a particular year. If we are not able to generate sufficient net cash flows in future, it may adversely affect our business and financial operations.

27. Reliance has been placed on declarations furnished by Vishrut Bharati our director, for details of his profile included in this Prospectus

Our Director, Vishrut Bharati, has been unable to trace copies of certain documents pertaining to his educational qualifications. While he has taken the requisite steps to obtain the relevant supporting documentation, including by making written requests and applications to his educational institutions, he may not be able to procure the relevant supporting documentation. Accordingly, our Company and the LM have placed reliance on the declarations furnished by Vishrut Bharati and copies of applications made by him to procure documents evidencing their educational qualifications, to disclose such details in this Prospectus and neither we, nor the LM have been able to independently verify these details in

the absence of primary documentary evidence. Further, there can be no assurances that he will be able to trace the relevant documents pertaining to his educational qualifications in the future, or at all. Therefore, we cannot assure you that all or any of the information relating to the educational qualifications of Vishrut Bharati included in “*Our Management*” on page 160 is accurate.

- 28. We have not made any alternate arrangements for meeting our working capital requirements for the Objects of the Issue. Further we have not identified any alternate source of financing the ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.**

As on date, we have not made any alternate arrangements for meeting our working capital requirements for the Objects of the Issue. We meet our capital requirements through our owned funds, internal accruals and debt. Any shortfall in our net owned funds, internal accruals and our inability to raise debt would result in us being unable to meet our capital requirements, which in turn will negatively affect 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 to the section titled “*Objects of the Issue*” beginning on page 90 of this Prospectus.

- 29. Our Promoter and Promoter Group will continue to retain majority control in our Company after the Issue, which will enable them to influence the outcome of matters submitted to shareholders for approval.**

After completion of the Issue, the Promoter and Promoter Group will continue to hold approximately 73.51 % of post-issue paid up share capital. So long as the Promoter and Promoter Group holds a majority of our Company’s Equity Shares, they will be able to control most matters affecting our Company, including the appointment and removal of our Directors; our business strategy and policies; any determinations with respect to mergers, business combinations and acquisitions; our dividend payout and financing. Further, the extent of Promoter and Promoter Group shareholding may result in delay or prevention of a change of management or control of our Company, even if such a transaction may be beneficial to our other shareholders.

- 30. We have not appointed any independent agency for appraisal of our proposed expansion project. The cost of project is based on our own estimates and various quotations received by us from different suppliers, which may vary depending upon factors like increase in prices due to which the cost of project may be adversely affected, in turn affecting our financial operations.**

Our funding requirements and the deployment of the proceeds of the Issue are based on management estimates and various quotations received by us from different suppliers and have not been appraised by any bank or financial institution. The deployment of funds is entirely at the discretion of our Board of Directors within the parameters as mentioned in the section titled “*Objects of the Issue*” beginning on page no. 90 of this Prospectus and is not subject to any monitoring by any independent agency. All the figures included under the section titled “*Objects of the Issue*” beginning on page no. 90 of this Prospectus are based on our own estimates and the quotations received from various suppliers, which may vary depending upon factors like increase in prices due to which the cost of project may be adversely affected. We cannot assure that we will be in a position to set up our proposed expansion project in the stated means of finance. We may have to revise our management estimates from time to time and consequently, our funding requirement may also be changed. In case of any increase in cost of project, our financial position may be adversely affected.

- 31. We are subject to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact our financial condition and results of operations.**

There is no guarantee that we will accurately assess the creditworthiness of our customers. Macroeconomic conditions, such as a potential credit crisis in the global financial system, could also

result in financial difficulties for our customers, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause our customers to delay payments, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Timely collection of dues from customers also depends on our ability to complete our contractual commitments and subsequently bill for and collect from our clients. If we are unable to meet our contractual obligations, we might experience delays in the collection of, or be unable to collect, our customer balances, and if this occurs, our results of operations and cash flows could be adversely affected. In addition, if we experience delays in billing and collection for our services, our cash flows could be adversely affected.

Our trade receivable balance for the three months period ended on June 30, 2022 was ₹ 678.11 Lakhs. If any of our customers have insufficient liquidity, we could encounter significant delays or defaults in payments owed to us by such customers, or we may extend our payment terms, which could adversely impact our financial condition and operating results. Any extensions or delays in payments owed to us could adversely impact our short-term cash flows.

32. Our industry is competitive and increased competitive pressure may adversely affect the results of our operations.

The market for consumer electronic goods manufacturers is highly competitive, and we expect competition to intensify and increase from a number of sources. The industry is composed of numerous companies that provide a range of manufacturing services for OEMs, from printed circuit board assembly, to design, prototyping, final system assembly, configuration, order fulfilment, repair and aftermarket services. The market consists of contract manufacturers and Original Design Manufacturers (ODMs). Contract manufacturers manufacture products that have been designed by the OEMs; ODMs also design their own products, primarily commodities, and in many instances are in direct competition with the OEMs. Our overall competitive position depends upon a number of factors, including our manufacturing technologies and capacity, the quality of our manufacturing processes and products, our ability to deliver on-time and cost effectiveness.

We compete with the other contract manufacturers of consumer products such as Dixon Technologies (India) Limited, Amber Enterprises India Limited as well as other mid-size, regional and smaller OEM/ODM. We face significant competition from several entities located in India and several other countries including China and we may not be able to compete with them for several reasons.

Further, since our industry has low entry barriers, we may face competition from new entrants in this market. Some of the existing and future competitors may have greater financial, personnel and other resources, longer operating histories, a broader range of product offerings, greater technological expertise, more recognizable brand names and more established relationships in industries that we currently serve or may serve in the future.

In addition, some of our competitors may enter into strategic or commercial relationships among themselves or with larger, more established companies in order to increase their ability to address client needs, or enter into similar arrangements with potential clients. Increased competition, our inability to compete successfully against competitors, pricing pressures or loss of market share could have a material adverse effect on our business, results of operations, financial condition and cash flows.

33. Our insurance cover may not be adequate or we may incur uninsured losses or losses in excess of our insurance coverage.

Our Company has obtained coverage under insurance policies against certain risks. The main insurance policies obtained by us consist of fire and special perils insurance with add on cover for earthquakes and in certain cases, for our manufacturing facilities, machinery and other equipment and products that we manufacture.

While we believe that the insurance coverage that we maintain is in accordance with industry standards, there can be no assurance that any claim under the insurance policies maintained by us will be honored

fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses. Our Company had obtained insurance policies adequate to cover its total assets which include plant and machinery, tools and dies, furniture and fixture, office equipment, building and stock, cash in transit and cash in safe. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, that is not covered by insurance or exceeds our insurance coverage, the loss would have to be borne by us and our cash flows, results of operations and financial performance could be adversely affected. For more details on the insurance policies, see *"Our Business - Insurance"* on page 140 of this Prospectus

34. Any slowdown in the consumer goods industry may adversely impact our business, results of operations, financial condition and cash flows.

Our business is heavily dependent on the performance and market trends of the consumer goods sector. Sale of lighting and consumer durables and related components accounted for 99.99%, 99.81%, 99.50% & 96.30% of our revenue from operations for the period ended June 30, 2022 and year ended March 31 of 2022, 2021 and 2020, respectively.

However, there can be no assurance that the industry will continue to grow and that we will continue to retain our market share. Our sales of consumer goods and components are directly related to the production and sales by our customers. Sales and production of consumer goods and components may be affected by general economic or industry conditions, including seasonal trends in the sector, evolving regulatory requirements, government initiatives, trade agreements and other factors.

Any economic downturn and recessionary trends in consumer goods industry, both in India and in export markets, may significantly affect our business, financial condition, results of operations and future prospects. Unfavourable industry conditions can also result in an increase in commercial disputes and other risks. A sustained decline in the demand for consumer goods sold by our customers could prompt them to cut their production volumes, directly affecting the demand and sales from customers for our products.

35. We may be subject to financial and reputational risks due to product quality and liability claims which may have an adverse effect on our business, financial condition and results of our operations.

In the event that we are not able to meet the regulatory quality standards, or strict quality standards imposed by our customers, which are applicable to us in our manufacturing processes, it could have an adverse effect on our business, financial condition, and results of operations. The contracts we enter into with our customers typically include warranties that the products we deliver will be free from defects and perform in accordance with specifications agreed with the customers.

To the extent that products shipped by us to our customers do not, or are not deemed to, satisfy such warranties, we could be responsible for repairing or replacing any defective products, or, in certain circumstances, for the cost of effecting a recall of all products which might contain a similar defect, as well as for consequential damages.

We are required to provide warranties for our supplies and bear the costs of repair and replacement of such products in terms of the relevant arrangements with our customers. Such warranties may be enforced against us even in cases where the underlying sales contract has expired. A successful warranty or product liability claim or costs incurred for a product recall in excess of our available insurance coverage, if any, would have an adverse effect on our business, results of operations and financial condition. From time to time, due to human or operational error, orders may not meet the specifications required by customers and may therefore be rejected by customers. Any ongoing issues with products not meeting required specifications could reduce our revenue and negatively impact our reputation and financial performance.

While we undertake sample-based testing of our products in accordance with the agreements entered into with customers, the possibility of future product failures could cause us to incur substantial expense

to replace defective products, provide refunds or resolve disputes with our customers through litigation, arbitration or other means.

While we maintain provision for warranties for the products we manufacture, this may not be sufficient. There can be no assurance that we will be able to recover any losses incurred as a result of product liability in the future from any third party, or that defects in the products sold by us, regardless of whether we are responsible for such defects, would not adversely affect our standing and reputation in the marketplace and customer relationships, result in monetary losses and have a material adverse effect on our business, financial condition and results of operations.

36. A significant majority of our sales take place immediately prior or during the summer months, and any adverse weather conditions during such peak sales seasons may materially and adversely affect our sales, results of operations and financial condition.

Sales of our AC and AC components are generally significantly higher in the summer months due to the heat and warm weather, and considerably lower during the monsoon and winter months. Bad weather conditions, including disturbed summers or untimely rains during the peak sales season of summer, may adversely affect our sales volumes results of operations and financial condition, and could therefore have a disproportionate impact on our results of operations in the relevant year. In addition, the seasonality of our results of operations may be affected by unforeseen circumstances that affect production during such peak periods, such as any downtime to production due to breakdown of equipment, shortage of raw materials, interruptions in power supply and other utilities, inadequate inventory planning and other interruptions to timely production and delivery of our products to our customers. Because of the significant fluctuations in demand for ACs during various seasons of the year, any comparison of the sales recorded and our results of operations between different periods within a year is not meaningful and should not be relied on as an indicator of our future business prospects or financial performance.

37. We are subject to environmental, health and safety regulations, which may increase our compliance costs. Further, we require certain approvals and licenses in the ordinary course of business, and the failure to obtain or retain them in a timely manner may materially adversely affect our operations.

We are required to comply with Indian central, state and local laws, governing the protection of the environment, as well as occupational health and safety, including laws regulating the generation, storage, handling, use and transportation of waste materials, the emission and discharge of waste materials into soil, air or water, and the health and safety of our employees.

For details on the regulations and policies applicable to us, see “*Key Industry Regulations & Policies*” on page 142 of this Prospectus. We are also required to maintain certain statutory and regulatory approvals, licenses, registrations and permissions, and applications need to be made at the appropriate stages for our business to operate. Any rejection of application or renewal for pending approvals may have an adverse effect on operations, and may also result in stoppage of production at our facilities.

In addition, government delays in obtaining approvals may result in cost increases in the price of raw materials from original estimates which cannot generally be passed on to customers and may also adversely affect our ability to mobilize our equipment and manpower. There can be no assurance that the relevant authorities will issue these approvals or licenses, or renewals thereof in a timely manner, or at all. We may experience delays in obtaining financial closures, locking in interest rates under loan agreements, or completing work according to schedules. As a result, we may not be able to execute our business plan as planned. An inability to obtain or maintain approvals or licenses required for our operations may adversely affect our operations.

Further, Government approvals, licenses, clearances and consents are often also subject to numerous conditions, some of which are onerous and may require significant expenditure. Furthermore, approvals, licenses, clearances, and consents covering the same subject matter are often required at both the Government and State Government levels. If we fail to comply, or a regulator claims that we

have not complied, with these conditions, we may not be able to commence or continue with work or operate these projects. For further information on various approvals or licenses required in connection with our operations, see *"Government and Other Approvals"* on page 249 of this Prospectus.

38. We depend on third parties for the supply of raw materials and delivery of products and such providers could fail to meet their obligations, which may have a material adverse effect on our business, results of operations and financial condition.

We are dependent on third party suppliers for our raw materials. Discontinuation of production by these suppliers or a failure of these suppliers to adhere to the delivery schedule or the required quality could hamper our production schedule and therefore affect our business and results of operations. This dependence may also adversely affect the availability of key materials at reasonable prices thus affecting our margins and may have an adverse effect on our business, results of operations and financial condition. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials. If we experience a significant or prolonged shortage of raw materials from any of our suppliers, and we cannot procure the raw materials from other sources in the future, we would be unable to meet our production schedules for some of our key products and to deliver such products to our customers in timely fashion, which would adversely affect our sales, margins and customer relations. We cannot assure you that a particular supplier will continue to supply the required components or raw materials to us in the future. In the past, we have seen instances where our major supplier had a major breakdown due to which our supplies were disrupted and we had to shut down our plant for four days. Any change in the supplying pattern of our raw materials can adversely affect our business and profits.

We use third parties for the supply of our raw materials and for deliveries of finished and unfinished products to our domestic and overseas customers as well as between production facilities. Any disruptions or transportation strikes may have an adverse effect on our supplies and deliveries to and from particular plants on a timely and cost-efficient basis. An increase in freight costs or the unavailability of adequate port and shipping infrastructure for transportation of our products to our markets may have an adverse effect on our business and results of operations.

Further, the air conditioner industry has experienced significant volatility with respect to raw materials prices in the recent past, primarily in metals. Historically, as a practice, we have passed on the increase in cost of metals, especially copper, aluminum, steel, plastics and other commodities to our customers, however, we may not be able to always pass on such increase in cost to our customers or there may be a time gap for which we may not be able to pass through such increase in cost to our customer. Even if we are able to pass on such increase in cost to our customers, our cash flows may still be adversely affected because of any gap in time between the date of procurement of those primary raw materials and date on which we can reset the component prices for our customers, to account for the increase in the prices of such raw materials. Our need to maintain a continued supply of raw materials may make it difficult to resist price increases and surcharges imposed by our suppliers, which may have an adverse effect on our business and results of operations.

39. Discrepancies/errors noticed in some of our Corporate records relating to forms filed with the Registrar of Companies.

We cannot assure you of the accuracy of internal records maintained by our Company in respect to the above-mentioned period and that such discrepancies / inconsistency will not adversely affect our business. However, regulatory body may or may not take action against such discrepancies / inconsistency.

40. We have issued Equity Shares during the last 12 months at a price that may be lower than the Offer Price.

We have issued Equity Shares during the last 12 months preceding the date of this Prospectus at a price that may be lower than the Offer Price, as detailed in the following table:

Date of Allotment	Number of Equity shares	Face Value (₹)	Issue Price (₹)	Reasons for Allotment
January 05, 2022	33,33,333	10	12	Conversion of unsecured loan

For further details in relation to the above issuance of Equity Shares, refer to the section titled “*Capital Structure*” on page 76 of this Prospectus.

41. Some of our Group Companies have incurred losses in the past and may incur losses in the future.

Some of our group companies have incurred losses in the preceding three fiscals. The details of profit/loss incurred by such Group Companies for the preceding four fiscals are as follows:

(₹ in Lakhs)

Name of the company	Profit/(Loss) After Tax		
	March 31, 2022*	March 31, 2021	March 31, 2020
Solar Copyer Limited	Yet to be filed	14.53	172.83
Starlite Components Limited	(77.72)	(120.97)	(1539.80)
YLP Solutions Private Limited	Yet to be filed	0.008	0.22

Note: YLP Solutions Private Limited and Solar Copyer Limited are yet to file audit financial statement for the year ended March 31, 2022.

42. Failure or disruption of our IT and/or ERP systems may adversely affect our business, financial condition, results of operations and prospects.

We have implemented various information technology (“IT”) and/or enterprise resource planning (“ERP”) solutions to cover key areas of our operations, procurement, dispatch and accounting. These systems are potentially vulnerable to damage or interruption from a variety of sources, which could result in a material adverse effect on our operations. Disruption or failure of our IT systems could have a material adverse effect on our operations.

A large-scale IT malfunction could disrupt our business or lead to disclosure of sensitive company information. Our ability to keep our business operating depends on the proper and efficient operation and functioning of various IT systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems).

A significant or large-scale malfunction or interruption of one or more of our IT systems could adversely affect our ability to keep our operations running efficiently and affect product availability, particularly in the country, region or functional area in which the malfunction occurs, and wider or sustained disruption to our business cannot be excluded. In addition, it is possible that a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers. Such malfunction or disruptions could cause economic losses for which we could be held liable.

A failure of our information technology systems could also cause damage to our reputation which could harm our business. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations.

Further, unavailability of, or failure to retain, well trained employees capable of constantly servicing our IT and/or ERP systems may lead to inefficiency or disruption of IT system thereby adversely affecting our ability to operate efficiently.

Any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to plan, track, record and analyses work in progress and sales, process financial information, meet business objectives based on IT initiatives such as product life cycle management, manage our creditors, debtors, manage payables and inventory or otherwise conduct our normal business operations, which may increase our costs and otherwise adversely affect our business, financial condition, results of operations and prospects.

43. Our failure to keep our technical knowledge confidential could erode our competitive advantage.

Like many of our competitors, we possess extensive technical knowledge about our products. Such technical knowledge has been built up through our own experiences and through licensing agreements and technical assistance agreements, which grant us access to new technologies.

Our technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights such as patent registration. Some of our technical knowledge is protected only by secrecy. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run. Certain proprietary knowledge may be leaked, either inadvertently or willfully, at various stages of the production process. A significant number of our employees have access to confidential design and product information and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our various competitors.

Although we may seek to enforce non-disclosure agreements in respect of research and development and certain other key employees, we cannot guarantee that we will be able to successfully enforce such agreements. We also enter into non-disclosure agreements with a number of our customers but we cannot assure you that such agreements will be successful in protecting our technical knowledge. The potential damage from such disclosure is increased as many of our designs and products are not patented, and thus we may have no recourse against copies of our products and designs that enter the market subsequent to such leakages.

In the event that the confidential technical information in respect of our products or business becomes available to third parties or to the general public, any competitive advantage we may have over other companies could be harmed. If a competitor is able to reproduce or otherwise capitalise on our technology, it may be difficult, expensive or impossible for us to obtain necessary legal protection. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects.

44. Our continued operations are critical to our business and any shutdown of any of our manufacturing facilities may have an adverse effect on our business, results of operations and financial condition.

We have total of 2 manufacturing facilities and such facilities are subject to certain operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of efficiency, obsolescence of equipment or machinery, labour disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant government and regulatory authorities.

The majority of our revenue is presently from sale of products manufactured at these manufacturing facilities, therefore, any disruption to any of our manufacturing facilities may result in production shutdowns. One manufacturing facility is owned by our company and other facility is currently operating on a long-term leasehold basis.

As our customers rely significantly on the timely delivery of our products in terms of our contractual arrangements with them, uninterrupted power supply, supply of trained and skilled manpower, availability of raw materials and our ability to carry on interruption free production of our products is critical to our business. Further, our electricity requirements for our manufacturing facilities are directly sourced from local utilities. While we maintain power backup in the form of diesel generator sets, we

cannot assure you that we will successfully be able to prevent disruptions in our manufacturing processes in case of non-availability of adequate supply of power.

In particular, if operations at our manufacturing facilities were to be disrupted as a result of any significant workplace accident, equipment failure, natural disaster, power outage, fire, explosion, terrorism, adverse weather conditions, labour dispute or unrest, obsolescence or other reasons, our financial performance may be adversely affected as a result of our inability to meet customer demand or committed delivery schedules for our products. Interruptions in production may also increase our costs and reduce our sales, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we may become involved in as a result, which may negatively affect our profitability, business, financial condition, results of operations, cash flows and prospects.

45. If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. There can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud.

46. Product liability and other civil claims and costs incurred because of product recalls could harm our business, results of operations and financial condition.

We face an inherent business risk of exposure to product liability claims, in the event that our products fail to perform as expected or such failure results, or is alleged to result, in bodily injury or property damage or both. Consequently, we cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims.

Brands have their own policies regarding product recalls and other product liability actions relating to their suppliers. However, as suppliers become more integrally involved in the design process and assume more assembly functions, brands may seek compensation from their suppliers for contributions when faced with product recalls, product liability or warranty claims.

We may be required to provide warranties for our supplies and bear the costs of repair and replacement of such products. Such warranties may be enforced against us even in cases where the underlying sales contract has expired. A successful warranty or product liability claim or costs incurred for a product recall in excess of our available insurance coverage, if any, would have an adverse effect on our business, results of operations and financial condition.

In some cases, the warranty period for the some of our products manufactured is upto 60 months from date of manufacturing. But generally, the warranty term is 12 months from the date of the manufacturing. The warranty vary from customers to customers & products to products.

In case of defective products, we are required to replace/ repair at the cost or bear sole costs of defective products replaced/ repaired by the customer to whom we have sold the products along with reasonable cost of repair/ replacement or refund the purchase price of the defective product to such customer.

In case of recall, withdrawal etc. either voluntarily, or due to judicial order or in case of governmental seizure, any of which was partly, or wholly, due to our negligent/ wrongful act or omission, we shall be required to bear full costs and expenses. Whilst we maintain certain insurance for product liability and recall expenses for our exports and domestic sales, we cannot assure that such insurance will be adequate.

As a result of product liability legislation, civil claims may be brought against our customers, and we may be made parties to such claims where damages may have been caused by any faulty products that we

produced. We cannot assure you that such claims will not be brought against us in the future, and any adverse determination may have an adverse effect on our business, results of operations and financial condition.

47. We are not able to guarantee the accuracy of third-party information included in this Prospectus including from the industry report commissioned by us.

Market information, statistics and data applied and relied upon by us and/or included in this Prospectus are derived from data reports compiled by government bodies, professional organizations and analysts, information from government publications or other external industry sources such as IBEF Report, from whom we have commissioned the “Market Study”.

We commissioned this report for the purpose of confirming our understanding of the industry in which we operate. Neither we, nor any of the or the Lead Managers, nor any other person connected with the Offer has verified the information in such report.

There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. We cannot assure you that assumptions set out in the IBEF Report are correct or will not change and, accordingly, our position in the market may differ from that presented in this Prospectus. The commissioned report is not a recommendation to invest in our Company.

Further, industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Due to ineffective information collection methods and other problems, the facts and statistics herein may not be comparable to facts and statistics produced for other economies and should not be unduly relied upon. We cannot assure you that the facts and statistics are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. For further details, see “*Industry Overview*” on page 111 of this Prospectus.

48. Our Promoters and third parties have provided guarantees and collateral for loans availed by us.

Our Company has availed loans in the ordinary course of business for the purposes including working capital, term loan for capital expenditure and takeover loans for consolidation of existing term loans. Our Promoters have given personal guarantees in relation to certain loans obtained by our Company, for details please see section titled “*Financial Indebtedness*” on page 229 of this Prospectus. In the event of default on the loans, the guarantees may be invoked by our lenders thereby adversely affecting our Promoters’ ability to manage the affairs of our Company and this, in turn, could adversely affect our business, prospects, financial condition and results of operations. Further, if any of these guarantees are revoked by our Promoters, our lenders may require alternate securities or guarantees and may seek early repayment or terminate such facilities. Any such event could adversely affect our financial condition and results of operations. For further details in relation to the personal guarantees provided by our Promoters, see “*History and Certain Corporate Matters*” on page 156 of this Prospectus.

49. Our Promoter, Managing Director and certain Key Managerial Personnel hold Equity Shares in our Company and are therefore interested in our Company's performance in addition to their remuneration and reimbursement of expenses.

Our Promoter, Managing Director and Key Managerial Personnel are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. There can be no assurance that our directors (including our Promoter) and our Key Managerial Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. Also, see sub-section titled “*Our Management*” on page 160 of this Prospectus.

50. The interests of our Promoter or Directors may cause conflicts of interest in the ordinary course of our business.

Conflicts may arise in the ordinary course of decision-making by the Promoter or Board of Directors of our Company. Our Promoter or some of our non-executive Directors may also be on the board of certain companies engaged in other businesses. Further there is no assurance that our directors will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in future. Such factors may have an adverse effect on the results of our operations and financial condition

51. Delay in raising funds from the IPO could adversely impact the implementation schedule.

Our Company's proposed project is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the proposed project within the given time frame, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

52. Our future funds requirements, in the form of fresh issue of capital or securities and or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

53. Our inability to fulfill certain obligation of incremental investment as per Production Linked Incentive Scheme (PLI) for white goods (Air Conditioner & LED Lights) initiated by the government of India to manufacturer white goods in India

The Company has received approval of application under the Production Linked Incentive Scheme for White Goods (Air Conditioners and LED) vide letter dated November 12, 2021. These time-bound incentives are subject to various conditions, including meeting certain minimum and cumulative targets, including incremental investments, incremental sales and employment generation, and the amount and disbursement of incentives will depend on our ability to meet or exceed those targets and other conditions. Other conditions include requirements with respect to investment and production, compliance with applicable conditions at the time of submission of a disbursement claim, submission of self-certified quarterly review reports, submission of shareholding pattern along with the annual incentive claim in case of any changes in shareholding pattern during the year and informing the authority of any change of the manufacturing location from the application. The authority is empowered to conduct periodic reviews of eligible companies with respect to their investments, employment generation, production and value addition under the relevant scheme, and may revise incentive rates, ceilings, target segments and eligibility criteria as deemed appropriate during the tenure of the relevant scheme. These approvals received under the PLI schemes should not be considered as a guarantee for disbursement of incentive amounts and any such disbursement will be subject to the determination of the baseline and verification of eligibility after submission of a disbursement claim and other criteria set out in the relevant scheme guidelines. There is no assurance that our Company will be able to meet all the conditions prescribed under the approval letter and the PLI Scheme notification.

54. Our ability to pay dividends in future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditure

We have not paid any dividends in the past. The amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditure. There can be no assurance that we will be able to pay dividends. Additionally, we may be restricted in our ability to make dividend payments by the terms of any debt financing we may obtain in the future.

- 55. Our funding plans are based on management estimates and there is no assurance that the objects of the Offer will be achieved within the time frame expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the funding plan has not been appraised by any bank or financial institution.**

We intend to use the Net Proceeds for the purposes described in the section *"Objects of the Issue"* on page 90 of this Prospectus. The funding plans are in accordance with our own estimates and have not been appraised by any bank, financial institution or any other external agency and are not subject to any monitoring by any independent agency. We may have to revise our management estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations and consequently its requirements may change.

The details of the loans identified to be repaid using the Net Proceeds have been disclosed in the section *"Objects of the Issue"* on page 90. Such part of the Net Proceeds will not result in creation of any tangible assets as they are proposed to be utilized for repayment of certain loans and working capital facilities availed by us.

- 56. We are subject to certain restrictive covenants in our financing arrangements which may limit our operational and financial flexibility, and our future results of operations and financial condition may be adversely affected if we fail to comply with these covenants.**

Some of our financing agreements set limits on us or require us to obtain lender consents before, among other things, undertaking certain projects, issuing new securities, changing our business, merging, consolidating, selling significant assets or making certain acquisitions or investments. In addition, these restrictive covenants may also affect some of the rights of our shareholders and our ability to pay dividends if we are in breach of our obligations under the applicable financing agreement. For further information, see section titled *"Financial Indebtedness"* on page 229 of this Prospectus.

Defaults under one or more of our Company's financing agreements may limit our flexibility in operating our business, which could have an adverse effect on our cash flows, business, results of operations and financial condition. Such restrictive covenants may restrict our flexibility in managing our business or projects and could in turn adversely affect our business and prospects.

We cannot assure that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget for our working capital requirements, in which case there may be delays in arranging the additional working capital requirements, which may delay the execution of orders leading to loss of reputation and an adverse effect on the cash flows. Further we cannot assure that we will have adequate funds at all times to repay these credit facilities and may also be subject to demands for the payment of penal interest.

External Risk

- 57. Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries would negatively affect the Indian market where our Equity Shares trade and lead to a loss of confidence.**

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares are proposed to be listed and traded. In addition, any deterioration in relations between India and its neighbors might result in investor concern about stability in the region, which could materially adversely affect the price of our Equity Shares. Civil unrest in India in the future as well

as other adverse social, economic and political events in India could have an adverse impact on us. Such incidents also create a greater perception that investment in Indian companies involves a higher degree of risk, which could have an adverse impact on our business and the trading price of our Equity Shares.

58. We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control.

We are incorporated in India and we conduct our corporate affairs and manufacturing activities in India. Our Equity Shares are proposed to be listed and traded on SME Platform of BSE Limited. Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by the following external risks, should any of them materialize:

- changes in exchange rates and controls;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- political instability, resulting from a change in government or in economic and fiscal policies;
- civil unrest, acts of violence, regional conflicts or situations or war may adversely affect the financial markets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- downgrading of India's sovereign debt rating by rating agencies;
- changes in government policies, including taxation policies, social and civil unrest and other political, social and economic developments in or affecting India; or
- natural calamities and force majeure events.

The Government of India has exercised and continues to exercise significant influence over many aspects of the Indian economy. Indian governments have generally pursued policies of economic liberalization and financial sector reforms, including by relaxing restrictions on the private sector. Nevertheless, the role of the Indian central and state governments in the Indian economy as producers, consumers and regulators has remained significant and we cannot assure you that such liberalization policies will continue. A significant change in India's policy of economic liberalization and deregulation or any social or political uncertainties could adversely affect business and economic conditions in India generally and our business and prospects. India has in the past experienced community disturbances, strikes, riots, terror attacks, epidemics and natural disasters. India has also experienced natural calamities such as earthquakes, tsunamis, floods and drought in the past few years. There can be no assurance that we will not be affected by natural or man-made disasters in India or elsewhere in the future. These acts and occurrences could have an adverse effect on the financial markets and the economy of India and of other countries, thereby resulting in a loss of business confidence and a suspension of our operations, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

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

The regulatory and policy environment in which we operate is evolving and subject to change. Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, value added tax, turnover tax, service tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. For instance, the Government of India has proposed

a comprehensive national GST regime that will combine taxes and levies by the Central and State Governments into a unified rate structure.

60. Significant differences exist between Ind AS and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition.

The Restated Consolidated Summary Statements included in this Prospectus have been derived from audited consolidated financial statements and restated in accordance with SEBI ICDR Regulations and Guidance Note on Report in Company Prospectuses (Revised), issued by the Institute of Chartered Accountants in India. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Restated Consolidated Summary Statements, which are restated as per the SEBI ICDR Regulations included in this Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should be limited accordingly.

61. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Foreign ownership of Indian securities is subject to Government regulation. Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the pricing and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. 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 a 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 of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular term or at all. For further details, see *"Restrictions on Foreign Ownership of Indian Securities"* on page 313 of this Prospectus.

62. A downgrade in ratings of India, may affect the trading price of the Equity Shares.

Our borrowing costs depend significantly on the credit ratings of India. India's sovereign rating decreased from Baa2 with a "negative" outlook to Baa3 with a "negative" outlook by Moody's and from BBB with a "stable" outlook to BBB with a "negative" outlook (Fitch) in June 2020; and from BBB "stable" to BBB "negative" by DBRS in May 2020. India's sovereign ratings from S&P is BBB- with a "stable" outlook. Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. Such events may adversely affect our business and results of operations as well as the trading price of the Equity Shares.

63. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy.

Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy.

Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Furthermore, economic developments globally can have a significant impact on India. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

Following the United Kingdom's exit from the European Union ("Brexit"), there remains significant uncertainty around the terms of their future relationship with the European Union and, more generally, as to the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets. For example, Brexit could give rise to increased volatility in foreign exchange rate movements and the value of equity and debt investments. In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries.

The sovereign rating downgrades for Brazil and Russia (and the imposition of sanctions on Russia) have also added to the growth risks for these markets. These factors may also result in a slowdown in India's export growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition, cash flows and results of operation.

These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition, cash flows and results of operations and reduce the price of the Equity Shares.

64. A slowdown in economic growth in India could cause our business to suffer.

Our performance and growth are dependent on the health of the Indian economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. Any significant change may adversely affect our business and financials.

65. If inflation rises in India, increased costs may result in a decline in profits.

Inflation rates in India have been volatile in recent years, and such volatility may continue. Increasing inflation in India could cause a rise in the costs of rent, wages, raw materials and other expenses. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could

have an adverse effect on our business, prospects, financial condition, results of operations and cash flows

66. Rights of shareholders under Indian laws may differ to those under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be similar to the shareholders' rights under the laws of other countries or jurisdictions.

Risk Related to our Equity shares

67. The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.

The Offer Price of the Equity Shares has been determined by our Company in consultation with the LMs, and through the Fixed Issue Process. This price is based on numerous factors, as described under "*Basis for Issue Price*" on 100 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

68. The trading volume and market price of the Equity Shares may be volatile following the Offer.

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

69. Our Equity Shares have not been publicly traded prior to this Offer. After this Offer, our Equity Shares may experience price and volume fluctuations and an active trading market for our Equity Shares may not develop. Further, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all.

Prior to this Offer, there has been no public market for our Equity Shares. An active trading market on the Stock Exchanges may not develop or be sustained after this Offer.

The trading price of our Equity Shares after this Offer may be subject to significant fluctuations in response to factors including general economic, political and social factors, developments in India's fiscal regime, variations in our operating results, volatility in Indian and global securities markets, developments in our business as well as our industry and market perception regarding investments in our business, changes in the estimates of our performance or recommendations by financial analysts, and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. The trading price of our Equity Shares may also decline in reaction to

events that affect the entire market and/or other companies in our industry even if these events do not directly affect us and/or are unrelated to our business or operating results.

70. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results

71. Any volatility in exchange rates may lead to a decline in India's foreign exchange reserves and may affect liquidity and interest rates in the Indian economy, which could adversely impact us.

Foreign inflows into India have remained extremely volatile responding to concerns about the domestic macroeconomic landscape and changes in the global risk environment. The widening current account deficit has been attributed largely to the surge in gold and oil imports. The Indian rupee also faces challenges due to the volatile swings in capital flows. Further, there remains a possibility of intervention in the foreign exchange market to control volatility of the exchange rate. The need to intervene may result in a decline in India's foreign exchange reserves and subsequently reduce the amount of liquidity in the domestic financial system. This in turn could cause domestic interest rates to rise. Further, increased volatility in foreign flows may also affect monetary policy decision making. For instance, a period of net capital outflows might force the RBI to keep monetary policy tighter than optimal to guard against any abnormal currency depreciation.

72. Foreign investors are subject to foreign investment restrictions under Indian law that limit our ability to attract foreign investors, which may adversely affect the trading price of our Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the specified exceptions, then prior approval of the RBI will be required. Further, in accordance with press note 3 of 2020, dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, the FDI Policy has been recently amended to state that all investments by entities incorporated in 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 of India. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

In addition, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that

any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

73. Investors may have difficulty enforcing foreign judgments against us or our management.

We are a limited liability company incorporated under the laws of India. All our directors and executive officers are residents of India and a majority of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside of India, or to enforce judgments obtained against such parties outside of India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of CPC on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

74. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid, and are not permitted to withdraw or lower their Application (in terms of quantity of Equity Shares or the Application Amount) at any stage after submitting an Application. Retail Individual Investors can revise their Application during the Offer Period and withdraw their Application until Offer Closing Date.

Therefore, QIBs and Non-Institutional Investors would not be able to withdraw or lower their application, notwithstanding adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, or otherwise, at any stage after the submission of their Applications.

75. You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.

Capital gains arising from the sale of equity shares within 12 months in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("STT") is paid on the transaction. STT is levied on and collected by a domestic stock exchange on which equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, is subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of equity shares is 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

76. Any future issuance of Equity Shares by us may dilute your shareholding and sales of the equity shares by our Promoter, Promoter Group or other major shareholders may adversely affect the trading price of the Equity Shares.

Any future issuance of Equity Shares by us may dilute your shareholding in us. In addition, any sales of substantial amounts of the Equity Shares in the public market after the completion of the Issue, including by our Promoter or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could materially impair future ability of us to raise capital through offerings of the Equity Shares. Our Promoter and Promoter Group currently hold an aggregate of 100 % of the outstanding Equity Shares. After the completion of the Offer, our Promoter will continue to hold 71.91 % of the outstanding Equity Shares. We cannot predict the effect, if any, that the sale of the Equity Shares held by our Promoters or other major shareholders or the availability of these Equity Shares for future sale will have on the market price of the Equity Shares.

77. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.

A public company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offer document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted.

78. There is no guarantee that our Equity Shares will be listed on the SME Platform of BSE Limited in a timely manner or at all.

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer.

In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the SME Platform of BSE Limited within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

79. The requirements of being a listed company may strain our resources.

We are not a listed company and have historically not been subjected to the compliance requirements and increased scrutiny of our affairs by shareholders, regulators and the public at large associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations or cash flows as promptly as other listed companies.

Further, as a listed company, we will be required to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition, results of operations and cash flows. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner

80. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the SEBI Takeover Regulations.

81. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as shareholders of an entity in another jurisdiction.

82. It may not be possible for investors outside India to enforce any judgment obtained outside India against our Company or our management or any of our associates or affiliates in India, except by way of a suit in India.

Our Company is incorporated under the laws of India and all our Directors and Key Managerial Personnel reside in India.

In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908 ("Civil Code"). The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or Directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a fresh suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment. Further, there are

considerable delays in the disposal of suits by Indian courts. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to repatriate any amount recovered pursuant to the execution of the judgment.

83. There are restrictions on daily movements in the trading price of the Equity Shares, which may adversely affect a shareholder's ability to sell Equity Shares or the price at which Equity Shares can be sold at a particular point in time.

Our listed Equity Shares will be subject to a daily "circuit breaker" imposed on listed companies by the Stock Exchanges, which does not allow transactions beyond certain volatility in the trading price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on the Equity Shares' circuit breaker will be set by the Stock Exchanges based on historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges are not required to inform our Company of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the trading price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

SECTION III: INTRODUCTION THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
Issue of Equity Shares by our Company	54,00,000 Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ 56 /- per Equity Share aggregating to ₹ 3,024.00 Lakhs
Of Which	
Market Maker Reservation Portion	2,80,000 Equity Shares of face value of ₹10.00/- each fully paid-up for cash at price of ₹ 56 /- per Equity Share aggregating to ₹ 156.80 Lakhs
Net Issue to the Public	51,20,000 Equity Shares of face value of ₹10.00/- each fully paid-up for cash at price of ₹ 56 /- per Equity Share aggregating to ₹2,867.20 Lakhs
Of Which	
(A) Retail Portion	25,60,000 Equity Shares of face value of ₹10.00/- each fully paid-up for cash at price of ₹ 56 /- per Equity Share aggregating to ₹ 1,433.60 Lakhs i.e., 50% of the Net Issue shall be available for allocation Retail Individual Investors
(B) Non – Institutional Portion	25,60,000 Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ 56 /- per Equity Share aggregating to ₹ 1,433.60 Lakhs i.e., 50% of the Net Issue shall be available for allocation for Investors other than Retail Individual Investors.
Pre-and Post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue	1,49,82,516 Equity Shares of face value of ₹ 10.00/- each
Equity Shares outstanding after the Issue	2,03,82,516 Equity Shares of face value of ₹ 10.00/- each
Use of Issue Proceeds	For details, please refer section titled “Objects of the Issue” beginning on page 90 of this Prospectus.

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 02, 2021 and approved by the shareholders of our Company vide a special resolution at the Extra Ordinary General Meeting held on August 25, 2021 pursuant to section 62(1)(c) of the Companies Act, 2013. This Issue is being made in terms of Chapter IX of SEBI ICDR Regulations, 2018, as amended. For further details, please refer to section titled “Issue Structure” beginning on page 275 of this Prospectus.

*As per the Regulation 253 of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue the allocation in the net offer to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investor; 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 clauses (a) or (b) may be allocated to applicants in the other category.
- If the retails individual investor category is entitled to more than allocated portion on proportionate basis, accordingly the retails individual investors shall be allocated that higher percentage.

SUMMARY OF FINANCIAL INFORMATION

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Annexure I - Restated Standalone Summary Statement of Assets and Liabilities

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	As on 30.06.2022	2021-22	2020-21	2019-20
				As on 31.03.2022	As on 31.03.2021	As on 31.03.2020
	EQUITY AND LIABILITIES					
(1)	Shareholders' Funds					
(a)	Share Capital	V	1,498.25	1,498.25	166.42	166.42
(b)	Reserves and Surplus	VI	1,040.43	628.08	1,165.90	957.57
	Sub Total (1)		2,538.68	2,126.34	1,332.32	1,123.99
(2)	Share Application Money	VII	-	-	300.00	-
(3)	Non Current Liabilities					
(a)	Long Term Borrowings	VIII	3,270.60	2,881.56	2,186.75	1,484.79
(b)	Deferred Tax Liabilities (Net)	IX	134.45	158.71	75.32	42.44
(c)	Long Term Provisions	X	11.85	10.15	5.81	-
	Sub Total (3)		3,416.90	3,050.42	2,267.88	1,527.23
(4)	Current Liabilities					
(a)	Short Term Borrowings	XI	3,837.63	3,918.70	2,955.81	2,368.18
(b)	Trade Payables	XII				
	- Outstanding dues of Micro and Small Enterprises (MSME)		14.73	156.86	1.49	6.27
	- Outstanding due to Creditors other than Micro and Small Enterprises		2,833.50	2,869.21	1,008.12	618.74
(c)	Other Current Liabilities	XIII	472.38	337.32	75.42	42.62
(d)	Short Term Provisions	XIV	237.01	96.67	48.60	32.06
	Sub Total (4)		7,395.27	7,378.75	4,089.43	3,067.86
	TOTAL LIABILITIES (1+2+3+4)		13,350.85	12,555.51	7,989.63	5,719.08
	ASSETS					
(5)	Non Current Assets					
(a)	Property Plant & Equipment and Intangible Assets	XV				
	i) Property Plant & Equipment		4,982.79	5,037.87	1,762.81	1,124.40
	ii) Capital Work-In-Progress		1.60	-	904.78	822.21
(b)	Other Non Current Assets	XVI	291.34	151.71	76.57	71.53
	Sub Total (5)		5,275.72	5,189.58	2,744.17	2,018.15
(6)	Current Assets					
(a)	Inventories	XVII	7,372.60	6,330.92	3,718.08	1,383.93
(b)	Trade Receivables	XVIII	678.11	887.91	1,077.11	1,975.31
(c)	Cash and Cash Equivalents	XIX	1.92	81.22	1.72	5.49
(d)	Short Term Loans & Advances	XX	9.47	5.13	80.76	1.44
(e)	Other Current Assets	XXI	13.01	60.75	367.81	334.75
	Sub Total (6)		8,075.13	7,365.94	5,245.47	3,700.93
	TOTAL ASSETS (5+6)		13,350.85	12,555.51	7,989.63	5,719.08

For Jain Chhajed & Associates

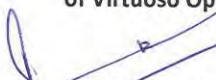
FRN No. 127911W

Chartered Accountants


CA Suyash Chhajed
Partner

Mem No.121597

UDIN: 22121597APLMPY4721

For and on Behalf of Board of Directors
of Virtuoso Optoelectronics Limited

Sukrit Bharati
Director
DIN: 03638084


Vishrut Bharati
Director
DIN: 06818457


Place : Nashik

Dated : July 28, 2022

Place : Nashik

Dated : July 28, 2022

Annexure II - Restated Standalone Summary Statement of Profits and Losses

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	As on 30.06.2022	2021-22	2020-21	2019-20
				As on 31.03.2022	As on 31.03.2021	As on 31.03.2020
(I)	Income from continuing operations					
(a)	Revenue from Operations	XXII	7,381.87	20,017.24	11,525.66	6,820.24
(b)	Other Income	XXIII	17.73	10.96	25.64	19.10
	Total Income		7,399.61	20,028.20	11,551.30	6,839.34
(II)	Expenses					
(a)	Cost of raw materials consumed	XXIV	6,192.20	17,194.53	10,214.40	5,691.76
(b)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	XXV	(81.83)	44.11	(327.06)	64.72
(c)	Employee Benefits Expenses	XXVI	132.81	361.85	271.33	103.09
(d)	Finance Costs	XXVII	262.41	905.50	740.96	478.95
(e)	Other Expenses	XXVIII	80.27	435.45	127.16	165.60
(f)	Depreciation and amortisation expenses	XV	241.25	513.70	234.97	143.17
	Total Expenses		6,827.12	19,455.14	11,261.75	6,647.29
	Restated profit before tax from continuing operations		572.49	573.06	289.55	192.05
	Tax Expense / (Income)					
	Current Tax		184.40	95.66	48.33	32.06
	Deferred Tax Charge / (Credit)		(24.26)	83.38	32.88	19.10
	Total Tax Expense		160.14	179.04	81.22	51.16
	Restated profit after tax from continuing operations (A)		412.34	394.01	208.33	140.89
	Earnings / (Loss) per equity share (Basic and Diluted) (in Rs)		2.75	3.11	1.79	1.23

For Jain Chhajed & Associates

FRN No. 127911W

Chartered Accountants

Suyash

CA Suyash Chhajed
Partner

Mem No.121597

UDIN: 22121597APLMPY4721



For and on Behalf of Board of Directors
of Virtuoso Optoelectronics Limited

Sukrit Bharati
Sukrit Bharati
Director
DIN: 03638084



Vishrut Bharati
Vishrut Bharati
Director
DIN: 06818457

Place : Nashik

Dated : July 28, 2022

Place : Nashik

Dated : July 28, 2022

Annexure III - Restated Standalone Summary Statement of Cash Flows

(Rs. in Lakhs)

Sr. No.	Particulars	As on 30.06.2022	2021-22	2020-21	2019-20
			As on 31.03.2022	As on 31.03.2021	As on 31.03.2020
A	CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES				
	Net profit before taxation from continuing operations (as restated)	572.49	573.06	289.55	192.05
	Non cash adjustments to reconcile profit before tax to net cash flows				
	Depreciation and amortisation expense	241.25	513.70	234.97	143.17
	Interest on Fixed Deposits	(2.10)	(3.84)	(0.04)	-
	Finance Cost	262.41	905.50	740.96	478.95
	Adjustment in General Reserve	-	-	-	-
	Operating Profit before Working Capital Changes (As Restated)	1,074.05	1,988.42	1,265.43	814.17
	Adjusted for (Increase) / Decrease in:				
	Inventories	(1,041.68)	(2,612.85)	(2,334.14)	(649.67)
	Trade Receivables	209.80	189.20	898.20	(846.60)
	Short Term Loans and Advances	(4.34)	75.63	(79.32)	24.42
	Other Non - Current Assets	(139.63)	(75.13)	(5.04)	(11.53)
	Other Current Assets	47.73	307.06	(33.06)	(229.86)
	Trade Payables	(177.83)	2,016.46	384.60	161.84
	Other Current Liabilities	135.06	261.90	32.80	206.24
	Short Term Provisions	140.35	48.07	16.54	14.66
	Long Term Provisions	1.69	4.34	5.81	-
	Cash flow from operations	245.20	2,203.10	151.83	(516.31)
	Direct Taxes Paid (net of refunds)	(184.40)	(95.66)	(48.33)	(32.06)
	Net cash generated from Operating Activities (A)	60.80	2,107.44	103.49	(548.37)
B	CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES				
	Purchase of fixed assets, including intangible assets, capital work in progress and capital advances	(187.77)	(2,883.97)	(1,090.76)	(1,565.22)
	Adjustment / Re-classification in Building - CWIP	-	-	134.82	-
	Interest on Fixed Deposits	2.10	3.84	0.04	-
	Net cash used in Investing Activities (B)	(185.67)	(2,880.14)	(955.90)	(1,565.22)
C	CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES				
	Proceeds from Issue of New Equity Shares	-	400.00	-	533.55
	Proceeds from Share Application Money	-	(300.00)	300.00	-
	Proceeds from Long Term Borrowings	389.04	694.81	701.96	814.39
	Proceeds from Short Term Borrowings	(81.06)	962.89	587.63	1,193.72
	Finance Cost	(262.41)	(905.50)	(740.96)	(478.95)
	Net cash generated from / (used in) Financing Activities (C)	45.57	852.20	848.63	2,062.71
	Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	(79.29)	79.50	(3.78)	(50.87)
	Cash and Cash Equivalents at the beginning of the year	81.22	1.71	5.49	56.36
	Cash and Cash Equivalents at the end of the year	1.92	81.22	1.71	5.49

For Jain Chhajed & Associates

FRN No. 127911W

Chartered Accountants

CA Suyash Chhajed
Partner

Mem No.121597

UDIN: 22121597APLMPY4721

Place : Nashik

Dated : July 28, 2022

For and on Behalf of Board of Directors
of Virtuoso Optoelectronics Limited

Sukrit Bharati
Director
DIN: 03638084

Place : Nashik

Dated : July 28, 2022



Vishrut Bharati
Director
DIN: 06818457

GENERAL INFORMATION

Our Company was originally incorporated as Virtuoso Optoelectronics Private Limited at Nashik, Maharashtra as a Private Limited Company under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated September 11, 2015 bearing Corporate Identification Number U74999MH2015PTC268355 issued by Deputy Registrar of Companies, Maharashtra. Subsequently, our Company was converted into a Public Limited Company pursuant to special resolution passed by the shareholders at the Extraordinary General Meeting held on March 24, 2021 and consequent upon conversion the name of our company was changed to Virtuoso Optoelectronics Limited vide a fresh certificate of incorporation dated April 19, 2021 issued by Registrar of Companies, Mumbai.

REGISTERED OFFICE OF OUR COMPANY

VIRTUOSO OPTOELECTRONICS LIMITED

Plot No. 7 M.I.D.C. Satpur, Nashik -422007,

Maharashtra, India

Tel No: 025 3235 0461

Email: info@voepl.com

Website: www.voepl.com

CORPORATE IDENTITY NUMBER AND REGISTRATION NUMBER

Company Registration Number: 268355

Corporate Identity Number: U74999MH2015PLC268355

ADDRESS OF THE REGISTRAR OF COMPANIES

Our Company is registered with the Registrar of Companies, Mumbai Maharashtra, Located at the following address:

Registrar of Companies

100, Everest,

Marine Drive, Mumbai- 400002.

Contact details: 022 2281 2627/ 022 2202 0295 / 022 2284 6954

Fax number: 022 2281 1977

Email id: roc.mumbai@mca.gov.in

BOARD OF DIRECTORS OF OUR COMPANY

Our Company's Board comprises of the following Directors as set forth the details in the following table below:

NAME	DIN	DESIGNATION	ADDRESS
Sukrit Bharati	03638084	Managing Director	7, M.I.D.C. Area, Trimbak Road, Opp SBI Bank Nashik – 422007, Maharashtra, India
Vishrut Bharati	06818457	Non-Executive Director	7, M.I.D.C. Area, Trimbak Road, Opp SBI Bank Nashik – 422007, Maharashtra, India
Abhinav	06926238	Independent Director	Jandial Niwas, Friends Colony, Sunder Nagar, Pathankot, Punjab- 145001, India
Komal Kotecha	09141355	Independent	C/o Chopada, Archana Aboli B Wing, Flat no

		Director	2, Sathe Path, Opp Hotel Deccan 8, Bhandarkar road, Pune – 411004, India

For detailed Profile of our Board of Directors, please refer to the section titled “Our Management” on page 160 of this Prospectus.

COMPANY SECRETARY & COMPLIANCE OFFICER

Renuka Kulkarni

Plot NO. 7 M.I.D.C. Satpur Nasik -422007,

Maharashtra, India

Tel No: 025 3235 0461

Email: info@voepl.com

Investor Grievances

Investors can contact our 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 and non-receipt of funds by electronic mode etc.

All grievances relating to the ASBA process and UPI payment mechanism may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The applicant should give full details such as name of the sole or first applicant, ASBA Form Number, Applicant DP ID, Client ID, UPI ID, PAN, date of the ASBA Form, address of the applicant, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Applicant.

Further, the investors shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents/ information mentioned above.

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

LEAD MANAGER TO THE ISSUE		REGISTRAR TO THE ISSUE	
Fedex Securities Private Limited B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai - 400 057, Maharashtra, India Tel No: +91 8104985149 Contact Person: Yash Kadakia Email Id: mb@fedsec.in Website: www.fedsec.in Investor Grievance Email: mb@fedsec.in SEBI Registration Number: INM000010163		CAMEO CORPORATE SERVICES LIMITED No. 01, Club House Road, Mount Road, Chennai - 600002 Email: priya@cameoindia.com Investor Grievance Id: investor@cameoindia.com Contact Person: Ms. K. Sreepriya, Tel No: 044 40020700 Website: www.cameoindia.com SEBI Registration Number: INR000003753	
LEGAL ADVISOR TO THE ISSUE		BANKERS TO THE COMPANY	
Pooja Sharma 8/14, 30, Malad Co-op Housing Society Limited, Poddar Park, Malad East, Mumbai - 400097 Mob No: 9022869773 Email Id: poojalegalventures@gmail.com Bar Council No.: MAH/5967/2013		Axis Bank Ltd Address: 1 st Floor, Corporate Park II, Sion Trombay, Chembur, Mumbai - 400071, Maharashtra, India Website: https://www.axisbank.com Email id:	ICICI Bank Limited Address: Satpur Branch, Satpur MIDC Nashik Telephone: +91 9561087773 FAX: NA Email: vishal.shinde@icicibank.com

	somesh.arora@axisbank.com Contact Person: Somesh Arora	Website: www.icicibank.com Contact Person: Vishal Shinde
STATUTORY & PEER REVIEW AUDITOR*	BANKERS TO THE ISSUE / REFUND BANK / SPONSOR BANK	
Jain Chhajed & Associates, Chartered Accountant* 2 nd Floor, Shree Gurudeo Tower, Above Shirpur Co-op Bank, Canada Corner, Nashik – 422005, Maharashtra, India. Email: info@jcassociate.in Telephone: 0253- 2319714 Contact Person: CA Dinesh Burad Membership No. 151551 Peer Review Certificate number: 011124 Firm Registration number: 127911 W	ICICI Bank Limited Capital Market Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai – 400020 Tel: 022- 66818911/23/24 Fax: 022- 22611138 E-mail: sagar.welekar@icicibank.com Contact Person: Sagar Welekar Website: www.icicibank.com SEBI Registration Number: INBI00000004	

**Jain Chhajed & Associates holds a valid peer review certificate No. 011124 issued by the “Peer Review Board” of the Institute of Chartered Accountants of India, New Delhi.*

SYNDICATE MEMBER

No Syndicate Member have been appointed as on the date of this Prospectus.

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Banks (“SCSBs”)

The lists of SCSBs notified by SEBI to act as SCSBs for the ASBA process is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RIB using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other websites as may be prescribed by SEBI from time to time.

SCSBs and mobile applications enabled for UPI Mechanism

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, RIBs Bidding using the UPI Mechanism in the Offer may apply through the SCSBs and mobile applications (apps) whose names appears on the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43> respectively, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as ‘Annexure A’ for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019

Investors Banks or Issuer Banks for UPI

The lists of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provided 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.

Syndicate SCSB Branches

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) and updated from time to time. For more information on such branches collecting Bid-cum-Application Forms from the Syndicate at Specified Locations, refer to the above-mentioned SEBI link.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI at (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>), respectively, as updated from time to time.

Registrar to The Issue and Share Transfer Agents (“RTA”)

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), 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 (“CDP”)

The list of the CDPs eligible to accept Bid cum 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 Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

CREDIT RATING

This being an Issue of Equity Shares, credit rating is not required.

IPO GRADING

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, there is no requirement of appointing an IPO Grading agency.

DEBENTURE TRUSTEES

Since this is not a debenture issue, appointment of debenture trustee is not required.

GREEN SHOE OPTION

No green shoe option is contemplated under the Offer.

MONITORING AGENCY

Since our issue size does not exceed one hundred crore rupees, we are not required to appoint monitoring agency for monitoring the utilization of Net Proceeds in accordance with Regulation 262(1) of SEBI ICDR Regulations. Our Company has not appointed any monitoring agency for 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 ENTITY

None of the objects of the Offer for which the Net Proceeds will be utilised have been appraised by any agency. Further, our Company has not appointed any appraisal agency for this issue.

FILING THE DRAFT PROSPECTUS/ PROSPECTUS

- a) The Draft Prospectus and Prospectus shall be filed with SME Platform of BSE Limited ("BSE SME") situated at PJ Tower Dalal Street, Fort Mumbai - 400001, Maharashtra, India.
- b) A soft copy of Prospectus shall be submitted to SEBI. However, SEBI will not issue any observation on the Prospectus in term of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Further, a soft copy of the Prospectus along with relevant documents shall be filed with 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>
- c) A copy of the Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be filed to the Registrar of Companies, 100, Everest, Marine Drive, Mumbai - 400002, Maharashtra, India at least (3) three working days prior from the date of opening of the Issue.

Expert Opinion

Except the report of the Auditor on Restated statement of Special Tax Benefits and report on Restated Financials Statement for the financial year ended March 31, 2022, 2021, and 2020 and for the three months period ended June 30, 2022 as included in this Prospectus, our Company has not obtained any expert opinion.

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Fedex Securities Private Limited being sole Lead Manager to this Issue, all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them. Hence, a statement of inter-se allocation of responsibilities is not required.

TYPE OF ISSUE

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

UNDERWRITER

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated August 17, 2022 and pursuant to the terms of the underwriting agreement, obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being issued through this Issue.

Name, Address, Telephone, Facsimile, and Email of the Underwriters	Indicated number of Equity Shares to be Underwritten	Amount Underwritten (in Lakhs)	% of the total Issue size Underwritten
<u>Fedex Securities Private Limited</u> Address: B 7, 3 rd Floor, Jay Chambers, Dayaldas Road, Vile Parle - (East),	54,00,000	₹ 3,024	100%

Mumbai - 400057, Maharashtra, India Email id: mb@fedsec.in Contact Person: Yash Kadakia Tel No: +91 8104985149 Website: www.fedsec.in			

Includes 2,80,000 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, 2018, as amended.

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

CHANGE IN THE STATUTORY AUDITOR DURING LAST 3 YEARS

There is no change in Auditor during last 3 years as on date of this Prospectus.

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 (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue.

In the event of withdrawal of the Offer, a fresh prospectus will be submitted again to stock exchange for any subsequent plans of a fresh offer by our Company, in terms of the UPI Circulars, in relation to the Offer, the Lead Managers will submit reports of compliance with T+6 listing timelines and activities, identifying nonadherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four 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 four Working Days from the Issuer 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.

The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt of such notification. Our Company shall also promptly inform SME Platform of BSE Limited 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 from SME Platform of BSE Limited, 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 Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

MIGRATION TO MAIN BOARD

Our company may migrate to the Main board of BSE Limited from SME Exchange on a later date subject to the following:

If the Paid up Capital of our Company is likely to increase above ₹ 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue 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), our Company shall apply to stock exchanges for

listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

If the Paid up Capital of our company is more than ₹ 1,000 lakhs but below ₹ 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same 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

DETAILS OF MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Lead Manager has entered into Market Making Agreement dated August 17, 2022 with the following Market Maker to fulfill the obligations of Market Making for this Issue:

Name	Gretex Share Broking Private Limited
Address	Office No - 13, 1 st Floor, New Bansilal Building, Raja Bahadur Mansion 9-15, Homi Modi Street, Fort, Mumbai – 400001, Maharashtra, India
Telephone number	022 4002527
Email id:	sherwoodpvtltd@yahoo.com
Website	NA
Contact Person	Mr. Alok Harlalka
SEBI Registration Number	INZ000166934
Market Maker Registration number	6176

Gretex Share Broking Private Limited , registered with SME Platform of BSE Limited, will act as the market maker and have agreed to receive or deliver the specified securities in the market making process for a period of three (3) years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and as amended from time to time and the circulars issued by the BSE and SEBI regarding 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 Stock Exchange in advance for each and every black out period when the quotes are not being issued by the Market Maker.
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of BSE Limited and SEBI from time to time
3. The minimum depth of the quote shall be Rs. 1.00 Lakh. However, the investors with holdings of value less than 1.00 Lakh shall be allowed to Issue their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of ₹ 56 per share the minimum bid lot size is 2000 Equity Shares thus minimum depth of the quote shall be ₹ 1,00,000 until the same, maybe revised by of BSE Limited and SEBI from time to time.

4. After a period of three (3) months from the market making period, the market maker would be exempted to provide 2-way quote if the Shares of market maker in our Company reaches to upper limit. (Including the 5% of Equity Shares of the Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 25% equity shares would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to lower Limit the market maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
6. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
7. There would not be more than five Market Maker for a script at any point of time. These would be selected on the basis of objective criteria to be evolved by the Exchange which would include capital adequacy, networth, infrastructure, minimum volume of business etc. The Market Maker may compete with other Market Maker for better quotes to the investors. At this stage, Gretex Share Broking Private Limited is acting as the sole Market Maker.
8. On the first day of the listing, there will be pre-opening session (call auction) and there after the 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 share on the BSE Limited.
9. 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 Limited and SEBI circulars
10. 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 up to ₹ 250 crores, the applicable price bands for the first day shall be:
 - a) 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.
 - b) 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 following spread will be applicable on the SME Exchange Platform.

Sr. No.	Market Price slab (in ₹)	Proposed spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

11. The shares of our Company will be traded in continuous trading session from the time and day our company gets listed on SME Platform of BSE and Market Maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.

12. 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, 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.
13. The Market Maker shall have the right to terminate said arrangement by giving a three 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 our Company and the Lead Manager reserve the right to appoint other Market Maker either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Maker does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.
14. Once registered as a Market Maker, he has to act in that capacity for a period as mutually decided between the Lead Manager and Market Maker. Once registered as a Market Maker, he has to start providing quotes from the day of the listing/the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the Stock Exchange.
15. Risk containment measures and monitoring for Market Makers: BSE will have all margins which are applicable on the BSE 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.
16. Punitive Action in case of default by Market Makers: BSE 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 (issuing 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.
17. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker(s) 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)
Up to 20 Crore	25%	24%
20 to 50 Crore	20%	19%

50 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 BSE from time to time.

18. The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI/Stock Exchange from time to time.

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Prospectus and after the proposed Issue is set forth below:

(Amount in ₹ Lakhs, except the share data)

Particulars	Aggregate value at face value	Aggregate value at Issue Price
AUTHORISED SHARE CAPITAL		
2,60,00,000 Equity Shares of face value of ₹ 10/- each	2600.00	-
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL		
1,49,82,516 fully paid-up Equity Shares of face value of ₹ 10 /-each	1498.25	-
PRESENT ISSUE IN TERMS OF THIS PROSPECTUS*		
Issue 54,00,000 Equity Shares of face value of ₹ 10/- each at a price of ₹ 56/- per Equity Share*	540.00	3024.00
Which comprises of:		
Market Maker Reservation portion: 2,80,000 Equity Shares of face value of ₹ 10/- each fully paid-up for cash at price of ₹ 56/- per Equity Share	28.00	156.80
Net Issue to the Public: 51,20,000 Equity Shares of face value of ₹ 10/- each fully paid-up for cash at price of ₹ 56/- per Equity Share	512.00	2867.20
Of which Net Issue to the Public		
Allocation to Retail Individual Investors: 25,60,000 Equity Shares of face value of ₹ 10/- each fully paid-up for cash at price of ₹ 56/- per Equity Share i.e., 50% of the Net Issue shall be available for allocation Retail Individual Investors	256.00	1433.60
Allocation to Other than Retail Individual Investors: 25,60,000 Equity Shares of face value of ₹ 10/- each fully paid-up for cash at price of ₹ 56/- per Equity Share i.e., 50% of the Net Issue shall be available for allocation for Investors other than Retail Individual Investors.	256.00	1433.60
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE		
2,03,82,516 Equity Shares of face value ₹ 10/- at a price of ₹ 56/- per Equity Share^	2038.25	-
SECURITIES PREMIUM ACCOUNT		
Before the Issue as June 30, 2022		66.67
After the Issue		2550.67

**The present Issue has been authorised by the Board of Directors of vide a resolution at its meeting held on August 02, 2021 and shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act at the Extra-Ordinary General Meeting held on August 25, 2021.*

NOTES TO THE CAPITAL STRUCTURE

1. Changes in Authorized Equity Share Capital of our Company:

Details Of Changes in Authorized Share Capital of the Company Since Incorporation:

Date of Shareholder's Resolution	Details of Change	AGM / EGM
Upon Incorporation	Authorised share capital of our Company was ₹ 10,00,000/- divided into 1,00,000 Equity Shares of ₹ 10/- each	NA

September 17, 2016	The authorised share capital of our Company increased from ₹ 10,00,000/- divided into 1,00,000 Equity Shares of ₹ 10/- each to ₹ 1,25,00,000/- divided into 12,50,000 Equity Shares of ₹ 10/- each.	EGM
January 30, 2018	The authorised share capital of our Company increased from ₹ 1,25,00,000/- divided into 12,50,000 Equity Shares of ₹ 10/- each to ₹ 2,00,00,000/- divided into 20,00,000 Equity Shares of ₹ 10/- each.	EGM
August 25, 2021	The authorised share capital of our Company increased from ₹ 2,00,00,000/- divided into 20,00,000 Equity Shares of ₹ 10/- each to ₹ 26,00,00,000/- divided into 2,60,00,000 Equity Shares of ₹ 10/- each.	EGM

2. History of Equity Share Capital of our Company

a. The following is the history of the Equity Share Capital of our Company

Date of Allotment	No. of Equity Shares allotted	Face Value (In ₹)	Issue Price (In ₹)	Form of Consideration	Reason / Nature of Allotment	Cumulative No. of Equity Shares
On Incorporation	10,000 ⁽ⁱ⁾	10	10	Cash	Subscription to MOA	10,000
October 15, 2016	12,40,000 ⁽ⁱⁱ⁾	10	10	Cash	Preferential Allotment	12,50,000
March 30, 2018	2,50,000 ⁽ⁱⁱⁱ⁾	10	70	Cash	Preferential Allotment	15,00,000
February 25, 2020	1,64,169 ^(iv)	10	325	Other than Cash	Conversion of Unsecured Loan	16,64,169
October 15, 2021	99,85,014 ^(v)	10	NA	NA	Bonus Issue	1,16,49,183
January 05, 2022	33,33,333 ^(vi)	10	12	Other than Cash	Conversion of Unsecured Loan	1,49,82,516

i. Initial Subscribers to the Memorandum of Association of our Company subscribed 10,000 Equity shares of face value ₹ 10/- each fully paid as per the details given below:

Sr. No.	Name of the Person	No. of Shares Allotted
1.	Sukrit Bharati	5,000
2.	Vishrut Bharati	5,000
	Total	10,000

ii. Preferential Allotment of 12,40,000 Equity Shares of face value of ₹ 10/- each at a price of ₹ 10/- each Equity shares as per the details given below:

Sr. No.	Name of the Person	No. of Shares Allotted
1.	Sukrit Bharati	12,40,000
	Total	12,40,000

iii. Preferential Allotment of 2,50,000 Equity Share of face value of ₹ 10/- each at a price of ₹ 70/- each Equity shares as per the details given below:

Sr. No.	Name of the Person	No. of Shares Allotted
1.	Sukrit Bharati	2,34,286
2.	Solar Coper Limited	15,714
	Total	2,50,000

iv. Conversion of Unsecured loan into 1,64,169 Equity Shares of face value of ₹ 10/- each at a price of ₹ 325/- each Equity shares as per the details given below:

Sr. No.	Name of the Person	No. of Shares Allotted
1.	Sukrit Bharati	1,52,477
2.	Nikitha Poddatur	11,692
	Total	1,64,169

- v. Bonus Issue of 99,85,014 Equity shares in the ratio of 6:1 of face value of ₹ 10/- Equity Shares each as per the details given below:

Sr. No.	Name of the Person	No. of Shares Allotted
1.	Sukrit Bharati	98,84,622
2.	Vishrut Bharati	30,000
3.	Nikitha Poddatur	70,152
4.	Khushboo Hemnani	60
5.	Sajid Shaikh	60
6.	Rahul Pagar	60
7.	Amit Pawar	60
	Total	99,85,014

- vi. Conversion of Unsecured loan into Equity shares of face value of ₹ 10/- each at a price of ₹ 12/- each Equity shares as per the details given below:

Sr. No.	Name of the Person	No. of Shares Allotted
1.	Sukrit Bharati	31,25,000
2.	Vishrut Bharati	2,08,333
	Total	33,33,333

- b. *Issue of Equity Shares allotted for consideration other than cash:*

Except as set out below, our Company has not issued Equity Shares for consideration other than cash. Further, no benefits have accrued to our Company on account of allotment of Equity Shares for consideration other than cash:

Date of allotment	No. of Equity Shares allotted	Face Value (In ₹)	Issue Price (In ₹)	Reason / Nature of allotment	Benefit accrued to our Company	Persons to whom allotment were made
February 25, 2020	1,64,169	10	325	Other than Cash	Reduction in borrowings of the company	1) Sukrit Bharati 2) Nikitha Poddatur
October 15, 2021	99,85,014	10	Nil	Bonus Issue	Capitalization of Profits	1) Sukrit Bharati 2) Vishrut Bharati 3) Nikitha Poddatur 4) Khushboo Hemnani 5) Sajid Shaikh 6) Rahul Pagar 7) Amit Pawar
January 05, 2022	33,33,333	10	12	Other than Cash	Reduction in borrowings of the company	1) Sukrit Bharati 2) Vishrut Bharati

3. Our Company has issued Equity Shares at price below Issue Price within last one (1) year from the date of this Prospectus

4. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees.
5. The Issue Price has been determined by our Company in consultation with the Lead Manager. We have issued Bonus shares within last one year from the date of this Prospectus for which no consideration was received. Accordingly, except as given below our Company has not issued any Equity Shares during a period of one year preceding the date of this Prospectus which may be lower than the Issue Price.

Date of Allotment	No. of Equity Allotted	Face Value	Issue Price	Reason for Allotment
October 15, 2021	99,85,014	10	Nil	Bonus Issue
January 05, 2022	33,33,333	10	12	Conversion of unsecured Loan

6. As on the date of this Prospectus, our Company does not have any preference share capital
7. The Company has one class of share capital i.e., Equity Shares of face value of ₹ 10/- each only. All Equity Shares issued are fully paid-up.
8. Our Company has no outstanding convertible instruments as on the date of this Prospectus.
9. None of our Promoter, members of the Promoter group, the Directors of our Company and their relatives have purchased or sold Equity shares during the period of six months immediately preceding the date of filing of this Prospectus.

10. **Shareholding Pattern of the Company**

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 this Prospectus.

The table below represents the current Shareholding pattern of our Company as on date of this Prospectus:

Category (I)	Category of Shareholder (II)	No. 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 No of Shares held (VII = IV + V + VI)	Share holding as a % of total No. of Shares (calculated as per SCRR, 1957 (As a % of (A + B + C2) (VIII))	Number of Voting Rights held in each Class of securities (IX)		No of underlying outstanding convertible securities (incl. Warrants) (X)	Shareholding as a % assuming full convertible securities (as a % of diluted share capital (As a % of (A + B + C2) (XI = VII + X)	Number of Locked in shares (XII)		No. of shares Pledged Or Otherwise, Encumbered (XIII)		No. of Equity shares held in Demat Form (XIV)
								No of voting Right	Total as % of (A+B+C)			No (a)	As a % of total shares held (b)	No (a)	As a % of total shares held (b)	
A	Promoter and Promoter Group	3	1,49,82,236	-	-	1,49,82,236	100%	1,49,82,236	100%	-	-	-	-	-	-	1,49,82,236
B	Public	4	280	-	-	280	Negligible	280	Negligible	-	-	-	-	-	-	280
C	Non-Promoter Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Trusts															
	Total (A+B+C)	7	1,49,82,516	-	-	1,49,82,516	100%	1,49,82,516	100%	--	--		--	--	--	1,49,82,516

Note:

As on the date of this Prospectus 1 Equity Share holds 1 Vote.

PAN of the Shareholders will be provided by our Company prior to Listing of Equity Shares on the Stock Exchange.

All pre issue Equity Shares of our Company will be locked in as mentioned above prior to listing of Equity Shares on SME Platform of BSE Limited.

Our Company will file shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity Shares. The Shareholding pattern will be uploaded on the website of BSE Limited before commencement of trading of such equity shares.

In terms of SEBI circular bearing no. CIR/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/CIR/ISD/05/2011 dated September 30, 2011 our Company shall ensure that the Equity Shares held by the Promoter / members of the Promoter Group shall be dematerialized prior to filing the Prospectus with the ROC.

As on the date of this Prospectus, the Equity Shares held by the Promoters and members of the promoter Group are in dematerialised form.

11. **Shareholding of our Promoters and Promoter group pre and post Issue:**

Provided below are details of Equity Shares held by our Promoters and Promoter Group as of the date of this Prospectus:

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of shares	% of pre-Issue capital	No. of shares	% Of post-Issue capital
A	Promoter				
1.	Sukrit Bharati	1,46,57,059	97.83%	1,46,57,059	71.91
	Total (A)	1,46,57,059	97.83%	1,46,57,059	71.91
B	Promoter Group				
2.	Vishrut Bharati	2,43,333	1.62%	2,43,333	1.19
3.	Nikitha Poddatur	81,844	0.55%	81,844	0.40
	Total (B)	3,25,177	2.17%	3,25,177	1.60
	Grand Total (A+B)	1,49,82,236	100.00%	1,49,82,236	73.51%

12. **Except as mentioned below, none of our Key Management Personnel hold Equity Shares in our Company as on the date of filing of this Prospectus:**

Sr. No.	Name of the Key Managerial Personnel	No. of Equity Shares (Face Value of ₹ 10 each)	Percentage of Pre-Issue Paid up Share Capital share capital (%)
1.	Sukrit Bharati	1,46,57,059	97.83%
2.	Vishrut Bharati	2,43,333	1.62%
3.	Sajid Shaikh	70	Negligible
	Total	1,49,00,462	99.45%

13. **The list of shareholders holding 1% or more of the paid-up capital of our Company is as under:**

Particulars of the shareholders holding 1% or more of the paid-up capital of our Company as on the date of this Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the Pre-Issue Paid up share capital (in %)
1.	Sukrit Bharati	1,46,57,059	97.83%
2.	Vishrut Bharati	2,43,333	1.62%
	Total	1,49,00,392	99.45%

14. **Particulars of shareholders holding 1% or more of the paid-up capital of our Company, ten (10) days prior to the date of filing this Prospectus:**

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the Pre-Issue Paid up Share Capital (in %)
1.	Sukrit Bharati	1,46,57,059	97.83%
2.	Vishrut Bharati	2,43,333	1.62%
	Total	1,49,00,392	99.45%

15. **Particulars of shareholders holding 1% or more of the paid-up capital, one (1) year prior to the date of filling this Prospectus:**

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Issue Paid up Share Capital (in %)
1.	Sukrit Bharati	16,47,437	98.99%
	Total	16,47,437	98.99%

16. **Particulars of shareholders holding 1% or more of the paid-up capital, two (2) years prior to the date of filing this Prospectus**

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Issue Paid up Share Capital (in %)
1.	Sukrit Bharati	16,47,477	99.00%
	Total	16,47,477	99.00%

17. **History of the Equity Share capital held by our Promoter**

As on the date of this Prospectus, our Promoter hold 1,46,57,059 Equity Shares, equivalent to 97.83 % of the issued, subscribed and paid-up Equity Share capital of our Company.

a. Capital built-up of our Promoter:

SUKRIT BHARATI							
Date of allotment / Transfer	No. of Equity Shares	Nature of Consideration	Face Value (In ₹)	Issue Price / Average Acquisition Price per Equity Share (In ₹)	Reason / Nature of Allotment	Percentage of the pre-issue capital (in %)	Percentage of the post-issued capital (in %)
September 11, 2015	5,000	Cash	10	10	Subscription to MOA	0.03%	0.02%
October 15, 2016	12,40,000	Cash	10	10	Preferential Allotment	8.28%	6.08%
March 30, 2018	2,34,286	Cash	10	70	Preferential Allotment	1.56%	1.15%
April 10, 2019	15,714	Cash	10	10	Transfer	0.10%	0.08%
February 25, 2020	1,52,477	Other than Cash	10	325	Conversion of Unsecured Loan	1.02%	0.75%
March 20, 2021	(40)	Cash	10	10	Transfer ⁽¹⁾	Negligible	Negligible
Oct 15, 2021	98,84,622	NA	10	NA	Bonus Issue	65.97%	48.50%
January 05, 2022	31,25,000	Other than	10	12	Conversion of Unsecured	20.86%	15.33%

SUKRIT BHARATI							
Date of allotment / Transfer	No. of Equity Shares	Nature of Consideration	Face Value (In ₹)	Issue Price / Average Acquisition Price per Equity Share (In ₹)	Reason / Nature of Allotment	Percentage of the pre-issue capital (in %)	Percentage of the post-issued capital (in %)
		Cash			Loan		
Total	1,46,57,059	-	10	-	-	97.83%	71.91%

All the Equity Shares allotted to the Promoter as given above were fully paid up as on the date of such allotment. Further, none of the shares have been pledged with any bank/ financial institution and/ or with anybody else.

Details of transfers:

Date of Transfer	Transferor	Transferee	Equity shares	Fully Paid-up	Face Value	Premium	Issue Price per shares
April 01, 2019	Solar Copyer Limited	Sukrit Bharati	10	Fully Paid	10	-	10
March 20, 2021	Sukrit Bharati	Sajid Shaikh	10	Fully Paid	10	-	10
March 20, 2021	Sukrit Bharati	Rahul Pagar	10	Fully Paid	10	-	10
March 20, 2021	Sukrit Bharati	Amit Pawar	10	Fully Paid	10	-	10
March 20, 2021	Sukrit Bharati	Khushboo Hemnani	10	Fully Paid	10	-	10

18. The average cost of acquisition of or subscription to Equity Shares by our Promoters are set forth in the table below:

Name of the Promoter	No. of Equity shares held	Average cost of Acquisition (in Rs)*
Sukrit Bharati	1,46,57,059	7.92

* As certified by Jain Chhajer & Associates, Chartered Accountants, pursuant to their certificate dated August 24, 2022

19. No financing arrangements have been entered by the members of the Promoter Group, the Directors or their relatives for the purchase by any other person of the securities of our Company other than in the normal course of business of the financing entity during a period of six months preceding the date of filing of this Prospectus
20. **Details of Promoter contribution locked in for three (3) years:**
- i. Pursuant to the Regulations 236 and 238 of SEBI ICDR Regulations, an aggregate of at least 20% of the post Issue Equity Share capital of our Company held by our Promoter shall be locked-in for a period of

three years from the date of Allotment in this Issue. As on date of this Prospectus, our Promoter individually hold 1,46,57,059 Equity Shares constituting 97.83% of the Pre-Issued, Subscribed and Paid-up Equity Share Capital of our Company, which are eligible for Promoters' Contribution.

Our Promoter have consented to include such number of Equity Shares held by them as may constitute of the post issue Equity Share capital of our Company as Promoters' Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters' Contribution from the date of filing of this Prospectus until the commencement of the lock-in period specified above. Details of the Equity Shares forming part of Promoter Contribution and their lock-in details are as follows*:

Date of Allotment/ Acquisition and when made fully paid-up	Nature of Acquisition	No. of Equity Shares	Face Value (in ₹)	Issue Price per Equity share (in ₹)	% of Pre-Issue Equity share capital	% of Post Issue Equity shares Capital	Lock Period in
Sukrit Bharati							
October 15, 2021	Bonus Issue	41,80,000	10	10	27.90%	20.51%	3 years
October 15, 2021	Bonus Issue	5704622	10	10	38.08%	27.99%	1 year
January 05, 2022	Private Placement	3125000	10	12	20.86%	15.33%	1 year
March 20, 2021	Transfer	(40)	10	10	Negligible	Negligible	-
February 25, 2020	Conversion of Unsecured Loan	152477	10	325	1.02%	0.75%	1 year
April 10, 2019	Transfer	15714	10	10	0.10%	0.08%	1 year
March 30, 2018	Preferential Allotment	234286	10	10	1.56%	1.15%	1 year
October 15, 2016	Preferential Allotment	1240000	10	70	8.28%	6.08%	1 year
September 11, 2015	Subscription to MOA	5000	10	10	0.03%	0.02%	1 year
Total		14657059			97.83	71.91	

*To be included in the Prospectus.

The Minimum Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations. The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' contribution under Regulation 237 of the SEBI ICDR Regulations. In this computation, as per Regulation 237 of the SEBI ICDR Regulations, our Company confirms that the Equity Shares which are being locked-in do not, and shall not, consist of:

- i. Equity Shares acquired during the three (3) years preceding the date of filing of this Prospectus for consideration other than cash and revaluation of assets or capitalisation of intangible assets involved in

such transactions or resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of our Company or from bonus issue against Equity Shares which are ineligible for computation of minimum Promoters' contribution;

- ii. Equity Shares acquired by our Promoter during the preceding one (1) year, at a price lower than the price at which Equity Shares are being offered to the public in the Issue is not part of the minimum promoter's contribution;
- iii. The Equity Shares held by the Promoter that are subject to any pledge or any other form of encumbrance
- iv. Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership into a company in the past one (1) year and thus, no Equity Shares have been issued to our Promoter upon conversion of a partnership firm a limited liability partnership in the past one (1) year.

As on the date of this Prospectus, the Equity Shares held by the Promoter are in dematerialised form.

21. Equity Shares locked-in for one year other than Minimum Promoters' Contribution.

Pursuant to regulation 238(b) and 239 of the SEBI (ICDR) Regulations, other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters' contribution for three years, all pre-Issue 1,04,77,059 Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Issue.

22. *Transferability of Locked in Equity Shares*

- a) In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable;
- b) Pursuant to Regulation 243 of SEBI ICDR Regulations, Equity Shares held by the Promoters may be transferred to and amongst the Promoters, the Promoter Group or to 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 SEBI Takeover Regulations.
- c) Further, pursuant to Regulation 243 of SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 239 of SEBI ICDR Regulations, along with the Equity Shares proposed to be transferred, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under SEBI ICDR Regulations has ended, subject to compliance with SEBI Takeover Regulations, as applicable.
- d) The Equity Shares held by persons other than our Promoters and locked-in for a period of one (1) year from the date of Allotment may be transferred to any other person holding the Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the SEBI Takeover Regulations
- e) The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

- f) The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

23. Pledge of Locked in Equity Shares

In terms of Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions or a systemically important non-banking finance company or a housing finance company, subject to the following:

- a) If the specified securities are locked-in in terms of sub-regulation (a) of Regulation 238 of the SEBI ICDR Regulations, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the Issue and the pledge of specified securities is one of the terms of sanction of the loan;
- b) If the specified securities are locked-in in terms of sub-regulation (b) of Regulation 238 of the SEBI ICDR Regulations and the pledge of specified securities is one of the terms of sanction of the loan.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock-in period stipulated in these regulations has expired.

The Equity Shares held by the Promoters may be transferred to and amongst the Promoters, the Promoter Group or to 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 the SEBI Takeover Regulations.

Further, pursuant to Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI ICDR Regulations has ended, subject to compliance with the SEBI Takeover Regulations, as applicable.

24. Inscription or recording of non-transferability

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

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

Other than the above-mentioned Equity Shares that would be locked-in for three (3) years, the entire pre-Issue capital of our Company would be locked-in for a period of one (1) year from the date of Allotment in the Issue pursuant to Regulation 238(b) and Regulation 239 of SEBI ICDR Regulations

- 26. As on date of this Prospectus, our Company has 7 shareholders.

27. As on date of this Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 and Sections 230-232 of the Companies Act, 2013
28. Our company has not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
29. Our Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of this Prospectus
30. None of the persons/entities comprising our Promoter Group, our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six (6) months immediately preceding the date of this Prospectus.
31. All the Equity Shares of our Company are fully paid up as on the date of this Prospectus.
32. Our Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of this Prospectus.
33. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this Prospectus until the Equity Shares have been listed. Our Company does not have any intention or proposal to alter its capital structure within a period of 6 (six) 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 whether preferential or bonus, rights or further public issue basis. However, Our Company is in expansion phase and may need additional capital to fund existing/ and or future organic and/ or inorganic expansion. Therefore, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the issue appropriately in due compliance with the applicable statutory provisions.
34. Our Company, our Promoters, our Directors and the Lead Manager have not entered into any buy-back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.
35. Neither the Lead Manager nor any of their associates (as defined under Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) hold any Equity Shares in our Company.
36. Our Company has neither granted any employee stock option nor issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme in the preceding three (3) years from the date of this Prospectus.
37. There are no Equity Shares against which depository receipts have been issued.
38. The Offer Price has been determined by our Company and the Promoter, in consultation with the Lead Manager
39. Our Company shall ensure that transactions in the Equity Shares by the Promoter and the members of the Promoter Group during the period between the date of registering the Prospectus with the RoC and the date of closure of the Issue shall be reported to the Stock Exchange within twenty-four (24) hours of the transaction.
40. Prior to this Initial Public Offer, our Company has not made any public issue at large.
41. As per RBI regulations, OCBs are not allowed to participate in this Issue.

- 42. Our Promoters and the members of our Promoter Group will not participate in this Issue.
- 43. Our Company has not raised any bridge loans against the proceeds of the Issue.
- 44. Our Promoter and members of our Promoter Group will not participate in this Issue.
- 45. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
- 46. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of the prospectus.
- 47. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled "*Our Management*" beginning on page 160 of this Prospectus.

SECTION IV: PARTICULAR OF THE OBJECT OBJECT OF THE ISSUE

The issue comprises of fresh issue of 54,00,000 equity shares by our Company aggregating to ₹ 3024.00 Lakhs ("Fresh Issue").

Our Company proposes to utilize the Net Proceeds from the issue towards the following objects:

1. Funding the incremental working capital requirements of our Company; and
2. General corporate purposes

(Collectively referred to as "Objects")

The main objects clause and the objects incidental and ancillary to the main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Fresh Issue.

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchange which, we believe, will result in the enhancement of our brand name and creation of a public market for our Equity Shares in India.

Net Proceeds

The details of the proceeds of the Issue are summarized in the table below:

Sr. No.	Particulars	Amount (₹ in Lakhs)
1.	Gross proceeds from the Issue	3024.00
2.	Less: Issue related expenses	305.40
3.	Net proceeds from the Issue	2718.60

Utilization of Net Proceed

The Net Proceeds are proposed to be utilised in the following manner:

Sr. No.	Particulars	Amount (₹ in lakhs)
1.	Funding incremental working capital requirements of our Company	2040.00
2.	General corporate purposes*	678.60
3.	Total utilization of net proceeds	2718.60

** The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.*

Our fund requirements and deployment thereof are based on internal management estimates of our current business plans. We may have to revise our expenditure and fund requirement as a result of variations in cost estimates on account of variety of factors such as changes in our financial condition, business or strategy as well as external factors which may not be in our control and may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management. In case of any surplus after utilization of the Net Proceeds for the stated objects, including any surplus unutilized issue related expenses, we may use such surplus towards general corporate purposes. To the extent our Company is unable to utilize 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 subsequent financial years towards the aforementioned objects.

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 surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be done through internal accruals through cash flows from our operations and debt. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the objects of the Issue, we may explore a range of options including utilizing our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls.

The above estimates are based on current conditions and are subject to revisions in light of changes in external circumstances or costs, or our financial condition, business or strategy. For further details of factors that may affect these estimates, see section titled “*Risk Factors*” beginning on page 26 of this Prospectus.

Schedule of implementation and Deployment of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ in Lakhs)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Amount utilization of net proceeds in FY 2022-23
1.	Funding the working capital requirements of our company	2040.00	2040.00
2.	General Corporate Purposes *	678.60	678.60
	Total	2718.60	2718.60

**The amount utilized for general corporate purposes shall not exceed 25.00% of the gross proceeds of the issue.*

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects as described in the Financial Year 2022-23.

The fund requirements, deployment of funds and the intended use of the Net Proceeds as described in this Prospectus are based on our current business plan, internal management estimates, prevailing market conditions and other commercial considerations. However, such fund requirements and deployment of funds have not been appraised by any external agency or any bank or financial institution or lead manager or any other independent agency. Given the dynamic nature of our business and our Company, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, our business and growth strategies, competitive landscape, general factors affecting our results of operations, financial condition and access to capital and other external factors such as changes in the business environment or regulatory climate and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law.

For further information on factors that may affect our internal management estimates, see “*Risk Factors*”- on page 26 of this Prospectus. Our funding requirements and the proposed deployment of Net

Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have discretion over the use of the Net Proceeds” on page 90 of this Prospectus.

In the event of shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the net proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of shortfall in the net proceeds or cost overruns, our management may explore a range of options including utilizing our internal accruals or seeking additional equity and / or debt arrangements from existing and future lenders.

Subject to compliance with applicable laws, if the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for (i) towards any other object where there may be a shortfall, at the discretion of the management of our Company and in compliance with applicable laws; or (ii) general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes does not exceed 25% of the gross proceeds in accordance with the SEBI ICDR Regulations.

Depending upon such factors, we may have to reduce or extend the utilisation period for any of the stated Objects beyond the estimated time period, at the discretion of our management, in accordance with applicable law. Further, in the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met due to the reasons stated above, such funds shall be utilised in the next fiscal year, as may be determined by our Company.

Our Statutory Auditors have provided no assurance or services related to any prospective financial information as disclosed in this section.

Means of Finance

The fund requirements for our Objects set out above are proposed to be funded from the Net Proceeds and internal accruals. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from Offer. In case of shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals and/ or availing further borrowings from existing lenders and/or other lenders. We believe that such alternate arrangements would be available to fund any shortfall.

In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to availability and compliance with applicable laws. Further, in case of shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilizing our internal accruals or seeking additional equity and/or debt arrangements from existing and future lenders or any combination of them. If the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for (i) 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 in accordance with the SEBI ICDR Regulations; or (ii) towards any other object where there may be a shortfall, at the discretion of the management of our Company and in compliance with applicable laws.

Further, if the Net Proceeds are not completely utilised for the objects during the respective periods stated above due to factors such as (i) economic and business conditions; (ii) timely completion of the Offer; (iii) market conditions outside the control of our Company; and (iv) any other commercial

considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer the section titled “*Risk Factors*” beginning on page 26 of this Prospectus. Fund requirements for the Objects are proposed to be met from the Net Proceeds and our internal accruals.

Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations 2018 and Clause 9(C) of Part A of Schedule VI of the SEBI ICDR Regulations 2018 through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue or through existing identifiable internal accruals

Details of objects of the issue

1. Funding the incremental working capital requirements of our Company

Historically, our primary liquidity requirements have been to finance the working capital needs for our manufacturing and assembly operations. We have funded our working capital requirements in the ordinary course of business from our internal accruals, financing from various banks and financial institutions. As on the three months period ended June 30, 2022 our fund based working capital facilities was ₹ 2676.81 Lakhs as per Restated Financial Statements. And as on March 31, 2022, March 31, 2021 & March 31, 2020, the amount outstanding on our Company fund based working capital facilities was ₹ 2623.83 Lakhs, ₹ 2474.34 and ₹ 2189.08 Lakhs, respectively as per Restated Financial Statements

We propose to utilise ₹ 2040.00 Lakhs from the Net Proceeds to fund the incremental working capital for meeting the business requirements of our Company in FY 2022-23.

Our Company requires additional working capital for executing its future orders that may be received, for funding future growth requirements of our Company and for other strategic, business and corporate purposes.

Set forth below are the current assets and working capital requirement of our Company as on March 31, 2022, March 31, 2021 & March 31, 2020 and for the three months period ended June 30, 2022 as per the Restated Financial Statement and as certified by Jain Chhajer & Associate, Chartered Accountants, Chartered Accountant by way of their certificate dated August 24, 2022.

Basis of incremental working capital requirement:

Set forth below are the working capital requirements of our Company for three months period ended June 30, 2022 and as on FY 2019-20, FY 2020-21 and FY 2021-22, on a standalone basis:

(₹ In lakhs)

Particulars	Three months period ended as on June 30, 2022	For the year ended		
		March 31, 2022	March 31, 2021	March 31, 2020
Current Assets				
Inventories	7372.60	6330.92	3718.08	1383.93
Trade Receivables	678.11	887.91	1077.11	1975.31
Short Term Loans and Advances	9.47	5.13	80.76	1.44
Cash & Cash Equivalent	1.92	81.22	1.72	5.49

Other Current Assets	13.01	60.75	367.81	334.75
Total Current Assets (A)	8,075.13	7,365.94	5,245.47	3,700.93
Current Liabilities				
Trade Payables	2,848.24	3,026.07	1,009.61	625.01
Other current liabilities	472.38	337.32	75.42	42.62
Short Term Provisions	237.01	96.67	48.60	32.06
Total Current Liabilities (B)	3,557.64	3,460.06	1,133.62	699.69
Net Working Capital Requirement (A-B)	4,517.49	3,905.88	4,111.86	3001.23
Sources of funds				
Working capital facilities	2676.81	2623.83	2474.34	2189.08
Loan from Directors	450	450	0	0
Long term borrowing used for working capital purpose	0.00	0.00	5.19	0
Internal accruals	1390.68	832.05	1632.32	812.15
Total funding	4,517.49	3,905.88	4,111.86	3001.23

Certified by Jain Chhajer & Associates, Chartered Accountants, pursuant to their certificate dated August 24, 2022

Expected working capital requirements

The estimates of the working capital requirements for the Financial Years ended March 31, 2022 have been prepared based on the management estimates of current and future financial performance. The projection has been prepared using set of assumptions that include assumptions about future events and management's action that are not necessarily expected to occur.

On the basis of our existing and estimated working capital requirements of our Company and assumptions for such working capital requirements, our Board pursuant to its resolution dated August 24, 2022 has approved the projected incremental working capital requirements for FY 2022-23, together with the assumptions and justifications for holding levels, and the proposed funding of such working capital requirements, as set forth below:

(₹ In lakhs)

Particulars	FY 2022-23 (Estimated)
Current Assets	
Inventories	8077.98
Trade Receivables	3082.19
Cash and Bank Balances	300.00
Short Term Loans and Advances	10.00
Other Current Assets	15.00
Total Current Assets (A)	11485.17
Current Liabilities	3080.78
Trade Payables	462.93
Other Liabilities	284.41
Short Term Provisions	3828.12
Total Current Liabilities (B)	7657.05
Net Working Capital Requirement (A-B)	
Sources of funds	
Working capital facilities (including Directors Loan)	3650.00
Internal accruals	1967.05
Issue proceeds	2040.00
Total funding	7657.05

Our Company proposes to utilize ₹ 2040.00 from the Net Proceeds towards funding our working capital requirements. In addition to the Net Proceeds, our Company expects that the funding pattern for working capital requirements for Fiscals 2022 will comprise of working capital facilities and internal accrual.

The Board of Directors of our Company pursuant to its resolution dated August 24, 2022 has approved the incremental working capital requirements of our Company

The table below contains the details of the holding levels (in number of days or relevant matrix as applicable) considered and is derived from the Restated Financial Statements for Fiscal 2020, Fiscal 2021 and Fiscal 2022 and for the three months ended June 30, 2022, the projections for Fiscal 2023 and the assumptions based on which the working plan projections has been made and approved by our Board of Directors.

Assumptions for our estimated working capital requirement:

The following table sets forth the details of the holding period considered:

(in days)

Particulars	Actuals*				Estimated
	FY 2019-20	FY 2020-21	FY 2021-22	For the three months ended June 30, 2022	FY 2022-23
Inventory days	88	137	134	109	110
Trade receivables days	106	34	16	8	35
Trade payable days	40	37	64	42	42

The incremental working capital projections made by the Company are based on certain key assumptions, as set out below:

Sr. No.	Particulars	No. of days
1.	Inventory days	Increase in inventory is on account of sales growth. The said changes will increase the value of inventory
2.	Trade receivables	The value of trade receivables will increase in line with the increase in business. Further, the Company would reduce discounting of its invoices
3.	Trade Payables	Value of trade payables will increase in line with the increase in business

General corporate purposes

In terms of the SEBI ICDR Regulations, the extent of the Net Proceeds proposed to be used for general corporate purposes is estimated not to exceed 25.00% of the gross proceeds of the Issue.

Our management will have flexibility in applying ₹ 678.60 lakhs of the Net Proceeds towards general corporate purposes, including but not restricted to, strategic initiatives, funding growth opportunities, strengthening marketing capabilities and brand building exercises, meeting ongoing general corporate contingencies, expenses incurred in ordinary course of business, meeting our working capital and business requirements, payment of lease liabilities, payment of commission and/or fees to consultants, acquisition of fixed assets, business development initiatives, any of the other Objects, other expenses including salaries and wages, rent, administration, insurance, repairs and maintenance, payment of taxes and duties and any other purpose, as may be approved by our Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including 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. In the event that we are unable to utilise the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilise such unutilized amount(s) in the subsequent Financials.

Means of Finance

The fund requirements set out above are proposed to be funded from the Net Proceeds. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations 2018 and Clause 9(C) of Part A of Schedule VI of the SEBI ICDR Regulations 2018 through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from Offer. In case of shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilising our internal accruals and/or availing further borrowings. Subject to applicable law, if the actual utilisation towards the Objects, including utilization towards Issue expense, is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with SEBI ICDR Regulations

Issue Related Expenses

The estimated issue expenses are as follows:

Activity	Estimated expenses (₹ in lakhs)	As a % of total estimated issue related expenses	As a % of Gross Issue Size
Lead Manger Fees including Underwriting Commission	15.00	4.91%	0.50%
Brokerage, selling commission and upload fees	1.00	0.33%	0.03%
Registrar to the Issue	0.9	0.29%	0.03%
Legal and other advisory fees	1.5	0.49%	0.05%
Advertising expenses	3.00	0.98%	0.10%
Regulators including stock exchanges	7.00	2.29%	0.23%
Printing and distribution of issue stationary	2.00	0.65%	0.07%
Others, if any (market making, out of pocket Expenses, marketing fees etc.)	275	90.05%	9.09%
Total estimated issue related expenses	305.40	100%	10.10%

Notes

- * As on date of this Prospectus, the fund deployed out of internal accruals as on August 24, 2022 is Rs. 5.80 lakhs towards issue expenses vide certificate date August 24, 2022 having UDIN received from Jain Chhajed & Associate, Chartered Accountants and the same will be recouped out of issue expenses.
- Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs

ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the Offer is made as per Phase I of UPI Circular)	₹ 10 per application on wherein shares are allotted
Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them)	₹ 10 per application on wherein shares are allotted
Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank	₹ 10 per application on wherein shares are allotted
Sponsor Bank shall be payable processing fees on UPI application processed by them	₹ 10 per application on wherein shares are allotted

- No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them*
- The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.*
- Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price*
- In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes.*

Interim use of Net Proceeds

Our Company in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Proceeds. The Net Proceeds pending utilization for the purposes described above, in accordance with the SEBI ICDR Regulations, our Company shall deposit the funds only in one or more Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Financing Facilities

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

Appraisal Report

None of the objects for which the Issue Proceeds will be utilized have been financially appraised by any financial institutions / banks.

Monitoring Utilization of Funds

As this is a Fresh Issue for less than Rs 10,000 lakhs we are not required to appoint a monitoring agency for the purpose of the Issue in terms of the SEBI ICDR Regulations.

Our Board and Audit committee shall monitor the utilization of the net 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 unutilized Net Proceeds in the balance sheet of our Company for the relevant financial years subsequent to the completion of the Issue.

Pursuant to 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 utilized for purposes other than those stated in this 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 utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32 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 utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the Objects. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the Objects unless our Company is authorized to do so by the Shareholders by way of a special resolution and such variation will be in accordance with the applicable laws including the Companies Act 2013 and the SEBI ICDR Regulations. 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 and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at such price and in such manner, in accordance with Section 13(8) and other applicable provisions of the Companies Act, our Articles of Association, and the SEBI ICDR Regulations.

Other Confirmations

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of

business and in compliance with the applicable law. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects as set out above.

BASIS FOR ISSUE PRICE

The Issue Price of ₹ 56 /- per Equity Share is determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is ₹ 10.00/- per Equity Share and Issue Price is ₹ 56 /- per Equity Share. The Issue Price is 5.6 times the face value.

Investors should refer sections / section titled “*Risk Factors*”, “*Restated Financial Statements*”, “*Management Discussion and Analysis of Financial Condition and Results of Operations*” and “*Business Overview*” beginning on page 26, 183, 219 and 129 respectively of this Prospectus to get an informed view before making an investment decision.

Qualitative Factors

We believe the following business strengths allow us to successfully compete in the industry:

- Experience and knowledge of Promoter for more than a decade:
- Expand our product range and total production capacity.
- Location of Manufacturing Unit
- Quality Assurances
- Track record of financial performance
- Strong customer relationships with majority of leading brands
- Research & development and product design capabilities
- Increasing Operation Efficiency

For further details, please refer to the paragraph titled “*Our Competitive Strengths*” in the section titled “*Business Overview*” beginning on page 131 of this Prospectus.

Quantitative Factors

Information presented below relating to the Company is based on the Restated Financial Statements. Some of the quantitative factors which form the basis or computing the price, are as follows:

1) Basic and Diluted Earnings Per Share (EPS)

Year ended	Basic and Diluted EPS	Weights
March 31, 2020	1.23	1
March 31, 2021	1.79	2
March 31, 2022	3.11	3
Weighted Average EPS	2.36	
June 30, 2022 (not annualized)	2.75	

Note:

- The face value of each Equity Share is ₹ 10.
- Basic Earnings per share = Profit for the period / Weighted average number of equity shares outstanding during the period/year.
- Diluted Earnings per share = Profit for the period / Weighted average number of potential equity shares outstanding during the period/year.

- iv. Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. $\{(EPS \times Weight) \text{ for each year} \} / \{Total \text{ of weights} \}$
- v. Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the period/ year adjusted by the number of Equity Shares issued during the period/ year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/ year
- vi. The figures disclosed above are based on the Restated Financial Statement of our Company.

2) Price to Earnings (P/E) ratio in relation to Issue Price ₹ 56 /- per Equity Share of ₹10.00/- each fully paid up

Particulars	P/E ratio
P/E ratio based on Basic and diluted EPS as at March 31, 2022	18.01
P/E ratio based on Weighted Average Basic and diluted EPS	23.76
*Industry	
Highest	126.60
Lowest	70.30
Average	98.45

* The highest and lowest industry P/E has been considered from the industry peer set provided later in this chapter. The industry average has been calculated as the arithmetic average P/E of the industry peer set disclosed in this chapter. For further details, see “– Comparison of Accounting Ratios with Listed Industry Companies” on Note 5 of this chapter.

Note - Figure may change due to rounding off

3) Return on Net worth (RoNW)

Return on Net Worth (RoNW) as per restated financial statements (Standalone)

Year Ended	RONW (%)	Weight
March 31, 2020	12.53%	1
March 31, 2021	15.64%	2
March 31, 2022	18.53%	3
Weighted Average	16.56%	
June 30, 2022, (not annualized)	16.24%	

Note:

1. The figures disclosed above are based on the Restated Financial Statement of our Company. Return on Net worth has been calculated as per the following formula:
 - i. Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Net worth as restated as at year end.
 - ii. Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. $(RoNW \times Weight) \text{ for each year} / Total \text{ of weights}$.
 - iii. Net worth is aggregate value of the paid-up share capital of the Company and other equity, excluding revaluation reserves if any, as per Restated Financial Information.

4) Net Asset Value (NAV)

Particulars	₹ per share
Net Asset Value per Equity Share as of March 31, 2022	14.19

Net Asset Value per Equity Share as of June 30, 2022	16.94
Net Asset Value per Equity Share after Issue	27.29
Issue Price	56.00

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

- NAV = $\frac{\text{Net worth excluding revaluation reserve}}{\text{Outstanding number of Equity shares outstanding during the year/period}}$
- The figures disclosed above are based on the Restated Financial Statement of our Company

5) Comparison with industry peers

Companies	CMP*	EPS (Basic in ₹)	EPS (Diluted in ₹)	PE Ratio	RONW (%)	NAV (Per Share)	Face Value
Virtuoso Optoelectronics Limited	56	3.11	3.11	18.01	18.53	14.19	10
Peer Group							
Dixon Technologies (India) Ltd	4090.35	32.31	32.00	126.60	21.90	168.06	2
Amber Enterprises India Limited	2278.45	32.41	32.40	70.30	4.44	526.17	10

Source: www.bseindia.com

*Issue Price of our Company is considered as CMP.

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the filings made with stock exchanges, available on www.bseindia.com for the Financial Year ending March 31, 2022

Notes:

- Considering the nature and size of the business of our Company the peers are not strictly comparable. However, above company is included for broad comparison.
- The figures for Virtuoso Optoelectronics Limited are based on the Restated Standalone Financial Statements for the year ended March 31, 2022.
- The figures for the peer group are for the year ended March 31, 2022 and are based on their respective Consolidated financial statements filed with BSE Ltd. CMP of the peer group is as per the closing price as on August 24, 2022 as available on www.bseindia.com
- NAV is computed as the closing net worth divided by the closing outstanding number of equity shares. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserves) and as attributable to the owners of the Company.
- P/E Ratio for the peer has been computed based on the closing market price of respective equity shares as on August 24, 2022 sourced from website of Stock Exchange as divided by the Basic/diluted EPS as applicable.

f) RoNW is computed as net profit after tax (excluding comprehensive income), as attributable to the owners of the Company divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserves) and as attributable to the owners of the Company.

For further details, please refer section titled “*Risk Factors*” beginning on page 26 of this Prospectus and the financials of the Company including important profitability and return ratios, as set out in the section titled “*Restated Financial Statements*” beginning on page 183 of this Prospectus to have more informed view about the investment proposition. The Face Value is ₹ 10.00/- per Equity Share and the Issuer Price ₹ 56/- has been determined by the Issuer in consultation with the Lead Manager and is justified by the company in consultation with the Lead Manager on the basis of above information.

STATEMENT OF TAX BENEFITS

To,

The Board of Directors

Virtuoso Optoelectronics Limited

Plot No.7, MIDC, Satpur,

Nashik - 422007

Maharashtra, India

Subject: Statement of possible special tax benefits available to Virtuoso Optoelectronics Limited ("the Company") and shareholders prepared in accordance with applicable requirements of the SEBI (ICDR) Regulations 2018 ("SERI ICDR Regulations")

We hereby report that the accompanying Statement states the possible special tax benefits available to the Company and shareholders of the Company (hereinafter referred to as "**the Statement**") under the Income Tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2018 presently in force in India (together referred to as the "**Direct Tax Laws**") and The Goods and Service Tax Act, 2017 & 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 the relevant 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 has a Subsidiary as on date of the Prospectus

Management responsibility for the statement

The preparation of this Statement is the responsibility of the Management of the Company. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditor's Responsibility

Our work has been carried out in accordance with Standards on Auditing, the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (the 'ICAI'). The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI.

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (the 'SEBI ICDR Regulations') and the Companies Act, 2013 (the 'Act'), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special tax benefits available to the Company and the shareholders of the Company, in accordance with the Indirect Tax Regulations as at the date of our report.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance and Related Services Engagements issued by the ICAI.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI ICDR Regulations in connection with the Offer

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.

Inherent Limitations

We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information. Several of the benefits mentioned in the accompanying Statement are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying Statement are not exhaustive.

The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, 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 Offer.

Further, we give no assurance that the Revenue Authorities / Courts will concur with our 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.

Opinion

In our opinion, the Statement prepared by the Company presents, in all material respects, the possible special tax benefits available, to the Company and its shareholders, in accordance with the Indirect Tax Regulations as at the date of our report.

Considering the matter referred to in paragraph 8 above, we are unable to express any opinion or provide any assurance as to whether:

- (i) The Company or its shareholders will continue to obtain the benefits per the Statement in future; or
- (ii) The conditions prescribed for availing the benefits per the Statement have been / would be met with.

Restriction of use

This report is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling it to comply with its obligations under the Equity Listing Agreement to submit the accompanying Statement to the Audit Committee accompanied by a report thereon from the statutory auditors and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the DP and Prospectus, prepared in connection with the Offer to be filed by the Company with the Securities and Exchange Board of India and the concerned stock exchange

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

For Jain Chhajed & Associates

Chartered Accountants,

ICAI Firm Reg. No. 127911W

Peer Reviewed Number: 011124

CA Dinesh Prakash Burad

Partner

Membership No: 151551

UDIN: 22151551APUOLK2538

Date: August 24, 2022

Place: Nashik

Enclosure: Annexure I

Annexure I

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

Outlined below are the possible special tax benefits available to **Virtuoso Optoelectronics Limited**. ("the Company") and to its Shareholders under the Act as amended by the Finance Act, 2021 presently in force in India, applicable for the period 1 April 2022 to 30 June 2022.

A. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY

1. Direct Tax

As per section 115BAA of the Act, the Company has an option to pay income tax in respect of its total income at a concessional tax rate of 25.168% (including applicable surcharge and cess) subject to satisfaction of certain conditions with effect from Financial Year 2021-22 (i.e. Assessment Year 2022-23). Such option once exercised shall apply to subsequent assessment years.

In such a case, the Company will not be allowed to claim any of the following deductions/exemptions under the Act:

- 1) Deduction under the provisions of section 10AA of the Act (deduction for units in Special Economic Zone)
- 2) Deduction under clause (iia) of sub-section (1) of section 32 of the Act (Additional depreciation)
- 3) Deduction under section 32AD of the Act or section 33AB of the Act or section 33ABA of the Act (Investment allowance in backward areas, Investment deposit account, site restoration fund)
- 4) Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or subsection (2AB) of section 35 of the Act (Expenditure on scientific research)
- 5) Deduction under section 35AD of the Act or section 35CCC of the Act (Deduction for specified business, agricultural extension project)
- 6) Deduction under section 35CCD of the Act (Expenditure on skill development)
- 7) Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA of the Act or Section 80M of the Act
- 8) Deduction under Section 80LA of the Act other than deduction applicable to a Unit in the International Financial Services Centre, as referred to in sub-section (1A) of section 80LA of the Act.
- 9) No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred from clause (1) to (8) above
- 10) No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A of the Act, if such loss or depreciation is attributable to any of the deductions referred from clause (1) to (8) above.

Further, it was clarified by CBDT vide Circular No. 29/ 2019 dated 2 October 2019 that if the Company opts for concessional income tax rate under section 115BAA of the Act, the provisions of section 115JB of the Act regarding Minimum Alternate Tax (MAT) are not applicable. Additionally, such Company will not be entitled to claim tax credit relating to MAT.

In this regard, from Assessment Year 2021-22 relevant to Financial Year 2020-21 onwards the Company has decided to opt for the provisions of Section 115BAA of the Act and would be eligible for a reduced

tax rate of 22% (effective rate of 25.168% along with Surcharge and Health and Education Cess) subject to fulfillment of above conditions.

Further, as per the provisions of Section 80M of the Act, dividend received by the Company from any other domestic company or a foreign company shall be eligible for deduction while computing its total income for the relevant year. The amount of such deduction would be restricted to the amount of dividend distributed by the Company to its shareholders on or before one month prior to due date of filing of its Income-tax return for the relevant year. Since the Company has investments in India, it may avail the above-mentioned benefit under Section 80M of the Act.

Subject to fulfillment of prescribed conditions, the Company is entitled to claim deduction, under the provisions of Section 80JJAA of the Act, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

2. Indirect Tax

I. Special tax benefits available to the Company

a. Advance Authorization

Advance Authorisation is a scheme under FTP that allows duty free import of inputs, which are physically incorporated in an export product. In addition to any inputs, packaging material, fuel, oil, catalyst which is consumed / utilized in the process of production of export product, is also allowed to be imported duty free. The quantity of inputs allowed for a given product is based on specific norms defined for that export product. The Directorate General of Foreign Trade (DGFT) provides a sector - wise list of Standard Input - Output Norms (SION) under which the exporters may choose to apply. Alternatively, exporters may apply for their own ad - hoc norms in cases where the SION does not suit the exporter. The inputs imported are exempt from duties like Basic Customs Duty, Additional Customs Duty, Education Cess, Anti-dumping duty, Safeguard Duty and Transition Product - Specific Safeguard duty, Integrated tax, and Compensation Cess, wherever applicable, subject to certain conditions. Advance Authorisation covers manufacturer exporters or merchant exporters tied to supporting manufacturer(s).

b. Export Promotion Capital Goods (EPCG) Scheme

The objective of the Export Promotion Capital Goods (EPCG) Scheme is to facilitate import of capital goods for producing quality goods and services and enhance manufacturing competitiveness. EPCG Scheme allows import of capital goods that are used in pre-production, production and post-production without the payment of customs duty. Capital goods imported under the scheme are subject to an export value equivalent to 6 times of duty saved on the importation of such capital goods within 6 years from the date of issuance of the authorization. EPCG scheme covers manufacturer exporters with or without supporting manufacturer(s), merchant exporters tied to supporting manufacturer(s) and service providers.

Notes: 1. The above Statement of Indirect Tax benefits sets out the special tax benefits available to the Company and its shareholders under the Indirect Tax laws mentioned above. 2. The above Statement covers only above-mentioned tax laws benefits and does not cover any Income Tax law benefits or benefits under any other law. 3. This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares 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 changes from time to time. We do not assume responsibility to update the views consequent to such changes.

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

1. Direct Tax

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the Act would be available on fulfilling the conditions (as discussed above). Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, surcharge would be restricted to 15%, irrespective of the amount of dividend.

As per Section 112A of the Act, long-term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 10% (without indexation) of such capital gains subject to fulfillment of prescribed conditions under the Act as well as per Notification No. 60/2018/F. No.370142/9/2017-TPL dated 01 October 2018. It is worthwhile to note, that tax shall be levied where such capital gains exceed INR 1,00,000/-

Except for the above, the Shareholders of the Company are not entitled to any other special direct tax benefits under the Act.

Notes:

- 1) These special direct tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfill.
- 2) The special direct tax benefits discussed in the Statement are not exhaustive and are only intended to provide general information to the investors and hence, are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, 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 issue.
- 3) The Statement has been prepared on the basis that the shares of the Company are to be listed on a recognized stock exchange in India and the Company will be issuing equity shares.
- 4) The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:
 - i. the Company or its shareholders will continue to obtain these benefits in future;
 - ii. the conditions prescribed for availing the benefits have been/ would be met with; and
 - iii. the revenue authorities/courts will concur with the view expressed herein.
- 5) This Annexure covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefits under any other law.
- 6) In respect of non-resident shareholders, the tax rates and consequent taxation will be further subject to any benefits available under the relevant Double Tax Avoidance Agreement(s), if any, between India and the country in which the non-resident has fiscal domicile.

7) No assurance is provided 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 changes from time to time. We do not assume responsibility to update the views consequent to such changes.

2. Indirect Tax

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

SECTION V: ABOUT THE COMPANY

INDUSTRY OVERVIEW

Industry publications are prepared based on information as at specific dates and may no longer be current or reflect current trends. The information in this section is also derived from extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. The information has not been independently verified by us, the Lead Manager, or any of our or their respective affiliates or advisors. The data may have been re-classified by us for the purposes of presentation.

Accordingly, investment decisions should not be based on such information. For additional details, including the disclaimers associated with the Industry Report, see “Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data” on page 18 of this Prospectus.

CONSUMER DURABLE INDUSTRY

INTRODUCTION

The Indian consumer durables market is broadly segregated into urban and rural markets and is attracting marketers from across the world. The sector comprises of a huge middle class, relatively large affluent class and a small economically disadvantaged class. Global corporations view India as one of the key markets from where future growth is likely to emerge. The growth in India's consumer market would be primarily driven by a favorable population composition and increasing disposable income.

(Source <https://www.ibef.org/industry/indian-consumer-market>)

INDIAN ECONOMIC OUTLOOK

According to the provisional estimates of Gross Domestic Product (GDP) released on May 31, 2022, the Indian economy in 2021-22 has fully recovered the pre-pandemic real GDP level of 2019-20. Real GDP growth in FY 2021-22 stands at 8.7%, which is 1.5% higher than the real GDP of FY 2019-20. As of July 11, 2022, the South-West monsoon has covered the entire country, resulting in actual rainfall, which is 7% higher than the normal level. The government's continuous effort to raise capital expenditure has led to its year-on-year (YoY) growth of 70.1% in May 2022. The government has also announced rules for disbursing Rs.1 trillion (US\$ 12.51 billion) in interest-free capex loans to states to facilitate the capex further.

With significant growth in net sales in the first quarter of FY 2022-23, aided by a general improvement in demand, the corporate sector has started to show signs of revival. Rising interest coverage ratio which is a sign of improved credit health across most industries, is a result of rising operating profit margin of the corporates. The expansion of the PMI manufacturing and services indices show that the momentum in the manufacturing and services sectors is maintained in the first quarter of FY 2022-23. Industrial metal prices have dropped to their lowest level in sixteen months, and other food-related commodities have seen a decline in price from their peaks as well. With the economic scenario improving on recovering from the COVID-19 pandemic shock, the Indian economy has remained resilient and provides a positive growth potential ahead.

In July 2022, the following key frequency indicators highlighted improved performances:

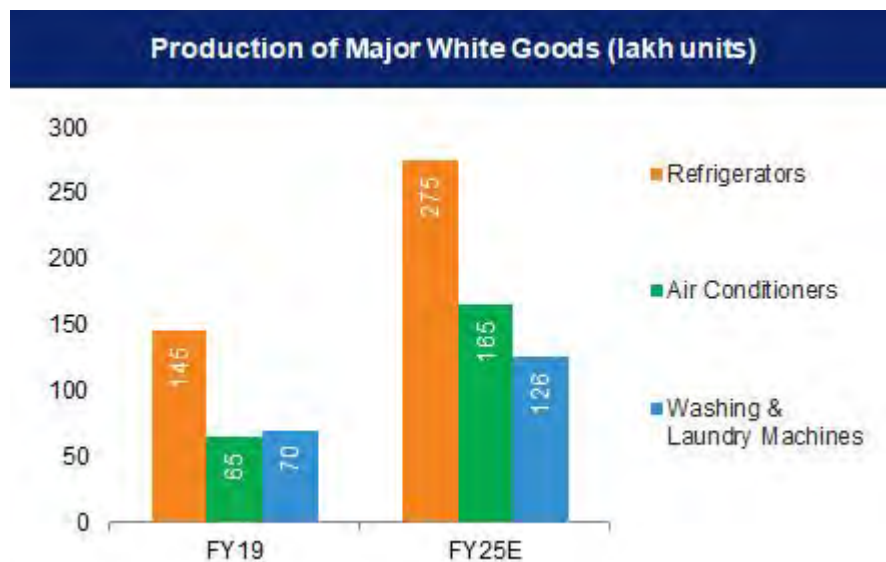
- ✓ Private consumption stood at 57.5% of the nominal GDP in FY 2021-22, indicating that it is becoming a macro growth driver.

- ✓ Rice, wheat, gramme, and maize production are expected to be at record highs. According to the second advance projections of foodgrain production for FY22, overall foodgrain production is expected to reach a record high of 316.1 million tonnes, 2.85% higher than the objective set, thanks to higher output of Kharif crops and record acreage under rabi crops.
- ✓ According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 7.01% YoY in June 2022 compared to 7.04% YoY in May 2022 due to moderation in food inflation.
- ✓ In June 2022, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 53.9 from 54.6 in May 2022.
- ✓ PMI Services was at 59.2 in June 2022 compared to 58.9 in May 2022.
- ✓ Fuel consumption in June 2022 stood at 18,269 (thousand MT) as compared to 18,200 (thousand MT) in April 2022
- ✓ In May 2022, the overall IIP (Index of Industrial Production) stood at 137.7. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 120.1, 134.5 and 199.9, respectively, in May 2022.
- ✓ In May 2022, the eight sectors' output index stood at 148.1.
- ✓ Traffic handled at major ports stood at 196,706 thousand tonnes between April-June 2022.
- ✓ Railway freight traffic growth stood at 125.5 MT in June 2022, an increase of 11.28% YoY led by incremental loading of coal, cement, and clinker.
- ✓ In March 2022, freight movement increased by 0.3% compared to the previous year, indicating that the increase in air freight and traffic activity has been maintained.
- ✓ 78.1 million e-way bills were raised during March 2022, which is 13% higher compared to February 2022.
- ✓ In April 2022, the government approved the participation of 61 companies in the PLI scheme for textiles, with a proposed total investment of Rs. 19,077 crore (US\$ 2.46 billion), and an expected turnover of Rs. 1.84 lakh crore (US\$ 23.74 billion), leading to employment generation for about 2.4 lakh people.
- ✓ In June 2022, the gross Goods and Services Tax (GST) revenue collection stood at Rs. 1.44 trillion (US\$ 18.1 billion).
- ✓ In June 2022, the Indian basket of crude oil reached US\$ 116.06 a barrel, compared to US\$ 109.51 in May 2022.
- ✓ In June 2022, UPI transactions were valued at Rs. 10.14 lakh crore (US\$ 128.3 billion), as compared to Rs. 10.41 lakh crore (US\$ 131.74 billion) in May 2022.
- ✓ In June 2022, India's merchandise exports stood at US\$ 37.9 billion compared to US\$ 32.49 billion in June 2021, registering a 16.78% YoY increase.
- ✓ In July 2022 (until 27 July 2022), Foreign Portfolio Investment (FPI) outflows stood at Rs. 230,191 crore (US\$ 28.76 billion)
- ✓ In the second half of February through March 2022 (up to March 13), daily liquidity absorptions under the liquidity adjustment facility (LAF) averaged Rs. 8.4 lakh crore (US\$ 111.27 billion), up from RS. 7.4 lakh crore (US\$ 98.02 billion) in the second fortnight of January to mid-February 2022.

- ✓ As of April 22, 2022, reserve money stood at Rs. 4,002,311 crore (US\$ 523.6 billion).
- ✓ As of April 22, 2022, currency in circulation (CIC) registered Rs. 3,209,394 crore (US\$ 419.86 billion).
- ✓ Rupee strength reached Rs. 79.22/US\$, as of July 29, 2022.
- ✓ In FY 2021-22, India received a total of US\$ 58.77 billion in foreign direct investment.
- ✓ As of 15 July 2022, India's foreign exchange reserves stood at US\$ 572.7 billion.
- ✓ According to RBI:
 - Bank credit stood at Rs. 120.27 trillion (US\$ 1.52 trillion), as of 20 May, 2022.
 - Credit to non-food industries stood at Rs. 119.74 trillion (US\$ 1.51 trillion), as of 20 May, 2022.

(source <https://www.ibef.org/economy/monthly-economic-report>)

MARKET SIZE



- ✓ Indian appliances and consumer electronics industry stood at US\$ 9.84 billion in 2021, and is expected to more than double to reach Rs. 1.48 lakh crore (US\$ 21.18 billion) by 2025.
- ✓ Electronics hardware production in the country stood at US\$ 63.39 billion in 2021.
- ✓ In FY20, TV penetration in India stood at 69%, driven by the DTH market.
- ✓ The total active DTH subscriber base stood at 68.52 million in December 2021.
- ✓ As of 2021, the refrigerator, washing machines and air conditioner market in India were estimated at around US\$ 3.82 billion, US\$ 8.43 billion and US\$ 3.84 billion, respectively.
- ✓ The market size of air conditioners is expected to grow to 165 lakh units by 2025 from 65 lakh units in 2019, while refrigerator's market size is expected to grow to 275 lakh units by 2025 from 145 lakh units in 2019.
- ✓ According to India Cellular & Electronics Association (ICEA), India has the potential to achieve a value of US\$ 100 billion in manufacturing of laptops and tablets by 2025.
- ✓ India's smartphone shipments witnessed YoY growth of 11% in 2021, with 169 million units shipped.

- ✓ India's smartphone market revenue crossed US\$ 38 billion in 2021 with 27% YoY growth, with the leader being Xiaomi with 24% shipment share.
- ✓ The headset market revenue in India is projected to reach US\$ 77 million by 2027 at a CAGR of 4.7%, driven by rising adoption of wireless headsets among consumers.
- ✓ The dishwasher market in India is expected to surpass US\$ 90 million by 2025-26, driven by rising demand from metro cities such as Mumbai, Hyderabad, Delhi and Bangalore.
- ✓ The flat panel television (LED, LCD, HD, and UHD) market in India was valued at US 9.05 billion in FY18 and is expected to reach US\$ 16.24 billion by FY24, growing at a CAGR of 9.25%.
- ✓ In 2021, TV shipments grew 24% YoY, with the smart TV market also registering 65% YoY growth.
- ✓ According to RedSeer, India's consumer digital economy is projected to reach US\$ 800 billion by 2030, from US\$ 85-90 billion in CY20, driven by increase in online shopping.

(Source <https://www.ibef.org/industry/indian-consumer-market>)

INVESTMENTS

According to Department for Promotion of Industry and Internal Trade, between April 2020-March 2021 (FY21), exports of electronic goods from India stood at US\$ 11.1 billion. In May 2022, US\$ 1.34 billion worth of electronic goods were exported.

Between April 2000-March 2022, electronic goods attracted FDI inflows of US\$ 3.58 billion.

Following are some recent investments and developments in the Indian consumer market sector.

1. Electrical appliances maker V-Guard Industries has announced plans to invest in new manufacturing plants. Over the next 12 months, the company will open four additional factories: two in Hyderabad, one in Vapi, and one in Uttarakhand.
2. In FY23, Godrej Appliances announced plans to invest Rs. 200 crore (US\$ 25.11 million) in the capacity expansion of its premium range.
3. Shipments of "Made-in-India" smartphones increased 7% YoY in Q1 2022 to reach over 48 million units, while over 190 million smartphones made in India were shipped.
4. In November 2021, Tata Consumer Products (TCPL) signed definitive agreements to acquire 100% equity shares of Tata SmartFoodz Limited (TSFL) from Tata Industries Limited, for a cash consideration of Rs. 395 crore (US\$ 53.13 million). This move was in line with TCPL's strategic intent to expand into value-added categories.
5. In September 2021, Blue Star Climatech, the wholly owned subsidiary of Blue Star, announced its plans to invest Rs. 550 crore (US\$ 73.45 million) over the next few years to set up a new manufacturing facility at Sri City in Andhra Pradesh's Chittoor district.
6. In September 2021, US-based consumer electronics brand Westinghouse Electric Corporation, forayed into the Indian market by launching a range of TV sets. The brand collaborated with its Indian licensing partner Super Plastronics Pvt Ltd (SPPL) and signed an exclusive licensing agreement with it.
7. In September 2021, Airtel Digital TV, the DTH arm of Bharti Airtel, introduced Made-in-India high-definition set-top boxes for customers. The boxes are being manufactured in Noida, Uttar Pradesh, by Skyworth Electronics. Airtel plans to fully transition to Made-in-India set-top boxes, including the high-end Airtel Xstream 4K Android TV box, by the end of 2021 and contribute towards local manufacturing and the Government of India's Atmanirbhar vision.

8. In August 2021, Lenovo announced that it is considerably expanding its local manufacturing capabilities in India across product categories such as PCs, laptops and smartphones, to satisfy rising consumer demand.
9. In August 2021, Philips announced an investment of Rs. 300 crore (US\$ 40.41 million), and plans to recruit 1,500 employees in India. The company announced plans to expand its Pune operations to increase manufacturing in India.
10. In July 2021, Godrej & Boyce announced their entry into the dishwasher market and the aim to capture 15% market share by FY22. The company is focusing on key markets such as Mumbai, Hyderabad, Bengaluru and Delhi, and plans to expand to tier-II cities.
11. TCL Group announced, in June 2021, to start manufacturing handsets and TV display panels (from the fourth quarter) in Andhra Pradesh. The company plans to recruit 1,000 employees. This development was in line with the company's plan to invest ~US\$ 219 million to manufacture display modules in the country.
12. In April 2021, Godrej Appliances announced an investment of Rs. 100 crore (US\$ 13.6 million) across two of its manufacturing facilities—Shirwal in Maharashtra and Mohali in Punjab—to expand its production capacity for air-conditioners (to 800,000 units) by 2025.
13. In April 2021, Zetwerk Manufacturing, a B2B online marketplace, announced that it is entering the apparel and consumer durable sectors amid increased demand and supply chain disruptions after the outbreak of COVID-19.

(Source <https://www.ibef.org/industry/indian-consumer-market>)

GOVERNMENT INITIATIVES

- In November 2021, 42 companies were selected under the PLI Scheme for White Goods with a committed investment of Rs. 4,614 crore (US\$ 580.6 million), which is expected to create additional direct employment for 44,000 people.
- In April 2022, 19 companies filed applications for the PLI Scheme for White Goods in the 2nd round of applications, with committed investments of Rs. 1,548 crore (US\$ 194.79 million).
- In November 2021, Flipkart signed an MoU with the Ministry of Rural Development of the Government of India (MoRD), for their ambitious Deendayal Antyodaya Yojana – National Rural Livelihood Mission (DAY-NRLM) programme, to empower local businesses and self-help groups (SHGs) by bringing them into the e-commerce fold.
- In July 2021, the government approved 14 companies under the production linked incentive (PLI) scheme for IT hardware. Over the next four years, these companies are expected to fuel total production of >US\$ 21.64 billion.
- In June 2021, the government extended the production-linked incentive (PLI) scheme for large scale electronics manufacturing by a year (until FY26), giving a boost to the industry.
- The Indian government has been encouraging consumer durable brands in India to 'Make in India', thereby expecting they should be self-reliant for the future; consumer too are showing an affinity towards homegrown products.
- The National Policy on Electronics 2019 is targeting production of one billion mobile handsets valued at US\$ 190 billion by 2025, out of which 600 million handsets valued at US\$ 100 billion are likely to be exported.

- The Government of India has allowed 100% FDI under the automatic route in electronics systems design and manufacturing sector. FDI into single brand retail has been increased from 51% to 100%; the government is planning to hike FDI limit in multi-brand retail to 51%.

(Source <https://www.ibef.org/industry/indian-consumer-market>)

ADVANTAGE INDIA



- **Growing demand:** The headset market revenue in India is projected to reach >US\$ 77 million by 2027 at a CAGR of 4.7%, driven by rising adoption of wireless headsets among consumers.
- **Increasing Investments:** As of November 17, 2021, the S&P BSE Consumer Durables Index rose by 4.76% on a monthly basis and 48.97% on a yearly basis. Between April 2000 and June 2021, electronic goods attracted FDI inflows of US\$ 3.2 billion.
- **Policy support:** In July 2021, the government approved 14 companies under the production linked incentive (PLI) scheme for IT hardware. Over the next four years, these companies are expected to fuel total production of >US\$ 21.64 billion.
- **Opportunities:** Tech players are focusing on tapping the Indian consumer electronics market, developing electronic components manufacturing base in India and encouraging export. Consumer electronics brands are focusing on expansion in the Indian smart wearables market.

1. Growing demand

- Rising disposable incomes and easy access to credit.
- The headset market revenue in India is projected to reach >US\$ 77 million by 2027 at a CAGR of 4.7%, driven by rising adoption of wireless headsets among consumers.
- The dishwasher market in India is expected to surpass US\$ 90 million by 2025-26, driven by rising demand from metro cities such as Mumbai, Hyderabad, Delhi and Bangalore.

2. Opportunities

- Tech players such as Play (a tech brand) are focusing on tapping the Indian consumer electronics market, developing electronic components manufacturing base in India and encouraging export.
- Consumer electronics brands are focusing on the Indian smart wearables market. For example, in July 2021, Omthing announced its target to capture 5% of the smart wearables market in India in the next three years.

3. Policy support

- 100% FDI allowed in the electronics hardware-manufacturing.
- Due to investor-friendly policies, in June 2021, Samsung set up its display manufacturing unit in Uttar Pradesh.
- In July 2021, the government approved 14 companies under the production linked incentive (PLI) scheme for IT hardware. Over the next four years, these companies are expected to fuel total production of over US\$ 21.64 billion.

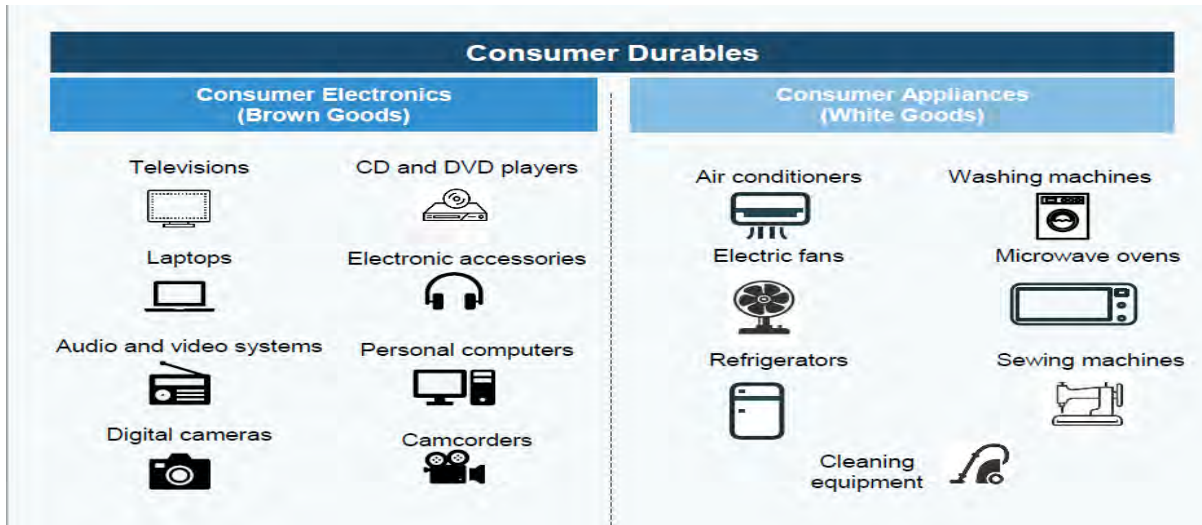
4. Increasing investment

- As of November 17, 2021, the S&P BSE Consumer Durables Index rose by 4.76% on a monthly basis and 48.97% on a yearly basis.
- In September 2021, Blue Star Climatech, the wholly owned subsidiary of Blue Star, announced its plans to invest Rs. 550 crore (US\$ 73.45 million) over the next few years to set up a new manufacturing facility at Sri City, in Andhra Pradesh's Chittoor district.
- Between April 2000 and June 2021, electronic goods attracted FDI inflows of US\$ 3.2 billion.

(Source <https://www.ibef.org/industry/indian-consumer-market>)

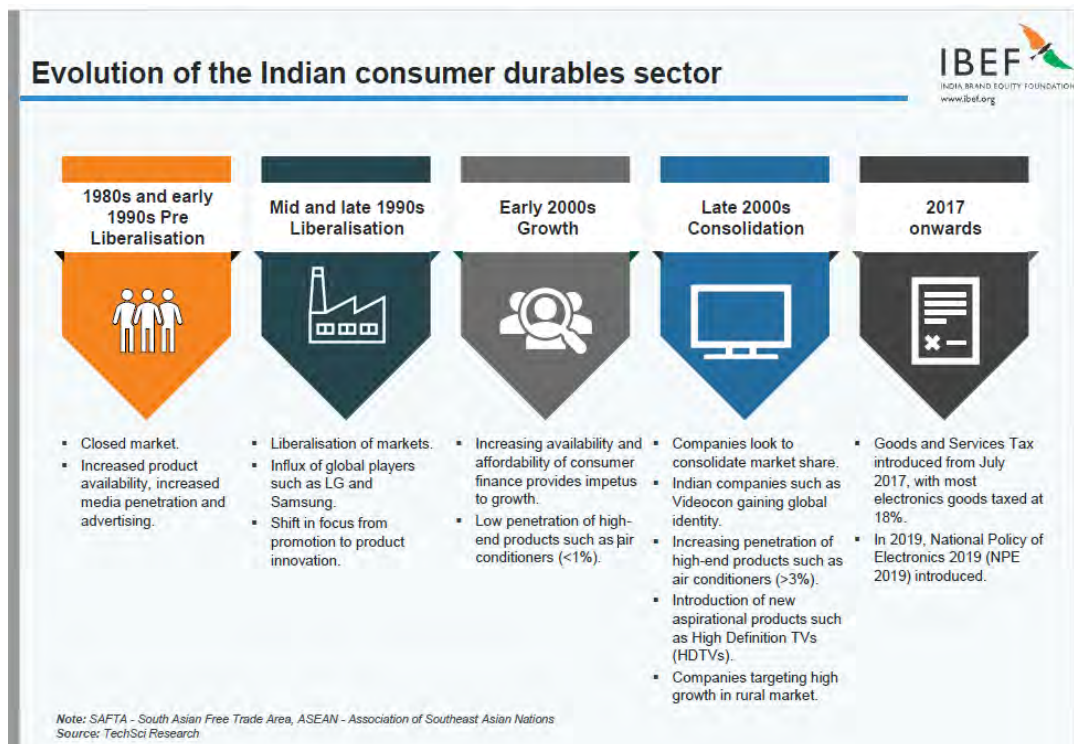
MARKET OVERVIEW

The consumer durables market is split into two key segments

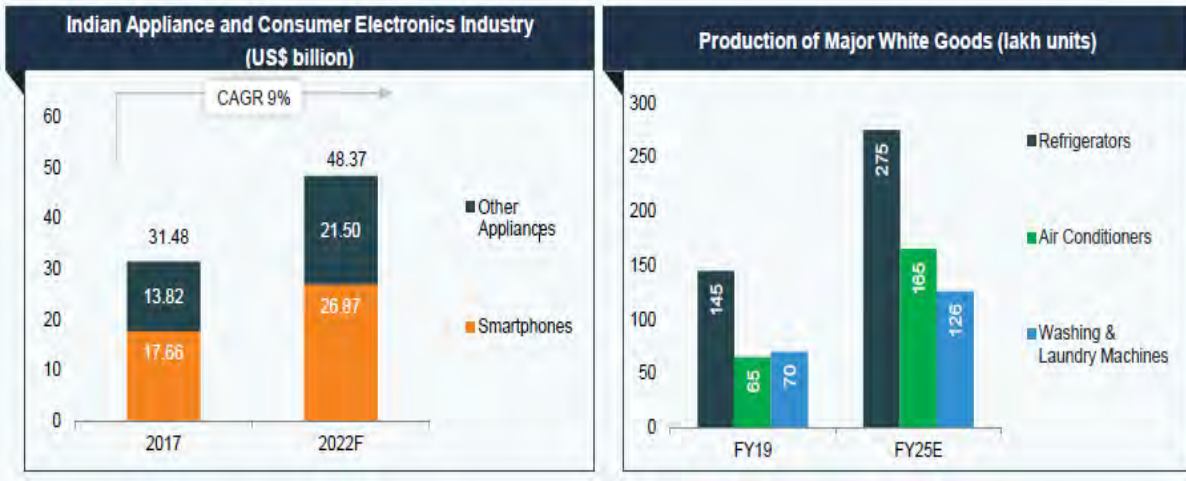


(Source <https://www.ibef.org/industry/indian-consumer-market>)

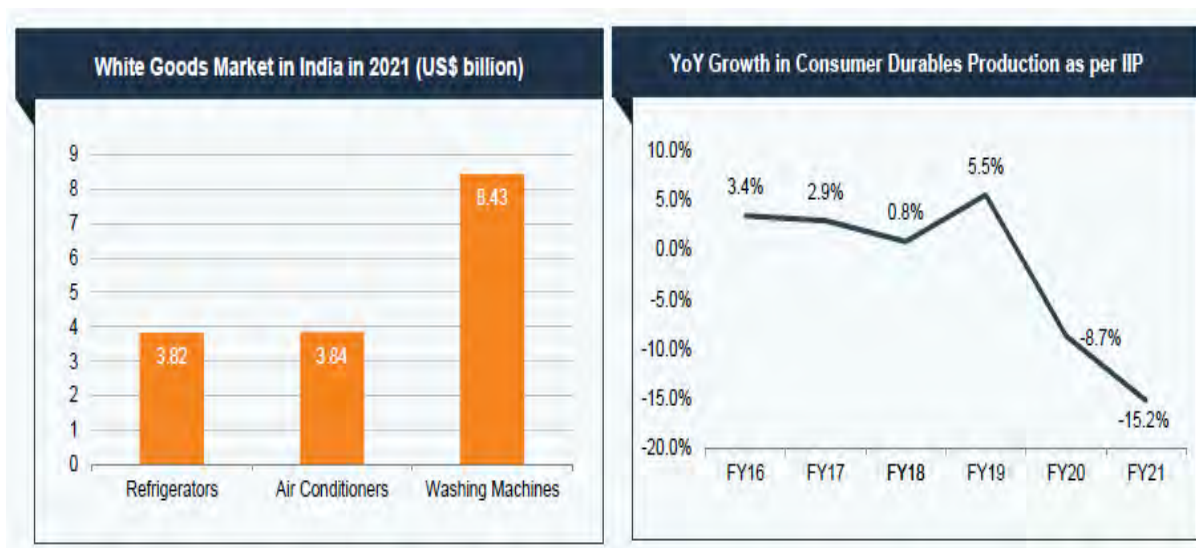
EVOLUTION OF THE INDIAN CONSUMER DURABLES SECTOR



GROWTH IN CONSUMER DURABLES



- Appliance and consumer electronics (ACE) industry is expected to grow at 9% CAGR during 2017-22 to reach Rs. 3.15 trillion (US\$ 48.37 billion) in 2022 from Rs. 2.05 trillion (US\$ 31.48 billion) in 2017.
- Smartphone shipments witnessed YoY growth of 11% in 2021 with 169 million units shipped. India is expected to have 829 million smartphone users by 2022.
- India's smartphone market revenue crossed US\$ 38 billion in 2021 with 27% YoY growth, with the leader being Xiaomi with 24% shipment share.
- Appliances and consumer electronics industry is expected to double to Rs. 1.48 lakh crore (US\$ 21.18 billion) by 2025.
- According to a report by Care Ratings, consumer electronics and appliances manufacturers are set to increase their production by 5-8% in FY22, after witnessing a contraction in demand in FY21.



- As of 2021, the refrigerator, washing machines and air conditioner market in India were estimated around US\$ 3.82 billion, US\$ 8.43 billion and US\$ 3.84 billion, respectively.
- Import contributed to 20% of domestic market for washing machines and refrigerators and around 30% for air conditioners in FY20.
- The market size of air conditioners is expected to grow to 165 lakh units by 2025 from 65 lakh units in 2019, while refrigerator's market size is expected to grow to 275 lakh units by 2025 from 145 lakh units in 2019.
- In September 2021, the Quick Estimates of Index of Industrial Production (IIP), for consumer durables stood at 126.4 (under the use-based classification).
- In November 2021, PG Technoplast Pvt. Ltd. received government approval under the production-linked incentive (PLI) scheme for white goods in the air conditioner components category

(Source <https://www.ibef.org/industry/indian-consumer-market>)

CONSUMER ELECTRONICS – KEY PRODUCTS

1. Colour TVs

- Television industry in India stood at Rs. 787 billion (US\$ 11.26 billion) in 2019, and grew to reach Rs. 955 billion (US\$ 13.66 billion) by the end of 2021.
- In the year 2020, India imposed restrictions on imports of colour TV sets, intending to encourage local manufacturing and check imports from China.

2. Flat panel display

- LED/LCD/Plasma television sets present a huge opportunity in India with a penetration of only 14% households in 2019.
- The flat panel television (LED, LCD, HD, and UHD) market in India was valued at US 9.05 billion in FY18 and is expected to reach US\$ 16.24 billion by FY24, growing at a CAGR of 9.25%.

3. Direct-to-Home

- The DTH industry is expected to witness growth up to 6% from FY20 to Rs. 22,000 crore (US\$ 2.9 billion) in FY21.

4. Refrigerators

- This segment made up 27% of the consumer appliances market in 2019.
- In February 2021, Blue Star launched a range of commercial refrigerators, with offerings comprising temperature controlled designs for refrigeration and storage of vaccines.

5. Air Conditioners

- Installed stock of room ACs in India increased from two million units in 2006 to 30 million units in 2017 and is expected to be between 55-124 million by 2030.
- Production of AC increased to 2.92 million units in FY20.
- In April 2021, Johnson Controls-Hitachi Air Conditioning India Ltd. launched its all-new range of aesthetically appealing and energy-efficient room air conditioners for 2021. Hitachi introduced the airCloud Home app for its Wi-Fi-enabled ACs with smart fencing feature and voice command

6. Washing appliances

- Production of washing appliances in India is expected to reach 12.6 million units in FY25 from 5.63 million units in FY20.
- In April 2021, Samsung launched an artificial intelligence-enabled bilingual washing machine with user interfaces in Hindi and English.

7. Electric fans

- Production of fans increased 4.4% YoY to reach 23.42 million units in FY20.
- The Indian fan industry is optimistic that with BEE Star labelling criteria requirements and a production-linked Incentives (PLI) scheme, the country will become a manufacturing powerhouse.

(Source <https://www.ibef.org/industry/indian-consumer-market>)

NOTABLE TRENDS IN THE CONSUMER DURABLES

1. Shared economy

- Rentals of home appliances are growing in urban areas due to free add-on services like relocation and periodic maintenance, which are not available in the ownership model.
- Start-ups like Rentomojo, Furlenco and Rentickle have come up in this space and offer rentals on furniture, appliances and other products.

2. Rising consumer digital economy

- According to RedSeer, India's consumer digital economy is projected to reach US\$ 800 billion by 2030, from US\$ 85-90 billion in FY20, driven by increase in online shopping.

3. Increased affordability of products

- In India Consumer durable loans in India stood at Rs. 25,100 crore (US\$ 3.29 billion) in FY21, up from Rs. 24,000 crore (US\$ 3.15 billion) in FY20.
- With the initiative of “Make in India” campaign, many domestic and Chinese manufactures are investing to set up their manufacturing plants which would produce more affordable products

4. Shifting manufacturing bases

- In November 2020, the Japanese government announced plans to provide financial assistance to Toyota-Tsusho and Sumida to set up manufacturing bases in India. Sumida produces parts for auto, consumer electronics and industrial sectors

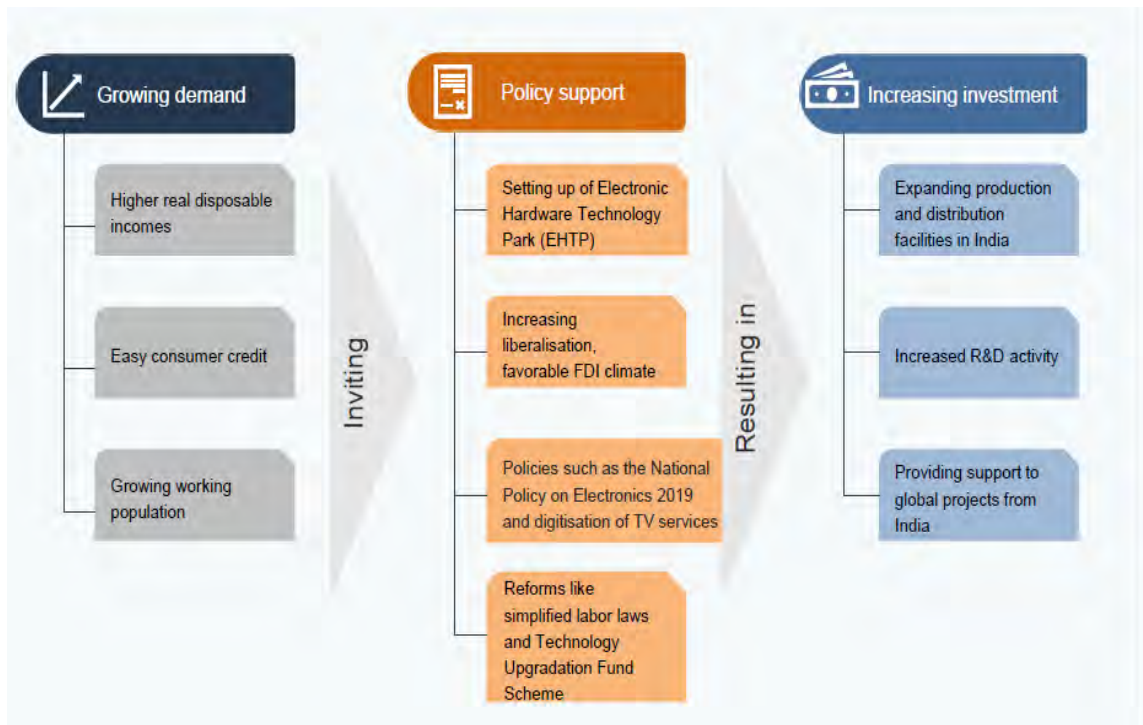
5. Expansion into new segments

- In November 2021, Tata Consumer Products (TCPL) signed definitive agreements to acquire 100% equity shares of Tata SmartFoodz Limited (TSFL) from Tata Industries Limited, for a cash consideration of Rs. 395 crore (US\$ 53.13 million). This move was in line with TCPL's strategic intent to expand into value added categories
- In September 2021, US-based consumer electronics brand Westinghouse Electric Corporation, forayed into the Indian market by launching a range of TV sets. The brand collaborated with its Indian licensing partner Super Plastronics Pvt Ltd (SPPL) and signed an exclusive licensing agreement with it.
- In July 2021, Godrej & Boyce announced entry into the dishwasher market and aims to capture 15% market share by FY22.

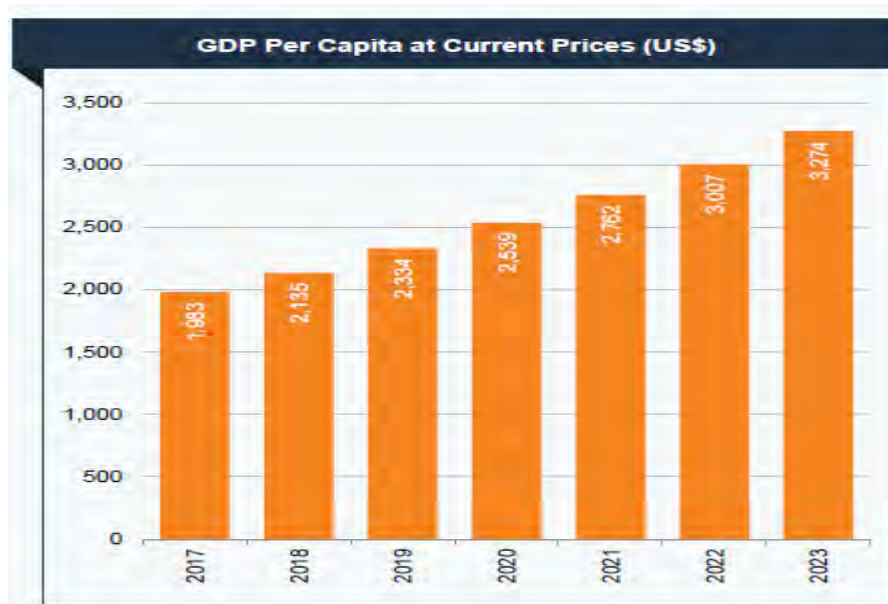
(Source <https://www.ibef.org/industry/indian-consumer-market>)

Growth Drivers

Strong demand and policy support driving investments



Income growth will drive demand for consumer durables



- Demand for consumer durables in India has been growing on the back of rising incomes. This trend is set to continue even as other factors like rising rural incomes, increasing urbanisation, a growing middle class and changing lifestyles aid demand growth in the sector.
- Significant increase in discretionary income and easy financing schemes have led to shortened product replacement cycles and evolving lifestyles where consumer durables like ACs and LCD TVs, are perceived as utility items rather than luxury possessions.
- Growth in demand from rural and semi-urban markets is likely to outpace demand from urban markets.
- In October 2020, Samsung's consumer electronics business in India increased by >30%, due to increased demand from smaller cities, which are racing ahead of metros.
- Growth in online retailing is a key factor to reach out as a newer channel for buyers, with increase in demand.
- Per capita GDP of India is expected to reach US\$ 3,274 in 2023 from US\$ 2,539 in 2020.
- Non-metro markets, namely Vishakhapatnam, Bhopal, Vadodara Chandigarh, etc., have grown rapidly on consumption, becoming the main target markets and posing a huge potential to turn into new business centres as compared to metro cities.

(Source <https://www.ibef.org/industry/indian-consumer-market>)

POLICY SUPPORT AIDING GROWTH IN THE SECTOR

1. Production-Linked Incentive (PLI) Scheme

- In September 2021, FICCI Electronics Manufacturing Committee Chairperson Mr. Manish Sharma said that ~52 companies have applied for availing PLIs for white goods makers, proposing an investment of ~Rs. 6,000 crore (US\$ 813 million) in manufacturing components for air conditioners (ACs) and LED lights. Most of these investments are expected to happen in the next 2-3 years; following this, local production for components for ACs and LED lights is expected to start.

- In June 2021, the government extended the production-linked incentive (PLI) scheme for large scale electronics manufacturing by a year (until FY26), giving a boost to the industry.
- On November 11, 2020, Union Cabinet approved the Production-Linked Incentive (PLI) scheme in 10 key sectors (including electronics and white goods) to boost India's manufacturing capabilities, exports and promote the 'Atmanirbhar Bharat' initiative.
- India is on a path to become a US\$ 1 trillion digital economy by 2025. In addition, projects such as 'Smart Cities' and 'Digital India', coupled with factors such as the government's push for data localization, Internet of Things (IoT) market in India, are expected to increase the demand for electronic products. The PLI scheme aims to boost the production of electronic products in India.
- A PLI scheme for white goods (air conditioners and LEDs) will lead to more domestic manufacturing, employment opportunities and increased exports.
- The Production Linked Incentive (PLI) Scheme for promotion of domestic manufacturing of Air Conditioners and LED Lights in India of US\$ 855 million has been approved to be given over a period of 5 years.

Sectors	Ministry/Department	Approved financial outlay over a five-year period
Electronic/Technology Products	Ministry of Electronics and Information Technology	Rs. 5,000 crore (US\$ 674.92 million)
White Goods (ACs & LEDs)	Department for Promotion of Industry & Internal Trade	Rs. 6,238 crore (US\$ 842.03 million)

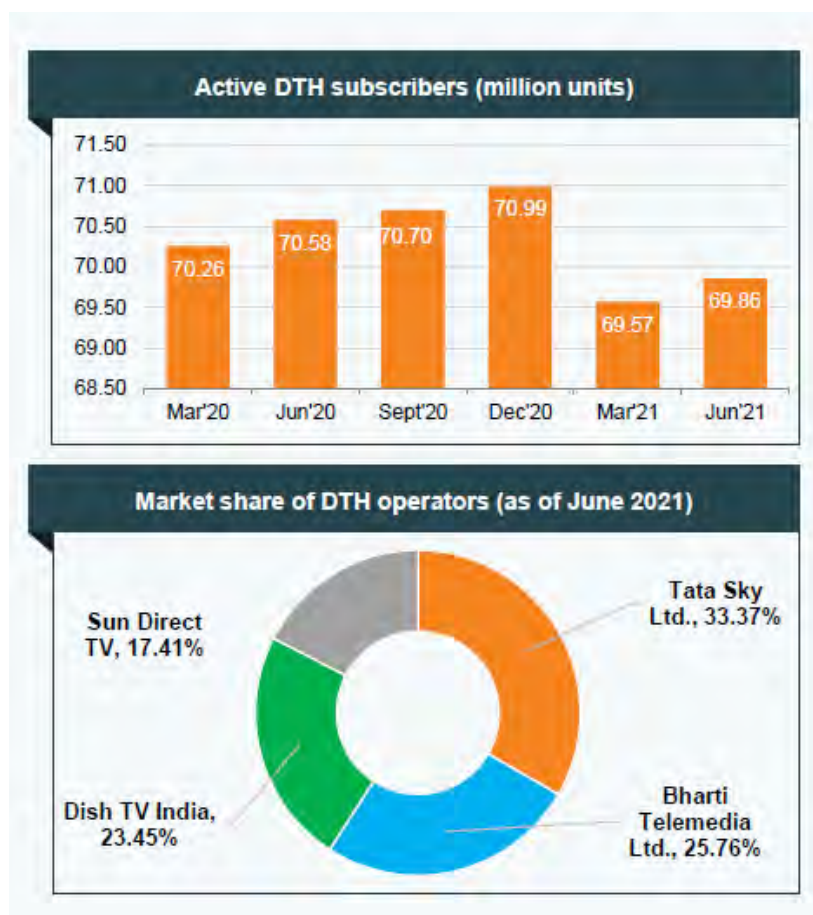
2. Estimated Increase in Exports

- The National Policy on Electronics 2019 is targeting production of one billion mobile handsets valued at US\$ 190 billion by 2025, out of which 600 million handsets valued at US\$ 100 billion are likely to be exported.
- The PLI scheme, which has been approved for 16 electronics firms, including 10 manufacturers of mobile handsets, would further improve India's role in the global mobile market and complement the goal of making the country global mobile production hub for manufacturers.

(Source <https://www.ibef.org/industry/indian-consumer-market>)

OPPORTUNITIES

A. Growing television market

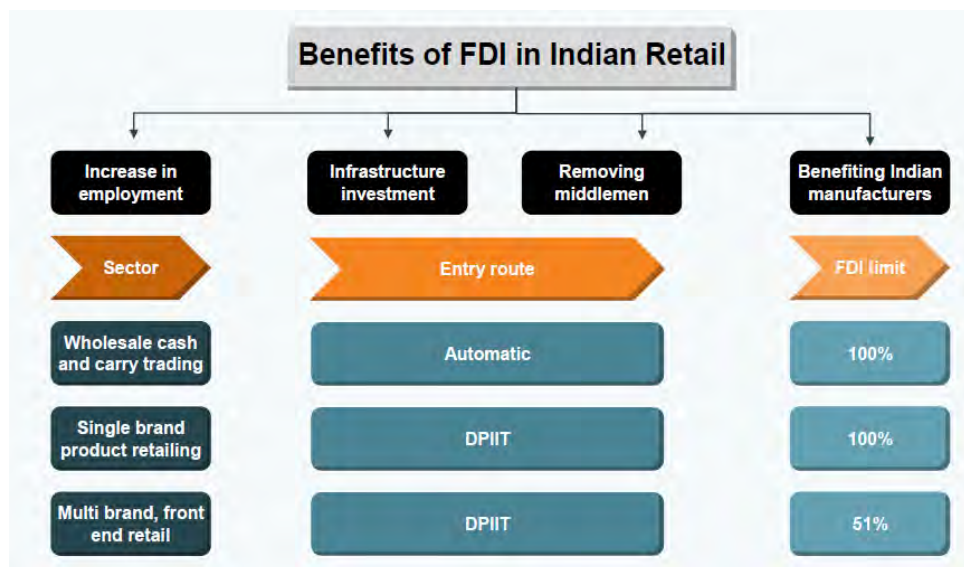


- ❖ In FY20, TV penetration in India stood at 69%, driven by the DTH market.
- ❖ DTH players are expected to get largest share in phase IV of the digitisation market.
- ❖ Digitisation may lead to complete switchover from analogue cable to Digital Addressable Systems in a phased manner.
- ❖ In 2021, TV shipments grew 24% YoY, with the smart TV market also registering 65% YoY growth.
- ❖ In September 2021, Airtel Digital TV, the DTH arm of Bharti Airtel, introduced Made-in-India high-definition set-top boxes for customers. The boxes are being manufactured in Noida, Uttar Pradesh, by Skyworth Electronics. Airtel plans to fully transition to Made-in-India set-top boxes, including the high-end Airtel Xstream 4K Android TV box, by the end of 2021 and contribute towards local manufacturing and the Government of India's Atmanirbhar vision.
- ❖ According to a report by Counterpoint Research, smart TV shipments from India climbed by 65% YoY in the second quarter of 2021, owing to increased expansion activities adopted by original equipment manufacturers (OEMs) for their smart TV portfolios.
- ❖ The total active subscriber base has increased from 69.57 million in March 2021 to 69.86 million in June 2021.
- ❖ In August 2020, the Government of India targeted China with new restrictions on colour televisions and mobile phones.

- ❖ In October 2020, television manufacturers such as Samsung, LG and Sony were granted licences by the government to import finished TV sets into India.

(Source <https://www.ibef.org/industry/indian-consumer-market>)

BENEFITS TO CONSUMER DURABLES AND WIDER RETAIL SECTOR FROM FDI POLICY



KEY RETAIL RELATED FDI POLICIES THAT WILL IMPACT CONSUMER DURABLES

- 51% FDI in multi brand retail status: Approved**
 - Minimum investment cap is US\$ 100 million.
 - 30% procurement of manufactured or processed products must be from SMEs.
 - Minimum 50% of the first minimum tranche of US\$ 100 million must be invested in back-end infrastructure (logistics, cold storage, soil testing labs, seed farming and agro-processing units).
 - Removes the middlemen and provides a better price to farmers.
 - 50% of the jobs in the retail outlet could be reserved for rural youth and a certain amount of farm produce could be required to be procured from poor farmers.
 - To ensure the Public Distribution System (PDS) and Food Security System (FSS), Government reserves the right to procure a certain amount of food grains.
 - Consumers will receive higher quality products at lower prices and better service
- 100% FDI in single brand retail status: Policy passed**
 - Products to be sold under the same brand internationally.
 - In 2015, according to revised FDI regulations single brand retail companies if desire to sell on ecommerce platform would be allowed only if they have licence for setting up physical outlets.
 - Sale of multi brand goods is not allowed, even if produced by the same manufacturer.
 - For FDI above 51%, 30% sourcing must be from SMEs.

- Any additional product categories to be sold under single brand retail must first receive additional Government approval.
- “Make in India” initiative to further strengthen the investments coming to India

(Source <https://www.ibef.org/industry/indian-consumer-market>)

ROAD AHEAD

Indian appliance and consumer electronics (ACE) market is expected to increase at 9% CAGR to reach Rs. 3.15 trillion (US\$ 48.37 billion) in 2022. Demand growth is likely to accelerate with rising disposable income and easy access to credit. Increasing electrification of rural areas and wide usability of online sales would also aid growth in demand. The government anticipates that the Indian electronics manufacturing sector will reach US\$ 300 billion (Rs. 22.5 lakh crore) by 2024–25.

Company Profiling

Amber Enterprises Limited

- Amber Enterprises was established in 1990 and was converted to a public limited company in 2017.
- The company is a prominent solution provider for Air conditioner OEM/ODM Industry in India. It has a dominant presence in RACs complete unit and deals in major RAC components.
- The company provides greater energy efficiency as well as experience in indoor, outdoor, split, and window air conditioners. It also sells both AC and non-AC components.
- Amber is well-positioned to extract the core deliverables in terms of quality, pricing, and delivery due to its backward integration.

Dixon Technologies India Ltd

- Dixon Technologies, located in Noida, is an Indian Electronics Manufacturing Services Company that was founded in 1993 and has been leading this space in India. Initially, the company began production of colour televisions.
- Dixon has now expanded its activities to numerous electronic sub-segments. The company offers design-focused solutions in consumer durables, home appliances, lights, mobile phones, and security systems, as well as repairing and refurbishing services for a wide range of products.
- Since its initial public offering in 2017, the company has been listed on the BSE and NSE.

Comparative Analysis of Virtuoso, Amber and Dixon.

A. Comparison of company's presence in end-user industry

Name of the Company	Consumer Electronics	Home Appliances	Mobile Phones	Automotive	Telecom	Lighting	Medical	Others
Amber	✓							✓
Dixon	✓	✓	✓		✓	✓	✓	✓

VOEPL	✓	✓				✓		

Source: Company websites

B. Revenue from Operations Comparison of Fiscal 2020 - Fiscal 2023 - Q1

(₹ in Lakhs)

Name of the Company	Fiscal 2020	Fiscal 2021	Fiscal 2022	Three months period ended June 30, 2022
Amber (Consolidated)	396279	303052	420639.73	182572
Dixon (Consolidated)	440012	644817	1069708.00	285507
VOEPL (Standalone)	6820.24	11525.66	20017.24	7381.87

Source: Annual Reports

C. EBITDA comparison, Ratio in %*, Fiscal 2020 - Fiscal 2023 - Q1

Name of the Company	Fiscal 2020	Fiscal 2021	Fiscal 2022	Three months period ended June 30, 2022
Amber	5.67%	4.37%	4.01%	3.67%
Dixon	4.34%	3.78%	2.77%	2.66%
VOEPL	11.94%	10.98%	9.95%	14.58%

Source: Annual Reports and certified by Statutory Auditor Jain Chhajed & Associates

*Ratio in % is EBITDA/Revenue from Operations

D. PAT comparison, Ratio in %, Fiscal 2020 - Fiscal 2023 - Q1

Name of the Company	Fiscal 2020	Fiscal 2021	Fiscal 2022	Three months period ended June 30, 2022
Amber	4.00%	2.69%	2.60%	2.30%
Dixon	2.74%	2.48%	1.78%	1.60%
VOEPL	2.06%	1.80%	1.97%	5.57%

Source: Annual Reports and certified by Statutory Auditor Jain Chhajed & Associates

E. RoCE comparison, Ratio in %, Fiscal 2020 - Fiscal 2023 - Q1

Name of the Company	Fiscal 2020	Fiscal 2021	Fiscal 2022	Three months period ended June 30, 2022
Amber	15.97%	8.43%	8.78%	8.30%
Dixon	28.90%	25.07%	19.39%	26.50%

VOEPL	57.53%	73.21%	64.71%	31.23%

Source: Annual Reports and certified by Statutory Auditor Jain Chhajer & Associates

BUSINESS OVERVIEW

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in the section titled “Risk Factors” and the section titled “Restated Financial Statements” and “Management Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page no 26,183 and 219 of this Prospectus.

Unless the context otherwise requires, in relation to business operations, in this section of this Prospectus, all references to “we”, “us”, “our”, “our Company” and “VOEPL” are to “Virtuoso Optoelectronics Limited”.

BUSINESS OVERVIEW

Our Company was originally incorporated as Virtuoso Optoelectronics Private Limited at Nashik, Maharashtra as a Private Limited Company under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated September 11, 2015 bearing Corporate Identification Number U74999MH2015PTC268355 issued by Deputy Registrar of Companies, Mumbai, Maharashtra. Subsequently, our Company was converted into a Public Limited Company pursuant to special resolution passed by the shareholders at the Extraordinary General Meeting held on March 24, 2021 and consequent upon conversion the name of our company was changed to Virtuoso Optoelectronics Limited vide a fresh certificate of incorporation dated April 19, 2021 bearing Corporate Identification Number U74999MH2015PLC268355 issued by Registrar of Companies, Mumbai. For further details, please refer the Section titled “History and Certain Corporate Matters” beginning on page 156 of this Prospectus.

We manufacture consumer durable goods and assemble a wide array of products and provide end-to-end product solutions. We serve under both original equipment manufacturer (“OEM”) and original design manufacturer (“ODM”) business models. Under the OEM model, we manufacture and supply products basis designs developed by our customers, who then further distribute these products under their own brands. Under the ODM model, in addition to manufacturing, we conceptualize and design the products which are then marketed to our customers’ prospective customers under their brands. We have developed ODM capabilities with respect to lighting products and small appliances

Our current product portfolio of consumer goods includes (i) Split Air Conditioners; (ii) Water Heaters; (iii) LED Lighting products; and (iv) other miscellaneous products such as injection molding components for air conditioners. We offer innovative solutions to our customers, which include leading international and national consumer brands. Our comprehensive solution suite includes global sourcing, fabrication of components and parts, captive manufacturing and assembly, quality testing, packaging and logistics support, which enables us to partner with leading consumer goods brands in India. Our key customers include leading brands in Air Conditioning & Water Heater segments

The industries in which our Company operates are expected to benefit from regulatory support such as production-linked incentive schemes (“PLIs”), which are part of the Government of India’s “Atmanirbhar Bharat Bamiyan”, or Self-Reliant India, campaign, which seeks to provide a range of PLIs and other benefits for manufacturing in India. Our applications for PLIs for the white goods (air conditioners and LEDs) has been approved on November 12, 2021.

Our revenue from operations for the three months period ended June 30, 2022 and years ended March 31 of 2022, 2021 & 2020 have been ₹ 7,381.87 Lakhs, ₹ 20,017.24 Lakhs, ₹ 11,525.66 Lakhs and ₹ 6,820.24 Lakhs, respectively. Our key product vertical wise revenue for the periods indicated is set out below:

We have over 5 years of experience in manufacturing sector. Since inception, we have expanded our product portfolio, customer base and gained technological expertise in designing and manufacturing of our products.

We have an experienced Board of Directors and management team. Our management, including key managerial personnel have expertise and experience in the consumer goods industry.

We have two manufacturing facilities which are strategically located in and around Nashik (Maharashtra). Our modern and state-of-art manufacturing facilities are equipped with high quality machinery, assembly lines that enable us to meet the quality requirements of our customers in a timely manner. In line with our focus to provide end to-end product solutions and to develop better control on our supply chain and improve our margins, we have backward integrated our major manufacturing processes. We have developed in-house capabilities in SMT lines, injection molding, sheet metal components and testing labs. We have equipped our facilities to improve our cost efficiency, reduce dependency on third party suppliers and provide better control on production time and quality of critical components used in the manufacturing of products.

We have a centralized R&D center in Nashik (Maharashtra), focusing on the research and development on all aspects of OEM and ODM models including concept sketching, design refinement, generating optional features and testing. This enables us to address our consumers' diverse needs, introduce new and innovative products in the market, enhance existing products with emerging technologies, and optimize costs across our products through value analysis and value engineering. As on June 30, 2022, our R&D team consisted of 8 employees, including engineers, designers and other workers. Our key financial performance indicators are:

Particulars	For the three months period ended June 30, 2022*	March 31, 2022	March 31, 2021	March 31, 2020
Revenue from operations (₹ in Lakhs)	7,381.87	20,017.24	11,525.66	6,820.24
EBITDA (₹ in Lakhs)	1,076.15	1,992.25	1,265.47	814.17
Profit after tax (₹ in lakhs)	412.34	394.01	208.33	140.89
Net Worth (₹ in Lakhs)	2,538.68	2,126.34	1,332.32	1,123.99
Return on Net Worth (%)	16.24%	18.53%	15.64%	12.53%

* Not annualized

ORIGINAL DESIGN MANUFACTURING

Under the ODM model, in addition to manufacturing, we conceptualize and design the products which are then marketed to our customers' prospective customers under their brands. We have developed ODM capabilities with respect to lighting products and small appliances.

All our manufacturing facilities and the manufacturing process confirm to ISO 9001:2015 quality management systems certification. Our Company also had undertaken Bureau of Indian Standards (“BIS”) for air conditioners and LED Lightings. The Company was holding compliance certificate with related Lamps, Self-Ballasted, Light-Emitting-Diode Type Self-Ballasted Lamps, Led Type, Models V-El-12-30-N-A-001, V-El-09-30-N-A-001 and V-El-07-30-N-A-001 is in accordance with the UL Standard(s) for Safety indicated by the Bruce Mahrenholz, Director North American Certification Program, UL LLC.

Our Competitive Strengths

We believe that the following are our primary competitive strengths:

1. Infrastructure and Integrated Manufacturing Facility

Our aim is to continuously earn customer's trust and confidence through personal attention, and hence the output of the product as per customer requirement is the foremost thing which shall be considered and attended through technology mode. We believe in providing quality products to our customers, which is facilitated in our fully integrated and self-reliant manufacturing facility. We are devoted to quality assurance. The quality checks ensure that no defective products reached the customer and ensure reduced process rejection. We believe that our quality products have earned us a goodwill from our customers, which has resulted in customer retention and order repetition also new addition to the customer base. Further, Our Company is ISO 9001:2015 certified company and also holding certificate under BIS and UL Standards for safety. We have developed internal procedure of checking the products at each stage of production right from receipt of raw material to dispatch of our products. Our Company focuses on consistently delivering qualitative products, thereby building customer loyalty for our product

2. Culture of innovation and highly experienced and young management

Our Promoter and Managing Director, Sukrit Bharti, have been associated with our Company since our inception. Sukrit Bharti has more than one decade of experience in the consumer goods industry.

Additionally, our senior management also possesses extensive industry and management experience which has given us a specialized understanding of the complexities involved in the consumer goods industry in India and its processes. Our business growth is also attributable to our strong management culture fostered by an entrepreneurial spirit, each product vertical being managed by experienced and hands-on vertical heads having in-depth knowledge of our industry. Our experienced management team has successfully led our operations, increased our capacity, revenues and profits since our inception and is passionate and dedicated to our business and innovation.

Our Key Managerial Personnel has an average experience of over 15 years, comprises of experienced professionals with extensive experience in their domains, helping us develop new products through in-house R&D capabilities, thereby quickly adapting to changing client requirements across varying product mix. We have a track record of establishing and growing new lines of product segments in the past, such as lighting products, air conditioners and water heaters.

Our highly experienced and dedicated management team enables us to capture market opportunities, formulate and execute business strategies, manage client expectations as well as proactively manage changes in market conditions.

For further details on education, experience and other details of our Management and Key Managerial Personnel, kindly refer to the Section titled “*Our Management*” beginning on page 160 of this Prospectus.

3. Constant focus on developing new and innovative products

For any company, innovation, novelty, procedural as well as technical progress are key factors for its success in the long term. Our Company constantly encourages its people to innovate and develop new products for catering to demands of our customers. This has helped our Company to become a customer-oriented manufacturing concern.

4. Economies of Scale

Our multiple manufacturing locations allow us optimal utilisation of facilities and enable us to distribute manufacturing across them. This helps us to ease the pressure of seasonality and simultaneous demand schedules of multiple customers. The flexibility of our assembly lines provides us with a major competitive advantage as we are able to handle changes in market demands in an efficient manner. Our scale provides us with greater resources to support our fixed costs, such as R&D expenses, and permits the use of shared services to eliminate duplicative business functions and administrative expenses. We believe that this also helps us to compete with imports from countries such as China as we are able to make more efficient deliveries to our customers.

The large scale of production has also strengthened our relationship with our raw material suppliers and provided us better insight into the markets for procuring material. We have a centralised system across our manufacturing facilities for procurement of raw material, ensuring cost efficiency and timely delivery of supplies. This results in reducing the overall cost of production.

5. R&D and product design capabilities leading to generation of ODM business

We place strong emphasis on research and development to enhance our product range and improve our manufacturing processes, which has been a key pillar of our growth. We believe that we have developed strong product design capabilities, which allow us to provide customised solutions to our customers and service them more effectively and in a timely manner. Leveraging on the experience and knowledge derived from manufacturing our products, we have set-up a dedicated R&D centre focusing on the research and development of electronics hardware designing, system architecture, mechanical design, component engineering and optics design and provide design enhancement and verification to our customers. As at June 30, 2022, our R&D team consisted of 8 employees including electrical engineers. Our R&D centre located at Nashik has access to latest equipment such as photometric system for light source and colour analysers, a 3D modeling and product lifecycle management software's, access to equipment such as 3-D CAD and 3-D printers. The R&D team has the capabilities to verify and develop conceptual designs received from customers and convert such designs into deliverable products by improving the designs, recommending suitable raw materials and testing of trial products. The R&D team also aims to provide solutions to improve manufacturing efficiency on the existing products, reduce production costs and also assists our customers in designing consumer durable and lighting products by providing design and engineering support.

We have been building up our design, product development and manufacturing capabilities as we believe that as an ODM service provider, we provide an attractive value proposition to consumer goods brands. The technological advancements and frequent design changes in the industry in India necessitate innovation and we believe that our ODM service enables our customers to focus on their core competencies such as product differentiation, marketing and distribution.

6. Availability of Performance Linked Incentives

We expect our business to benefit substantially from the Government of India's "Aatmanirbhar Bharat Abhiyaan", or Self-Reliant India, campaign, which provides an increasing range of incentives to attract and localise manufacturing and production in the country. These incentives promote

manufacturing and exporting products in various industries, including those that we are targeting for future growth. The Company has been approved for a PLI for white goods (air conditioner and LEDs) manufacturing which provides a revenue subsidy of 4-6% on the incremental revenue from FY 2022-23, subject to incremental investment of ₹ 1000 Lakhs every year for next 5 years starting FY 2021-22. We expect these incentives to contribute to the profitability of our diversification initiatives into new industries and service offerings

7. Strong relationships with a diverse top-tier customer base

We have established and will continue to focus on strengthening our long-standing relationships with well-known customers across product verticals. We view these customers as our partners and seek to provide them with quality end-to-end product solutions. We believe that our customers are long term reputed players in the industry. Our relationships with them have enabled us to continuously develop, diversify and improve our product portfolio, plan our production in anticipation of demand from retail customers and ensure continuous focus on quality. Such long-term business relationships stem from our commitment to quality products and timely delivery of customers' orders under tight delivery schedules and short production lead time.

Our global customers typically implement stringent approval processes and quality audits checks in the selection of their suppliers, and our ability to be a key supplier and establish long term relationships with many of our customers demonstrates our ability to maintain customer stickiness and strong delivery capabilities.

We believe, our strong customer base has not only been instrumental in our success to date, but also will be a strong driver of our future growth and help expand our market share, develop new products and enter newer markets. Our ability to maintain and grow these customer relationships stems from our history of continuously creating value for our customers.

Our Key Strategies

Continue to focus on ODM model

While OEM sales continue to be a major source of our revenue, we plan to gradually expand our share of the ODM model of manufacturing. As an ODM, we control the entire manufacturing cycle of a product from the initial stage of designing and are responsible for all the aspects of manufacturing, including planning and sourcing of raw materials and components. Under ODM, we sell our products to companies who in turn distribute these products under their own brand to end users, however, warranties with respect to defects in raw materials and workmanship affecting normal use of products are provided by us. The ODM model of business requires additional investment in R&D as well as working capital but provides higher margins as compared to the OEM model.

Our strategy to move towards the ODM model is to service all major customer requirements across the industry and product verticals. This also helps us in improving our overall profitability as we are able to control all aspects of the manufacturing cycle. Gradually, we believe there is a trend in certain product verticals wherein regional and private labels have been gaining market share and the ODM model allows us to service this market as well.

Expand existing relationships with customers into other product verticals

We plan to continue to focus on customers with whom we have long-standing relationships in order to develop and supply more sophisticated, higher margin products. For example, we started manufacturing LED Lightings for one of our customers and are now also manufacturing water heaters for them. Our experienced R&D team enables us to bring innovations to our existing customers that translate into new

opportunities. Our R&D team has the ability to add new features to existing products and develop new product lines and components.

Continue to strive for cost leadership

We intend to continue to be the most cost-efficient player in each of the product verticals we will enter. This cost leadership will be achieved through initiatives like having large manufacturing capacities, backward integration and being a sizeable player in the industry in that particular vertical. Economies of scale will also enable us to continuously improve our operational efficiencies. One of the strategies we have adopted in the past is flexibility in manufacturing lines for different product verticals thereby giving us higher utilisation levels despite lower capital investments. We will continue with this strategy of flexible manufacturing and deploying minimum working capital which will also help us in attaining cost leadership

Grow export sales

Further, with 'Make in India' initiative of GoI and the growing advantage of domestic manufacturers compared to import markets due to lower lead time and working capital cycle, greater flexibility to adjust with market trends and improving cost competitiveness, we believe we are well poised to grow our domestic and export sales. We also seek to expand our global reach through increased customer acceptance of our products in international markets.

Continuing innovation and strengthening the R&D capacity

Customers' demand for higher performance and top-quality products is growing rapidly in the Split Air Conditioner industry. In response to this, a key part of our strategy is to continually improve our research and design capabilities to pre-empt market dynamics and meet our customers' requirements. We believe that high-value added and technology-driven components will provide us with opportunities to capture shifts in customer preferences as well as evolving regulatory requirements, such as heightened energy efficiency requirement. By providing high-value added and innovative products, we seek to be a preferred supplier to our customers, thus giving us the opportunity to consolidate our position with our customers and increase the share of their supply needs that we fulfil. As the industry will focus on high efficiency and environmentally friendly products, our R&D team will seek to design higher energy efficient models across various green refrigerants such as R-290 and R-32 which have low ozone depletion potential.'

OUR OPERATIONS

We provide manufacturing services to our customers, and provide a range of OEM and ODM services, with the objective of becoming a vertically integrated "one-stop" solutions provider to OEMs in a number of high-growth industries, several of which are expected to benefit from manufacturing linked PLIs in India. The following chart illustrates our current service offerings:

Business Vertical	Product Design & Development	Component Manufacturing & Sourcing	Manufacturing	Logistics	After-sales
EMS	●	●	●	●	●
ODM	●	●	●		
OEM		●	●		

The ODM services that we currently offer include some component manufacturing and sourcing services as well as some logistics services, and we are building the capabilities to expand these service offerings and also provide product design and development, and after-sales services.

Under the OEM model, we provide services ranging from global sourcing, manufacturing, quality testing and packaging to logistics to OEMs across our product verticals.

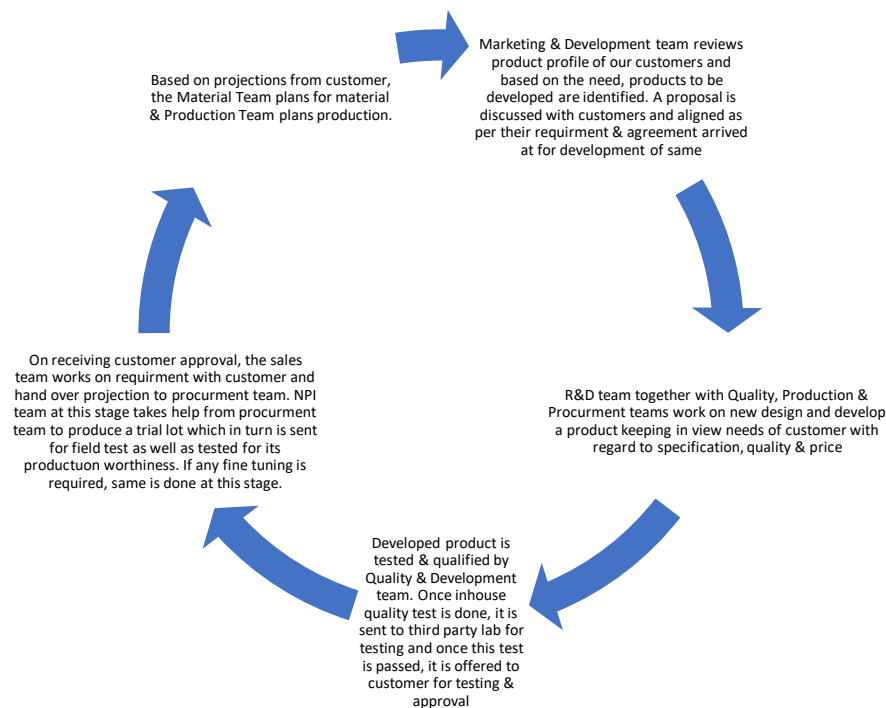
The key steps involved in the OEM business are as follows:



We enter into agreements with our OEM customers which are renewed on a regular basis if both the parties so decide. These agreements include general terms of sale, specification requirements and pricing policy, but such agreements do not obligate our OEM customers to place an order with us. Based on these agreements, our customers provide us with forecasts of the expected demand for certain months and eventually place orders with firm purchase commitments. The precise terms for each shipment, such as pricing and quantities, are also confirmed at the time each order is placed. For a detailed discussion on the risks involved in our business due to the nature of agreements entered into with our customers, refer to the section titled “*Risk Factors*” on page 26 of this Prospectus.

ODM

The key steps involved in the ODM business are as follows:



We conceptualize, design and manufacture the products in-house, which are then marketed to prospective customers. We enter into agreements with some of our ODM customers while some customers directly place orders for our ODM products, which include details like quantity and pricing.

Our manufacturing facility

We have two manufacturing facilities which are strategically located in Nashik (Maharashtra). Our modern and state-of-art manufacturing facilities are equipped with high quality machinery and assembly lines that enable us to meet the quality requirements of our customers in a timely manner. We source energy from local utility companies and DG sets and water from ground water and local utility companies at our manufacturing facilities. Details of our manufacturing facilities are set out below:

Sr No	Plant Address	Area (in square meter)	Year of commencing operations	Products manufactured	Owned/ Lease	Key Machineries
1	64-B-1 MIDC Satpur Nashik 422007	2592.00	2020	EMS and Manufacturing of LED Lighting Products	Lease	SMT lines, MI lines and assembly lines
2	Survey No 602/2, Near Ozar Airport, Janori Tal- Dindori Dist.- Nashik 422206	13713	2021	Manufacturing of Air Conditioner (IDU) Unit & Air Conditioner	Lease	HE lines, plastic injection molding and assembly lines

				ODU Unit		
3	7, MIDC Satpur Nashik 422007	400	2015	Registered & Head Office	NOC for use of office premise	NA

The table below sets out our production volume across our key product portfolio for the period:

(in '000 units)

Product/Vertical	Aggregate annual installed capacity for the period (in units) #	Production during three -month period ended June 30, 2022 (in units)	Capacity utilisation (annualized) (%)
LED/EMS	10,000	1599	63.96%
AIR CONDITIONERS	600	98	65.33%

Calculated as on June 30, 2022.

(in '000 units)

Product/Vertical	Fiscal 2020			Fiscal 2021			Fiscal 2022		
	Aggregate annual installed capacity for the period (in units) #	Production during Fiscal 2019 (in units)	Capacity utilisation (%)	Aggregate annual installed capacity for the period (in units) #	Production during Fiscal 2019 (in units)	Capacity utilisation (%)	Aggregate annual installed capacity for the period (in units)#	Production during Fiscal 2019 (in units)	Capacity utilisation (%)
LED/EMS	8000	6395	79.94%	8000	6480	81.00%	10000	6890	68.90%
AIR CONDITIONERS (IDU)	300	65	21.67%	300	204	68.00%	600	324	54.00%

Calculated as on March 31 of respective Fiscal

RESEARCH AND DEVELOPMENT

We have a R&D centre in Nashik (Maharashtra) focusing on the research and development of engineering product designing, die and mould designing, electronic circuit designing and prototype designing. With our R&D centre, we are able to focus on all aspects of OEM and ODM including concept sketching, design refinement, generating optional features and testing. This enables us to address our consumers' diverse needs, introduce new and innovative products in the market, enhance existing

products with emerging technologies, and optimize costs across our products through value analysis and value engineering. Our R&D centre is not recognised by any authorities.

The R&D team has the capabilities to independently develop ODM designs and verify and develop OEM designs received from customers and convert such designs into deliverable products by improving the designs, recommending suitable raw materials and testing of trial products. The R&D team also aims to provide solutions through automation to improve manufacturing efficiency on the existing products, reduce production costs and also assists our customers by providing design and engineering support.

DESCRIPTION OF SUBSISTING COLLABORATIONS, ANY PERFORMANCE GUARANTEE OR ASSISTANCE IN MARKETING BY THE COLLABORATORS

There are no subsisting collaborations or performance guarantee or assistance in marketing by the collaborators.

RAW MATERIALS SOURCING

We source our raw materials from both domestic and international markets. Whether domestic or import based, our raw material suppliers are assigned by our customers or independently sourced by us. For independently sourced suppliers, we conduct a supplier audit to assess worthiness of supplier in terms of adherence to timelines/schedules and quality. For customer assigned suppliers, the audit is conducted by our customer. We typically obtain minimum of two quotations from suppliers. Purchase of raw material is independently made by our respective factories with head office being an enabler for financial matters. We typically purchase raw material on purchase order basis. We typically pass-on fluctuation in price of raw material to our customers on a monthly or quarterly basis. We typically keep 30 days' stock of raw material

DISTRIBUTION AND LOGISTICS

Once the products are finished, we package our products to the customers as per their specifications. Most of our orders are on ex-works basis and transportation of products from our facilities is customer responsibility.

BUSINESS DEVELOPMENT

We have dedicated sales and marketing teams based out of each manufacturing facility. Our teams approach new customers to showcase our capabilities to bring in new business, and accordingly, our existing customers often approach us to get additional/new products manufactured.

We follow stringent process in customer acquisition and retention for both new and existing products. For example, the process includes submission of product concept to potential customers and approval thereof, submission of functional and aesthetic prototype for customers' testing and market feasibility, development of product where tools and dies are developed as per customer specification, submission of final product to customers' quality department for quality check and reliability clearance, preparation of production plans along with customers, conduct of various audits by customers such as financial, quality, engineering and sustainability. This process may take upto 52 weeks till engineering build, depending on the customer and product.

We have incurred negligible advertisement and sales promotion expenses when compared to our revenue from operations in last three Fiscals, due to strong and longstanding relationship with our customers, our ability to cross-sell our products to existing customers.

QUALITY CONTROL

We place strong emphasis on product and process quality control. We have established strict quality control systems, which are designed to ensure product design, production efficiency and high output at our manufacturing facilities. For customers having their own specifications, we also carry out customer designated tests. Quality checks are undertaken for raw material and components and at packaging. Outgoing quality control is conducted prior to dispatch of products. All of our manufacturing facilities have been accredited with management system certificates for compliance with ISO 9001:2015.

HEALTH, SAFETY AND ENVIRONMENT

Our activities are subject to the environmental laws and regulations of India. For information regarding applicable health, safety and environmental laws and regulations, see “*Key Industry Regulations & Policies*” on page 142. At our manufacturing facilities, we make efforts to use natural light and air flow and to conserve energy, we continue to replace conventional tube light in to LED lights for our facilities located at Nashik, Maharashtra.

INFORMATION TECHNOLOGY

We have implemented a company-wide ERP system to manage and integrate our core business processes. This system enables us in making and managing, among others, MIS reports, purchase orders, production entries, dispatch of products, production planning, costing, tool room production entries, vendor price update, main store entries, quality, human resources entries, item code creation and vendor code creation. Considering the prevailing security threats to data and information security, we have adopted defined access control measures for our employees and visitors in relation to our systems and server, which are reviewed on periodic basis.

We have a dedicated IT team responsible for our IT systems and we conduct threat awareness program at our premises on periodic basis.

HUMAN RESOURCES

As on June 30, 2022 we had 98 permanent employees and also employed around 135 contract labours /interns at our manufacturing facilities.

Our human resource practices are aimed at recruiting talented individuals, ensuring continuous development and addressing their grievances, if any, in a timely manner.

INTELLECTUAL PROPERTY RIGHTS:

We have following trademark registrations of our tradename

Sr. No.	Description of the Logo / Label / Device (Applied for)	Certificate No	Application no and date	Classes	Proprietor Name	Authority Granting Approval	Validity upto/Renewed upto	Status

1.	TRIAM	2583734	4506625 21-05-2020	99	VIRTUOSO OPTOELECTRONICS PRIVATE LIMITED*	Registrar of Trademark, Mumbai	21/05/2030	Registered
2.	VOEPL	2802894	4881610 26-02-2021	11	VIRTUOSO OPTOELECTRONICS PRIVATE LIMITED*	Registrar of Trademark, Mumbai	26/02/2031	Registered
3.	VOEL	2802994	4881611 26-02-2021	11	VIRTUOSO OPTOELECTRONICS PRIVATE LIMITED*	Registrar of Trademark, Mumbai	26/02/2031	Registered

*Our company had made an application for change in name in the name from “Virtuoso Optoelectronics Private Limited” to “Virtuoso Optoelectronics Limited”.

INSURANCE AND WARRANTIES

Our operations are subject to hazards inherent in manufacturing facilities such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. We maintain ongoing insurance policies in order to manage the risk of losses from potentially harmful events, including: (i) fire and perils policies covering, among other, building superstructure, plinth and foundation; plant, machinery and accessories; furniture, fittings, fixtures and other contents; stocks and stocks in process; and (ii) broad form liability insurance. We also provide warranty in relation to defect in design, materials and/or workmanship for the products manufactured as per customers specifications on case-to-case basis.

PROPERTIES

Our Registered Office is located at Plot No. 7, MIDC Satpur Nashik 422007 and is situated on leasehold premises. We have also been allotted land measuring approximately 400 square meters on 99 years leases As on the date of this Prospectus, these allotments of land in are yet to be registered as leases.

Details of the land on which our manufacturing facilities are located are set forth in the table below.

Sr	Address	Area (in square	Owned/ Lease	Purpose

.No.		meter)		
1.	64-B-1 MIDC Satpur Nashik 422007	2592.00	Lease	Manufacturing
2.	Survey No 602/2, Near Ozar Airport, Janori Tal- Dindori Dist.- Nashik 422206	13713	Lease	Manufacturing
3.	Plot No. 7, MIDC Satpur Nashik 422007	400	NOC for use of office premise	Registered Office

KEY INDUSTRY REGULATIONS & POLICIES

The following is an overview of the important laws and regulations which are applicable in India, which we consider relevant to the operations of our Company. This overview is only intended to provide general information to investors and is neither exhaustive nor is designed or intended to substitute for professional legal advice. Investors are advised that the current provisions of Indian law and the judicial and administrative interpretations thereof, are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Our Company is engaged in business of designing & manufacturing of Electrical & Electronics, Lighting, & other Engineering industries in India. We are regulated by a number of central and state legislations such as the I.T. Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. Additionally, our functioning requires the sanction of concerned authorities, at various stages, under relevant legislations and local by-laws. Given below is a brief description of certain relevant legislations that are currently applicable to the business carried on by us.

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the section titled Government and Other Statutory Approvals beginning on page number 249 of this Prospectus.

I. Industry Related Laws

A. 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 ("MSME Act") In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951.

The Central Government has vide its notification numbering 1702I dated June 1, 2020 amended the definition of MSME which has come into effect from July 1, 2020.

The revised definition is as under:

- i. a micro enterprise, where the investment in Plant and Machinery or Equipment does not exceed one Crore rupees and turnover does not exceed five Crore rupees;
- ii. a small enterprise, where the investment in Plant and Machinery or Equipment does not exceed ten Crore rupees and turnover does not exceed fifty Crore rupees; and
- iii. a medium enterprise, where the investment in Plant and Machinery or Equipment does not exceed fifty Crore rupees and turnover does not exceed two hundred and fifty Crore rupees.

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority.

The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council ('Council'). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

B. The Bureau of Indian Standards Act, 2016 (“BIS Act”)

The BIS Act, establishes, publishes and regulates national standards to ensure conformity assessment, standardization, and quality assurance of goods, articles, processes, systems and services. The BIS Act empowers the Bureau of Indian Standards to inspect and monitor the quality of goods and materials to ensure conformity with the BIS Act. In furtherance of such powers, the officials may inspect the premises for evaluating a manufacturer’s compliance with use of standard marks. The BIS Act also enables the central government to appoint any authority to verify the conformity of products and services to a standard and issue certificate of conformity. Further, the BIS Act sets out inter alia, liability for use of standard mark on products that do not conform to the relevant Indian Standard. Under the BIS Act, such products may be recalled from the market.

C. Industrial (Development and Regulation) Act, 1951

The Industrial (Development and Regulation) Act, 1951 has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum (“EM”) with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India.

D. The Legal Metrology Act, 2009 (“Legal Metrology Act”)

The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. The Legal Metrology Act and rules framed thereunder regulate inter alia, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the license under the Legal Metrology Act. Any manufacturer dealing instruments for weights and measuring of goods must procure a license from the state department under the Legal Metrology Act. Non-compliance or any violation under the Legal Metrology Act, may result in inter alia a monetary penalty on the manufacturer or seizure of goods.

E. Legal Metrology (Packaged Commodities) Rules, 2011 (the “Packaged Commodities Rules”)

The Packaged Commodities Rules was framed under Section 52(2) (j) and (q) of the Legal Metrology Act and lays down specific provisions applicable to packages intended for retail sale, whole sale and for export and import. A -pre-packaged commodity means a commodity which without the purchaser being present is placed in a package of a pre-determined quantity. The key provisions of the Packaged Commodities Rules are:

- It is illegal to manufacture, pack, sell, import, distribute, deliver, offer, expose or possess for sale any pre-packaged commodity unless the package is in such standard quantities or number and bears thereon such declarations as prescribed;
- All pre-packaged commodities must conform to the declarations provided thereon as per the requirement of Section 18(1) of the Legal Metrology Act; and

- No pre-packaged commodity shall be packed with error in net quantity beyond the limit prescribed in the first schedule of the Packaged Commodity Rules.

F. The Maharashtra Fire Prevention and Life Safety Measures Act, 2006 Act 3 of 2007 & Amendment 2015

The Fire Act requires building owners and occupants to install firefighting measures and ensure proper evacuation measures in the case of fire emergency. The Act contains comprehensive guidelines towards securing the fire safety of old as well as new buildings in the State of Maharashtra

The Act extends to the whole of the State of Maharashtra and it applies to all building owners and occupants. Even licensees and tenants are classified as 'occupiers

Presently fire prevention and firefighting services are organized by the concerned States and Union Territories. It may be added here that the fire brigades in India remain heterogeneous in character and majority of them continue to remain ill-equipped and differently organized.

The National Building Code (NBC), which is the basic model code in India on matters relating to building construction and fire safety. Fire prevention and fire protection is a state subject. The primary responsibility for fire prevention and fire protection lies primarily with State Governments. The rules for fire prevention and fire protection are laid in the form of State Regulations or Municipal By-Laws.

Apart from the specific State Acts and Rules stated above, a number of legislations are available on matters relating to fire prevention, fire protection and some of them are listed in Table 03. Amongst these, the Factories Act and State Factories Rules are important ones. The Section 38 of the Factories Act, 1948, emphasizes, the obligations of the occupier, which include (i) to adopt all practicable measures to prevent the outbreak and spread of fire, (ii) to provide safe means of escape, (iii) to maintain the firefighting equipment properly and (iv) to familiarize all the workers with the means of escape during fire and train them in steps to be taken in a fire accident. The Section 37 of the Factories Act, 1948, also prescribes detailed measures to prevent explosions hazards. The State Factories Rules, framed under the Factories Act, have prescribed in detail, all the steps to be taken to prevent fire hazard.

II. Labor Laws

A. The Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957

The Industrial Disputes Act, 1947 ("ID Act") was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labor legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman's services. This includes detailed procedure prescribed for resolution of disputes with labor, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock outs, closures, lay-offs and retrenchment.

B. Factories Act, 1948

The Factories Act, 1947 ("Factories Act") seeks to regulate labor employed in factories and makes provisions for the safety, health and welfare of the workers. The term factory, as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12

(twelve) months, 10 (ten) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 (twenty) or more workmen are employed at any day during the preceding 12 (twelve) months and in which any manufacturing process is carried on without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labor standards, holidays and extent of child labor including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

C. Contract Labor (Regulation and Abolition) Act, 1970

The Contract Labor (Regulation and Abolition) Act, 1970 ("C"RA") is an act to regulate the employment of contract labor 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 labor. 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 labor 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 labor. The Contract Labor (Regulation and Abolition) Central Rules, 1971 are formulated to carry out the purpose of the CLRA.

D. 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.

E. The Employees State Insurance Act, 1948

The Employees State Insurance Act, 1948 ("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. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

F. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952

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

establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed th“

"Employees Provident Fund Sch"me""

"Employees Deposit-linked Insurance Sch"me" and th“

"Employees Family Pension Sch"me".

Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

G. The Employees' Pension Scheme, 1995

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 58 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

H. 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.

I. Employees' State Insurance Act, 1948

The Employees' State Insurance Act, 1948 (the "ESI Act") an act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

J. Maternity Benefit Act, 1961

The purpose of Maternity Benefit Act, 1961 is to regulate the employment of pregnant women and to ensure that the 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.

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

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also

constitute an — Internal Complaints Committee and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organizing awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

L. The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 ("PB "ct") is applicable to every factory and every other establishment employing 20 (twenty) or more persons. According to the provisions of the PB Act, every employer shall be bound to pay to every employee in respect of the accounting year minimum and maximum bonus and linking the payment of bonus with the production and productivity.

M. The Minimum Wages Act, 1948

The Minimum Wages Act, 1948 ("MW "ct") 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 authorized 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 outworkers) 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.

N. The Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 ("PG "ct") applies to every factory and shop or establishment in which 10 (ten) or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years: a) On his/her superannuation; b) On his/her retirement or resignation; c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply)

O. The Payment of Wages Act, 1936

The Payment of Wages Act, 1936 ("PW "ct") 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.

P. Child Labor Prohibition and Regulation Act, 1986

The Child Labor Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labor in our industry is prohibited as per Part B (Processes) of the Schedule.

Q. Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labor, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the

purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

R. The Maharashtra Labor Welfare Act, 1953

The Maharashtra Labor Welfare Fund Act, 1953 provides for the constitution of a fund for the financing of activities to promote welfare of labor in the state of Maharashtra. Any establishment which is covered under the Bombay Shops and Establishments Act, 1948 or employs at least 5 employees is required to make bi-annual contributions in the months of June and December every year to the Maharashtra Labor Welfare Fund with respect to each of its employees including contract laborers except those employed in managerial capacity or supervisory role drawing monthly salary of more than Rs. 3,500. For this purpose, apart from paying its own contribution with respect to each employee covered under the statute, the employer needs to deduct a contribution amount from the salary of the employee as well and submit such amount to the labor welfare fund. For this purpose, employers are allotted code numbers. The Government also adds some contribution with this which goes to the Labor Welfare Fund administered by a Welfare Commissioner. The employer has to apply for allotment of code number to the Welfare Commissioner, Maharashtra Labor Welfare Board.

S. Inter-State Migrant Workmen's (Regulation of Employment and Conditions of Service) Act, 1979

The Inter-State Migrant Workmen's (Regulation of Employment and Conditions of Service) Act, 1979 is applicable to an establishment, which employs five or more inter-state migrant workmen through an intermediary (who has recruited workmen from one State for employment in an establishment situated in another State). The inter State migrant workmen, in an establishment to which this Act becomes applicable, are required to be provided certain facilities such as housing, medical aid, travel expenses etc.

T. Sales Promotion Employees (Conditions and Services) Act, 1976

Sales Promotion Employees (Conditions and Services) Act, 1976 was enacted with the aim and object to provide for regulation of certain conditions of service of sales promotion employees in certain establishments. The extension of this Act is provided over all Indian territory and the same was brought into force on 6th May of 1987 by the notification of the Central Government. This act was initially applicable only to pharmaceutical companies however pursuant to the Ministry of labor Employment Notification No. SO 217 (E) dated January 31, 2011 the act now applies to many other industries which includes industries engaged in the manufacturing of electrical appliances. It provides for issue of appointment letter to the Sales Promotion Employees and Maintenance of Registers. It also provides for hours of work and leave on Medical grounds to the Sales Promotion Employees.

III. Environment Laws

A. The Environment (Protection) Act, 1986

The Environment (Protection) Act, 1986 ("EPA") is an umbrella legislation designed to provide a framework for the government to coordinate the activities of various central and state authorities established under various laws, such as the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, etc. The EPA vests with the Government the power to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution.

B. The Water (Prevention and Control of Pollution) Act, 1974

("Water "ct") aims to prevent and control water pollution by factories and manufacturing units and to maintain and restore the quality and wholesomeness of water.

C. The Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981 ("Air "ct") provides for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant.

D. The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 ("Hazardous Wastes Rules") set out the regulations for management and disposal of environmental waste. It mandates that every facility generating hazardous waste must obtain prior approval from the relevant state pollution control board. Particular attention must be paid to the recycling the hazardous waste. In the case of improper handling and disposal, every occupier transporter and the operator of a facility generating hazardous waste are liable for environmental damage and penalties thereunder.

E. The National Green Tribunal Act, 2010

An Act to provide for the establishment of a National Green Tribunal for the effective and expeditious disposal of cases relating to environmental protection and conservation of forests and other natural resources including enforcement of any legal right relating to environment and giving relief and compensation for damages to persons and property and for matters connected therewith or incidental thereto. AND WHEREAS India is a party to the decisions taken at the United Nations Conference on the Human Environment held at Stockholm in June, 1972, in which India participated, calling upon the States to take appropriate steps for the protection and improvement of the human environment.

F. The Public Liability Insurance Act, 1991

The Public Liability Insurance Act, 1991 ("Public Liability "ct"), along with the Public Liability Insurance Rules, 1991, require the owner to contribute towards the environment relief fund of a sum equal to the insurance premium paid to the insurer. Further, a liability is imposed on the owner or controller of hazardous substances, in relation to death/injury of a person, or any damage to property arising out of an accident involving such hazardous substances. Vide notification, the Central Government has enumerated a list of hazardous substances covered by the legislation.

IV. Tax Laws

A. Income Tax Act, 1961

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses. The maintenance of books of Accounts and relevant supporting documents and registers are mandatory under the Act.

B. The Central Goods and Services Tax Act, 2017 (t"e "GST "ct")

The Government of India proposed a comprehensive national goods and services tax ("GST") regime that would combine taxes and levies by the Central and State Governments into a unified rate structure. In this regard, the Constitution (101 Amendment) Act 2016, which received presidential assent on September 8, 2016, enabled the Government of India and State Government to introduce GST. Accordingly, GST was enacted to make a provision for levy and collection of tax on supply of goods or services or both and was made effective from July 1, 2017. GST is a destination-based tax levied on supply of goods and services. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state are levied with Central GST (CGST) by the Central Government and State GST (SGST) by the Government of that State. For inter-State transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST will be levied on all stages of the supply chain till the final sale to consumers, providing ITC the supply chain.

It replaces following indirect taxes and duties at the central and state levels: Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling. It is applicable on all goods except for alcohol for human consumption and five petroleum products. Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year up to Rs.1.5 crore (75 lakhs in case of North Eastern States) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%, 28%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition, a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products. The rate of tax for CGST and SGST/UTGST shall not exceed –

- 2.5% in case of restaurants etc.
- 1% of the turnover in state/UT in case of manufacturer
- 0.5% of the turnover in state/ UT in case of other supplier

Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple location in a state, a separate application will be made for registration of each and every location. The registered assessee are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

The Maharashtra Goods and Services Tax Act, 2017 is applicable to the State of Maharashtra.

C. The Maharashtra State Tax on Profession, Trades, Callings and Employments Act, 1975

This act is also called as The Maharashtra State Tax on Professions, Trade, Callings and Employments Act, 1975. Profession Tax means the tax on Professions, Trades, Callings and Employments levied under this Act. Profession Tax is a Tax may be imposed on Professions and Employments even though the employee is already paying an income tax. It is a tax on Professions, Trades, Callings and Employments

for raising the resources needed for implementing the Employment Guarantee Scheme of the Maharashtra State Govt. and to provide for establishment of the Employment Guarantee Fund.

D. Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.

E. Negotiable Instruments Act, 1881

In India, the laws governing monetary instruments such as cheques are contained in the “NI Act”, which is largely a codification of the English Law on the subject. To ensure prompt remedy against defaulters and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in Negotiable Instruments Act, 1881 in form of the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment), 1988 which were further modified by the Negotiable Instruments (Amendment and Miscellaneous Provisions) Act, 2002. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two years, and with fine which may extend to twice the amount of the cheque, or with both.

V. Intellectual Property Laws

A. The Copyright Act, 1957

The Copyright Act, 1957 (“Copyright Act”) governs copyright protection in India. Under the Copyright Act, a copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes prima facie evidence of the particulars entered therein and may expedite infringement proceedings. Once registered, copyright protection of a work lasts for a period of sixty years from the demise of the author. Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without consent of the owner of the copyright are all acts which amounts to an infringement of copyright.

B. The Trade Marks Act, 1999

Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 (“Trademark Act”) governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. Once granted, trademark registration is valid for ten years, unless cancelled. If not renewed after 10 (ten) years, the mark lapses and the registration have to be restored. The Trademark (Amendment) Act, 2010 has been enacted by the government to amend the Trademark Act to enable

Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

C. The Patents Act, 1970

The Patents Act, 1970 ("Patents Act") governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognize product patents as well as process patents. In addition to broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria.

The Patents Act prohibits any person resident in India from applying for patent for an invention outside India without making an application for the invention in India. The term of a patent granted under the Patents Act is for a period of twenty years from the date of filing of the application for the patent.

D. Designs Act, 2001 ("Designs Act")

Industrial designs have been accorded protection under the Designs Act. A 'Design' means only the features of shape, configuration, pattern, ornament or composition of lines or color or combination thereof applied to any article whether two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye, but does not include any mode or principle of construction or anything which is in substance a mere mechanical device, and expressly excludes works accorded other kinds of protection like property marks, Trademarks and Copyrights. Any person claiming to be the proprietor of a new or original design may apply for registration of the same under the Act before the Controller-General of Patents, Designs and Trade Marks. On registration, the proprietor of the design attains a copyright over the same. The duration of the registration of a design in India is initially ten years from the date of registration, but in cases where claim to priority has been allowed the duration is ten years from the priority date. No person may sell, apply for the purpose of sale or import for the purpose of sale any registered design, or fraudulent or obvious imitation thereof.

VI. Corporate Compliance

The Companies Act, 2013

The Companies Act, 2013 ("CA 2013") has been introduced to replace the existing Companies Act, 1956 in a phased manner. The CA 2013 primarily regulates the formation, financing, functioning and winding up of companies. The CA 2013 prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of the company. It plays a fundamental role in protecting the investors and the shareholders and balances it with different aspects of company autonomy.

The Ministry of Corporate Affairs has also issued Rules complementary to the Act, establishing the procedure to be followed by the companies in order to comply with the substantive provisions of the Companies Act, 2013.

VII. Anti-Trust Law

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 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.

VIII. Other Laws

A. The Indian Contract Act, 1872

The Indian Contract Act, 1872 ("Contract Act") codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

B. The Specific Relief Act, 1963

The Specific Relief Act, 1963 ("SR Act") is complementary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The SR 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.

C. The Consumer Protection Act, 1986

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

D. The Transfer of Property Act, 1882

The Transfer of Property Act, 1882 ("TP Act") as amended, establishes the general principles relating to transfer of property in India. It forms a basis for 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 contingencies and vested interest in the property. It also provides for the rights and liabilities of the vendor and purchaser in a transaction of sale of land.

E. The Registration Act, 1908

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.

F. Maharashtra Rent Control Act, 1999

The Maharashtra Rent Control Act, 1999 ("MRC "ct") unifies, consolidates and amends the law relating to the control of rent and repairs of certain premises and of eviction and for encouraging the construction of new houses by assuring a fair return on the investment by landlords and to provide for the matters connected with the purposes of controlling rent. It is expedient to unify, consolidate and amend the laws prevailing in the different parts of the State relating to the control of rents and repairs of certain premises and of eviction and for encouraging the construction of new houses by assuring a fair return and to provide for the matters connected with the purposes rent control.

G. Indian Stamp Act, 1899

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. The Indian Stamp Act, 1899 (the "Stamp Act") provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. 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. Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of penalties, for instruments which are not sufficiently stamped or not stamped at all Instruments which have not been properly stamped instruments can be validated by paying a penalty of up to 10 times of the total duty payable on such instruments.

H. Shops and Establishments Legislation

The provisions of shops and establishments legislations, as may be applicable in a state in which establishments are set up, regulate the conditions of work and employment and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work. Our Company has its registered office in the state of Maharashtra. Accordingly, the provisions of the Bombay Shop and Establishments Act, 1960 are applicable to our Company.

The Bombay Shops and Establishments Act, 1960 as amended, regulates the conditions of work in shops, commercial establishments, restaurants, theatres and other establishments in Maharashtra and makes provisions for the opening and closing of shops, daily and weekly hours of work, employment of children and young persons, health and safety measures, wages etc.

I. The Sale of Goods Act

The Sale of Goods Act, 1930 ("Sale of Goods "ct") governs the contracts relating to sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. The Sale of Goods Act is complimentary to the Indian Contract Act, 1872, and the unrepealed provisions of the Indian Contract Act, 1872, save in so far as they are inconsistent with the express provisions of the Sale of Goods Act, continue to apply to contracts for the sale of goods. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and

duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

Foreign Trade (Development and Regulation) Act, 1992

In India, exports and imports are regulated by the Foreign Trade (Development and Regulation) Act, 1992 ("FTRA"), which seeks to develop and regulate foreign trade by facilitating imports into India and augmenting exports from India. Pursuant to the provisions of the FTDR, every importer and exporter in India must obtain an IEC from the Director General of Foreign Trade ("DGFT") or from any other officer duly authorized under the FTDR. Failure to obtain the IEC number may lead to penal action under the FTDR. Further, the DGFT is authorized to suspend or cancel IEC in case of (i) contravention by any person of the provisions of FTDR or the foreign trade policy or any law relating to central excise or customs or foreign exchange or commission of any other economic offence under any other law specified by the Central Government or (ii) making an export or import in a manner prejudicial to the trade relations of India with any foreign country or to the interests of other persons engaged in imports or exports or bringing disrepute to the credit of the goods of, or services or technology, provided from the country or (iii) importing or exporting specified goods or services or technology, in contravention of any provision of FTDR or any rules or orders made thereunder or the foreign trade policy. Where any IEC number granted to a person has been suspended or cancelled, the person shall not be entitled to import or export any goods or services or technology except under a special license, granted by the DGFT to that person in a manner and subject to conditions as may be prescribed.

The Arbitration and Conciliation Act, 2015

The Arbitration and Conciliation Act ("Arbitration Act") was enacted 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 and for matters connected therewith or incidental thereto. The main objectives of the Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration. The Act provides for the arbitral tribunal to give reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction and thus minimizing the supervisory role of courts in the arbitral process. There are many provisions that also permit an arbitral tribunal to use mediation, conciliation or other procedures during the arbitral proceedings to encourage settlement of disputes, to provide that every final arbitral award is enforced in the same manner as if it were a decree of the court, to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms on the substance of the dispute rendered by an arbitral tribunal and to provide that, for purposes of enforcement of foreign awards, every arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

HISTORY AND CERTAIN CORPORATE MATTERS

History and Background

Our Company was originally incorporated as Virtuoso Optoelectronics Private Limited at Nashik, Maharashtra as a Private Limited Company under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated September 11, 2015 bearing Corporate Identification Number U74999MH2015PTC268355 issued by Deputy Registrar of Companies, Mumbai, Maharashtra. Subsequently, our Company was converted into a Public Limited Company pursuant to special resolution passed by the shareholders at the Extraordinary General Meeting held on March 24, 2021 and consequent upon conversion the name of our company was changed to Virtuoso Optoelectronics Limited vide a fresh certificate of incorporation dated April 19, 2021 bearing Corporate Identification Number U74999MH2015PLC268355 issued by Registrar of Companies, Mumbai

Business and Management

For a description of our activities, services, designing, technology, market segments, the growth of our Company and regional geographical segment in which our Company, please refer section titled *“Business Overview”*, *“Industry Overview”* and *“Management’s Discussion and Analysis of Financial Condition and Results of Operations”* on pages 129, 111 & 219 of this Prospectus, respectively. For details of the management and managerial competence of our Company, please refer section title *“Our Management”* on page 160 of this Prospectus.

Changes in registered office of the Company

There has been no change in Registered Office of our company since inception till the date of this Prospectus.

Our Company’s registered office is presently situated at, Plot NO. 7 M.I.D.C. Satpur Nashik - 422007, Maharashtra, India.

Main Objects of our Company

The Main Objects clause of the Company as per the MoA is as under:

To carry on business of designing, developing, procuring, producing manufacturing, buying, selling, distributing, marketing , exporting, importing and dealing in the electrical components, lamp, Light, emitting diodes, lamp filaments, coils, wires, rods, sheets, foils, strips, profiles, casting, forgings, raw materials, lead-in wires, tungsten wires, moly-wires, lamp base, glass shells, Plastic Shells, HVS relays, Power and products made from other metals and alloys or any of them and used in electric lamps, tubes of all types of fluorescent lights and tubes, electronic apparatus, valves and accessories ,primarily related to lighting, electronics and energy sector ,also including those used for general lighting, automobiles, studios, scientific instrument, mining, safety, transistors and television, Electronic Manufacturing Services, Electronic Products, White goods & Home appliances, Medical devices, N95 masks whether for industrial, scientific, domestic, laboratory, hospitals or research purpose.

Amendments to the MoA

The following changes have been made to our Memorandum of Association in the last 10 years:

Date of Resolution / Change	Particulars of Change
September 17, 2016	Clause V of the MoA was altered to reflect the Increase in authorized share

Date of Resolution / Change	Particulars of Change
	capital of our Company from ₹ 10,00,000 divided into 1,00,000 Equity Shares of ₹ 10 each to ₹ 1,25,00,000 divided into 12,50,000 Equity Shares of ₹ 10 each.
January 30, 2018	Clause V of the MoA was altered to reflect the Increase in authorized share capital of our Company ₹ 1,25,00,000 divided into 12,50,000 Equity Shares of ₹ 10 each to ₹ 2,00,00,000 divided into 20,00,000 Equity Shares of ₹ 10 each.
March 24, 2021	Clause I of Memorandum of Association was amended to reflect change in name from “Virtuoso Optoelectronics Private Limited” to “Virtuoso Optoelectronics Limited” pursuant to conversion of our Company from Private Limited to Public Limited Company Clause III of Memorandum of Association was amended to reflect change in object clause of the company The objects for which the company is established are:- “To carry on business of designing, developing, procuring, producing manufacturing, buying, selling, distributing, marketing , exporting, importing and dealing in the electrical components, lamp, Light, emitting diodes, lamp filaments, coils, wires, rods, sheets, foils, strips, profiles, casting, forgings, raw materials, lead-in wires, tungsten wires, moly-wires, lamp base, glass shells, Plastic Shells, HVS relays, Power and products made from other metals and alloys or any of them and used in electric lamps, tubes of all types of fluorescent lights and tubes, electronic apparatus, valves and accessories ,primarily related to lighting, electronics and energy sector ,also including those used for general lighting, automobiles, studios, scientific instrument, mining, safety, transistors, television, Electronic Manufacturing Services, Electronic Products, White goods & Home appliances, Medical devices, N95 masks whether for industrial , scientific, domestic, laboratory, hospitals or research purpose”.
August 25, 2021	Clause V of the MoA was altered to reflect the Increase in authorized share capital of our Company from ₹ 2,00,00,000 divided into 20,00,000 Equity Shares of ₹ 10 each to ₹ 26,00,00,000 divided into 2,60,00,000 Equity Shares of ₹ 10 each.

Major Events, Milestones, Key Awards, Achievements and Accolades of our Company

Year	Description
2016	VOEPL was established on 11th September 2015
2016	Started manufacturing of Electronics Products and Lighting Products by setting up in-house EMS Facility in a 6,000 sq. ft facility
2017	VOEPL received its ISO 9001 certification
2018	VOEPL took its first steps into White Goods Manufacturing by laying the foundation for

	manufacturing of Air Conditioners (ACs)
2019	VOEPL was selected to be part of the Stanford Seed Transformation Program for SMEs by Graduate School of Business (GSB), Stanford University, USA.
2021	Expansion of the White Goods Division (AC) and moved into its new 100K sq. ft. facility.

Strategic Partners

Our Company does not have any strategic partners as on the date of Prospectus.

Financial Partners

Our Company does not have any financial partners as on the date of Prospectus.

Time and cost overrun in setting up of projects

There have been no instances of time and cost overruns in setting up of our projects in the past.

Capacity/ Facility creation, location of Plants

For details pertaining to capacity / facility creation, location of plants refer section titled “*Business Overview*” on page 129 of this Prospectus

Details of launch of key products or services, entry in new geographies or exit from existing markets

For details pertaining to launch of key products or services, entry in new geographies or exit from existing markets, please refer section titled “*Business Overview*” on page 129 of this Prospectus.

Defaults or rescheduling/restructuring of borrowings of our Company with financial institutions/banks

There have been no defaults or rescheduling/restructuring of borrowings with any of the financial institutions/banks or conversion of loans into equity in relation to our Company.

Acquisition, mergers and amalgamations

Our Company has neither acquired any entity, business or undertakings nor has undertaken any mergers or amalgamation during the last ten (10) years from date of this Prospectus.

Divestments of business/undertakings by Company

Our Company has not divested any of its business/undertaking during last 10 years from date of this Prospectus.

Revaluation of assets

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in last ten years.

Holding Company / Subsidiaries / Joint Ventures

Our Company does not have any Holding/ Subsidiaries/ Joint Ventures as on the date of this Prospectus.

Shareholder’s Agreements

There are no shareholders agreements, other than those entered into in the ordinary course of business carried on or intended to be carried on by our Company.

Agreement with key managerial personnel or Directors or Promoters or any other employee of the Company

There are no agreements entered into by key managerial personnel or Directors or Promoters or any other employee, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

Other Material Agreements

Our Company has not entered into any other subsisting material agreement, other than in the ordinary course of business. Further, none of our Promoter, Key Managerial Personnel, Directors or employees have entered into any agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

OUR MANAGEMENT

The following table sets forth the details of our Board as on the date of this Prospectus:

Name, Designation, DIN, Age, Date of Birth, Nationality, Occupation, Address, Original date of Appointment, Change in Designation and Period of Directorship	Other directorships
Sukrit Bharati Designation: Managing Director DIN: 03638084 Age: 33 years Date of Birth: 09 October 1988 Nationality: Indian Occupation: Business Address: 7, M.I.D.C. Area, Trimbak Road, Opp. SBI Bank Nashik – 422007, Maharashtra, India Original date of Appointment: September 11, 2015 Change in Designation: April 14, 2021 Period of Directorship: Five years with effect from April 14, 2021, to April 13, 2026 and liable to retire by rotation	• YLP Solutions Private Limited • Swami Shanti Prakash Virtuoso Esco Private Limited
Vishrut Bharati Designation: Non-Executive Director DIN: 06818457 Age: 29 years Date of Birth: 12 August 1993 Nationality: Indian Occupation: Business Address: 7, M.I.D.C. Area, Trimbak Road, Opp. SBI Bank Nashik – 422007, Maharashtra, India Original date of Appointment: September 11, 2015 Change in Designation: April 14, 2021 Period of Directorship: Liable to retire by rotation	• <i>YLP Solutions Private Limited</i> • <i>Swami Shanti Prakash Virtuoso Esco Private Limited</i>
Abhinav Designation: Independent Director DIN: 06926238	• Helfis Technologies Private Limited

Name, Designation, DIN, Age, Date of Birth, Nationality, Occupation, Address, Original date of Appointment, Change in Designation and Period of Directorship	Other directorships
Age: 33 years Date of Birth: July 09, 1989 Nationality: Indian Occupation: Business Address: Jandial Niwas, Friends Colony, Sunder Nagar, Pathankot, Punjab- - 145001, India Original date of Appointment : March 24, 2021 Change in Designation: March 24, 2021 Period of Directorship: for the term of five (5) consecutive years upto March 23, 2026, not liable by rotation	
Komal Kotecha Designation: Independent Director DIN: 09141355 Age: 38 years Date of Birth: February 12, 1984 Nationality: Indian Occupation: Business Address: C/o Chopada, Archana Aboli B Wing, Flat no 2, Sathe Path, Opp Hotel Deccan 8, Bhandarkar road, Pune – 411004, India Original date of Appointment: April 14, 2021 Change in Designation: April 14, 2021 Period of Directorship: for the term of five (5) consecutive years upto April 13, 2026, not liable by rotation	NIL

Brief Biographies of our Directors

Sukrit Bharati, aged 33 years, Promoter and Managing Director of our Company, appointed on September 11, 2015 as Director of our Company. Further he was appointed as Managing Director of our company on April 14, 2021.

A qualified technocrat with education background of Masters in Science - Engineering Technology from BITS Pilani and diploma courses in Management subjects from Harvard Business School and NMIMS, Mumbai. Further, he has completed a certification course from the Seed Transformation Program, which is a yearlong, on-the-ground leadership program for established founders and CEOs in emerging economies focused on growing their businesses and increasing the positive impact they have in their communities.

He has a work experience of more than six years in the line of business. He looks after the management and operations of the company and promotes expansion and innovation of the company

Vishrut Bharati, aged 28 years, appointed on September 11, 2015 as Director of our Company. Further his designation was regularized and changed to Non- Executive Director of our company on April 14, 2021. He has completed his Bachelor of Business, Administration (BBA) from Maharashtra Institute of Technology, Pune. He has strong marketing and management skills. He has been working with the company and helping shape its business and activities since its inception. He has more than six years of experience in the line of business. For more details, please refer “*Risk Factors - Reliance has been placed on declarations furnished by Vishrut Bharati, our director, for details of his profile included in this Prospectus*” on page 40 of this Prospectus.

Abhinav, aged 32 years, is an Independent Director of our Company. He has been completed his Bachelor of Engineering (Honours) Manufacturing and Master of Science. (Technology) Engineering Technology from Birla Institute of Technology and Science, Pilani. Abhinav started his carrier as a Business Consultant with ZS Associates India Pvt Ltd, with a track record of working with more than 7 Fortune 500 companies in the pharmaceutical domain. Presently, Abhinav is a Business and Strategy Consultant, primarily dealing with Manufacturing Operations, Enterprise Resource Planning, Energy, and Lighting Consulting. He is a Co-Founder to funded startups in Healthcare and Mobile Technology domains and now helps startups with digital marketing and product strategies. He is a member of an N–O - WAYS-We & You for Child Education and Relief.

Komal Kotecha, aged 38 years, is an Independent Director of our Company. She has completed Bachelors of Commerce degree from University of Pune. She is an Associate Chartered Accountant of the Institute of Chartered Accountants of India. She has 12+years of experience of working on global mobility programs. She specializes in individual taxation; cross border taxation matters individual employees. She has intermittently also worked on immigration assignments. She also handled projects such as employee compensation structuring, assignment structuring and tax implications arising from incentive plans for expatriates. She has worked for clients in banking industry, auto and auto ancillary and software companies. She has been assisting over to 200 individuals across 37 clients with India tax compliance on a year-on-year basis. She has worked for 10+years with PricewaterhouseCoopers (PwC) and 1.5 year with E&Y.

Terms of Appointment of Directors

1. Remuneration to Executive Directors

Sukrit Bharati is currently the Managing Director of our Company. He was appointed as the Managing Director of our Company pursuant to board resolution dated April 14, 2021. Our Board in their meeting held on April 14, 2021, approved the following remuneration for Sukrit Bharati subject to increase from time to time, as mutually agreed between our Board and Sukrit Bharati, in accordance with applicable law.

Remuneration / Compensation paid to Executive Directors during preceding FY 2021-2022

Name of the Director	Amount (₹ in lakhs)
Sukrit Bharati	30.00

Payment or benefit to Non -Executive Directors and Independent Directors of our Company

Pursuant to Board Resolution dated May 03, 2021, each Non-Executive Director(s) and Independent Director is entitled to receive sitting fees of Rs 5,000 for every meeting of the Board attended by them.

Payment of benefits (non-salary related)

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Prospectus or is intended to be paid or given to any of our directors except the remuneration for services rendered and/or sitting fees as Directors.

Bonus or profit-sharing plan for the Directors

Our Company does not have any bonus or profit-sharing plan for our directors.

Contingent and deferred compensation payable to Directors

There is no contingent or deferred compensation payable to our directors, which does not form part of their remuneration.

Relationship between our Directors and Directors and KMP

Except as mentioned below, as on the date of this Prospectus, none of our directors and KMPs are related to each other as per section 2(77) of the Companies Act, 2013.

Director	Other Director	Relation with other Director
Sukrit Bharati	Vishrut Bharati	Brother

Shareholding of Directors in our Company

As per our AOA, our directors are not required to hold any qualification shares.

The shareholding of our Directors in our Company as on the date of this Prospectus is set forth below:

Name of director	Number of equity shares	Percentage of the Pre-Offer Equity shares Capital %
Sukrit Bharati	1,46,57,059	97.83%
Vishrut Bharati	2,43,333	1.62%
Total	1,49,00,392	99.45%

Details of any arrangement or understanding with major shareholders, customers, suppliers or others

As on the date of this Prospectus, our Company has no arrangement or understanding with any major shareholders, customers or suppliers and none of our directors or members of senior management were appointed pursuant to any arrangement or understanding with any major shareholders, customers, suppliers or others.

Remuneration paid or payable to our Directors from our Subsidiaries

Our company do not have any subsidiaries company as on date of this Prospectus.

Confirmations

None of our Directors is or was a director of any listed companies, whose shares have been or were suspended from being traded on any stock exchanges having nationwide terminals, during the five (5) years preceding from the date of this Prospectus, during their term of directorship in such company.

None of our Directors is or was, a director of any listed companies, which has been or were delisted from any stock exchange(s), during their term of directorship in such company.

None of our Directors have been or was identified as a wilful defaulter or fraudulent borrower as defined under SEBI ICDR Regulations.

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.

Service contracts with Directors

Our Company do not have any service contract with the Directors pursuant to which they are entitled to any benefits upon termination of employment.

Borrowing Powers of the Board

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Pursuant to a resolution passed by the Board at its meeting held on April 14, 2021 in accordance with Section 179 of the Companies Act and rules made there under, the Board approved that the Company may borrow from time to time, loan from Directors / Banks / Financial Institutions, any sum or sums of monies, which together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) provided that the total outstanding amount so borrowed shall not any time exceed the limit of ₹ 250 Crores (Rupees Two Hundred and Fifty Crore Only).

Directorships of Directors in listed companies

None of our Directors are, or for the five years prior to the date of this Prospectus, have been on the board of directors of any listed company whose shares have been/were suspended from being traded on any of the stock exchanges, during his/her tenure.

None of our Directors has been or is a director on the board of directors of any listed company which has been /was delisted from any stock exchange(s), during their tenure.

Interest of directors

Except mentioned below our Executive Directors have no interest to our Company:

- to the extent of remuneration and reimbursement of expenses payable to them;
- the Guarantee executed by our Directors for personal guarantees given by them against the Working Capital and Term Loan Agreement in respect of the facilities extended by the Sukrit Bharati & Vishrut Bharati

For further details, please refer "*History and Certain Corporate Matters*" and "*Financial Indebtedness*" on pages 156 and 229 of this Prospectus

All our Non-Executive Directors including Independent Director may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a committee thereof and as well as to the extent of reimbursement of expenses payable to them as decided by the Board.

Further Vishrut Bharati may be deemed to be interest to the extent of shareholding held by him in our company his relatives, the companies, firms and trusts, in which they are interested as directors, members, partners, trustees, beneficiaries and promoters and in any dividend distribution which may be made by our Company in the future.

The Directors may also be deemed to be interested in the Equity Shares, if any, held by them and/or any Equity Shares that may be held by their relatives, the companies, firms and trusts, in which they are

interested as directors, members, partners, trustees, beneficiaries and promoters and in any dividend distribution which may be made by our Company in the future.

For the shareholding of the Directors, please refer section titled *“Our Management - Shareholding of Directors in our Company”* on page 160 of this Prospectus.

No loans have been availed by our Directors from our Company.

No sum has been paid or agreed to be paid to our directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as, a director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

Other than our promoter directors, no other Directors have any interest in the promotion of our Company other than in the ordinary course of business.

Interest in land and property

Our directors are not interested in any property acquired or proposed to be acquired by our Company.

Except as stated in the section titled *“Business Overview”* on page 129 of this Prospectus and in the section titled *Restated Financial Statement* on page 183 none of our Directors have any interest in the property acquired or proposed to be acquired by our Company.

Except as stated in *“Restated Financial Statements”* on page 183 and as disclosed in this section, our Directors do not have any other interest in our Company or in any transaction by our Company including, for acquisition of land, construction of buildings or supply of machinery.

Changes in the board of directors in the last three (3) years

There has been no change in the Board of Directors, except as stated below during the last three (3) years:

Sr. No	Name	Date of Event/ change	Reason
1.	Abhinav	March 24, 2021	Appointed as Additional Independent Director
2.	Abhinav	March 24, 2021	Regularized as Independent Director
3.	Komal Kotecha	April 14, 2021	Appointed as Additional Independent Director
4.	Komal Kotecha	April 14, 2021	Regularized as Independent Director
5.	Sukrit Bharati	April 14, 2021	Change of Designation to Managing Director
6.	Vishrut Bharati	April 14, 2021	Change of Designation to Non-Executive director

Corporate Governance

In addition to the applicable provisions of the Companies Act with respect to corporate governance, provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable to the entity whose shares are listed on Stock Exchange and shall be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations. The Board functions either as a full board or through various committees constituted to oversee specific functions

Committees of the Board of directors

Our Board of Directors presently has three (3) committees which have been constituted in accordance with the relevant provisions of the Companies Act and SEBI Listing Regulations: (i) Audit Committee, (ii) Nomination and Remuneration Committee and (iii) Stakeholders Relationship Committee

(i) Audit Committee

Our Company has constituted an Audit Committee as per Section 177 of the Companies Act vide resolution passed in the meeting of our Board dated May 03, 2021. The constitution of the Audit Committee is as follows:

Name of Director	Position in the Committee	Designation
Abhinav	Chairman	Independent Director
Komal Kotecha	Member	Independent Director
Sukrit Bharati	Member	Managing Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee

The scope and function of the Audit Committee is in accordance with section 177 of the Companies Act. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

Terms of Reference of Audit Committee

The terms of reference of the Audit Committee are given below:

- i. the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- ii. review and monitor the auditor's independence and performance, and effectiveness of audit process;
- iii. examination of the financial statement and the auditors' report thereon;
- iv. approval or any subsequent modification of transactions of the company with related parties;
- v. scrutiny of inter-corporate loans and investments;
- vi. valuation of undertakings or assets of the company, wherever it is necessary;
- vii. evaluation of internal financial controls and risk management systems;
- viii. monitoring the end use of funds raised through public offers and related matters.
- ix. any other responsibility as may be assigned by the board from time to time.

(ii) Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration committee as per section 178 of the Companies Act vide resolution passed in the meeting of Board dated May 03, 2021. The constitution of the Nomination and Remuneration committee is as follows:

Name of Director	Position in the Committee	Designation
Abhinav	Chairman	Independent Director
Komal Kotecha	Member	Independent Director
Vishrut Bharati	Member	Non- Executive Director

The scope and functions of the Nomination and Remuneration Committee are in conformity with the requirements of section 178 of the Companies Act.

The terms of reference of the Nomination and Remuneration Committee, inter alia includes the following:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- 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.
- recommend to the board, all remuneration, in whatever form, payable to senior management.

(iii) Stakeholders Relationship Committee

Our Company has Stakeholders Relationship Committee as per the Section 178 of the Companies Act vide resolution passed in the meeting of Board dated May 03, 2021. The constitution of the Stakeholders Relationship Committee is as follows:

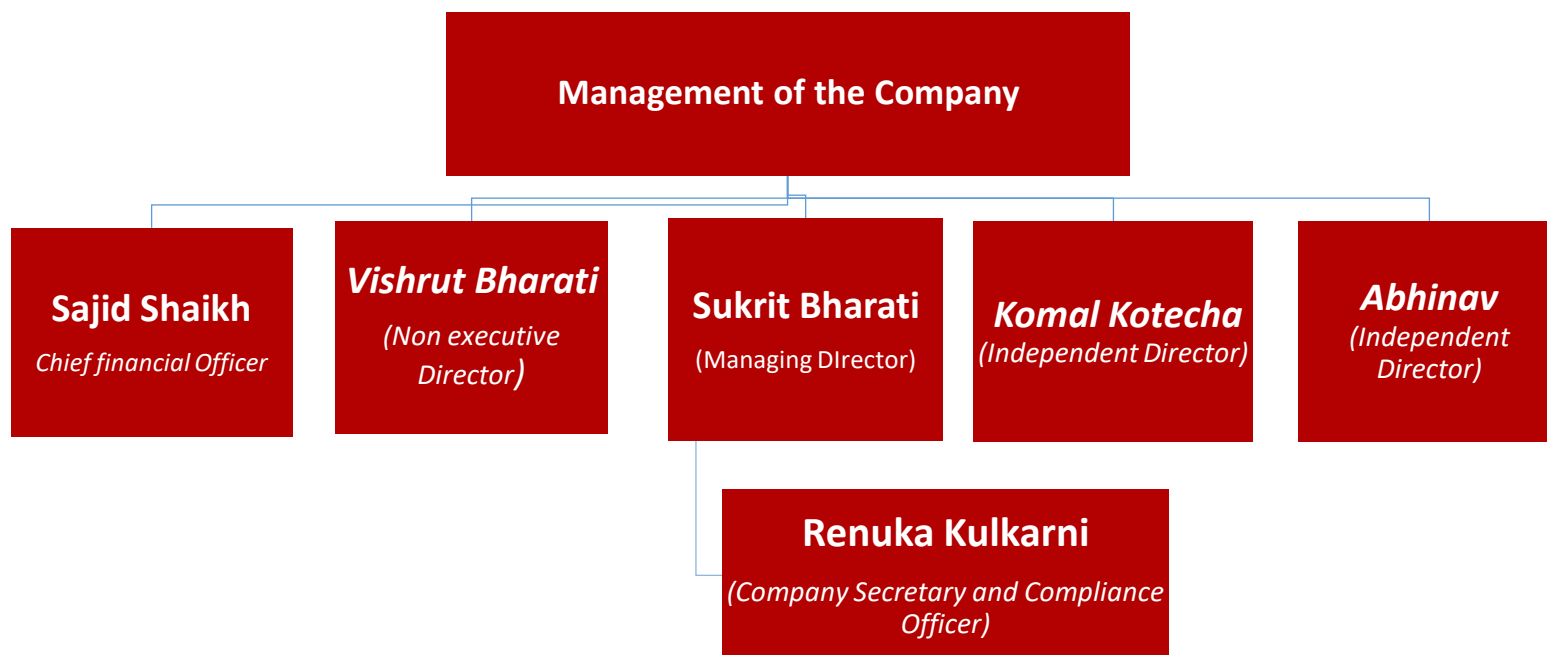
Name of Director	Position in the Committee	Designation
Vishrut Bharati	Chairman	Non- Executive Director
Abhinav	Member	Independent Director
Sukrit Bharati	Member	Managing Director

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and functions of the Stakeholders Relationship Committee are in conformity with the requirements of section 178 of the Companies Act.

The terms of reference of the Stakeholders Relationship Committee, inter alia includes the following:

- i. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- ii. Review of measures taken for effective exercise of voting rights by shareholders.
- iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company

Management Organization Structure



Our Key Managerial Personnel

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Following are the Key Managerial Personnel of our Company:

Brief Profile of Key Managerial Personnel:

Sukrit Bharati

Please refer section titled “*Our Management - Brief Biographies of our Directors*” on page 161 of this Prospectus

Sajid Shaikh, Chief Financial Officer (CFO)

Sajid Shaikh was appointed as a Chief Financial Officer of the company in the Board meeting held on October 01, 2021. He has completed Bachelor of Science in Botany from University of Poona. Further he also had completed Master of Science in Botany from University of Poona. He also had completed in Master of Business Administrative in Professional from Karnataka State of University Mysore. He has worked successfully across industries and profiles over the last 25 years. He brings on board his vast experience and also keen interest in financial modeling, debt syndication, cash flow statement and active debt management aimed at profitability. Before joining to our company, he was Chief Financial Officer at Starlite Components Limited. He has also worked at Mavin Switchgears & Control Private Limited, ICICI Bank, AMP Sanmar Life Insurance Ltd etc. He has not received any remuneration for Fiscal year 2021 as he has been appointed in Fiscal Year 2022.

Renuka Kulkarni, Company Secretary

Our Board of Directors has appointed Renuka Kulkarni as Company Secretary and Compliance Officer in their meeting held on March 24, 2021. She holds the degree of Company Secretary from Institute of Company Secretaries of India and a Bachelor’s degree in law from a recognized university. She has experience of more than a decade in handling compliances pertaining to SEBI laws and Companies Act. Her role in the Company is to handle the core secretarial compliances, SEBI compliances and compliances in accordance with Companies Act, 2013 and other applicable laws enforced in India. Before our joining she work at Palnitkar & Patwardhan, Chartered Accountant, as Compliance Officer She has not received any remuneration for Fiscal year 2021 as she has been appointed in Fiscal Year 2022.

Nature of any family relation between any of the key managerial personnel

None of other Directors or Key Managerial Personnel’s and Promoter are related to each other.

Contingent or deferred compensation

No contingent or deferred compensation was paid to any of our Key Managerial Personnel for Financial 2021-22.

Arrangement or understanding with major shareholders, customers, suppliers or others

As on the date of this Prospectus, our Company has no arrangement or understanding with any major shareholders, customers or suppliers or others, pursuant to which any of the Directors or Key managerial personnel were selected as a Key Managerial Personnel or member of the senior management.

Compensation paid to Key Managerial Personnel during last financial year i.e. 2021-2022

Name of the KMP	Designation	Remuneration (₹ in Lakhs)
Sukrit Bharati	Managing Director	30.00
Renuka Kulkarni	Company Secretary	4.20
Sajid Shaikh	Chief Financial Officer	25.77

Sukrit Bharati is Executive Director and KMP's of our company, for details of the compensation/remuneration paid to our Key Managerial Personnel during preceding Financial Year 2021-22 refer *"Our Management – Compensation paid to Executive Directors during FY 2021-22"* on page 162 and *"Restated Financial Statement"* on page 183 of this Prospectus.

Payment or benefits to officers of our Company

Other than as provided in *"Our Management – Interest of Directors"*, no amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of filing of this Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

Status of Key Managerial Personnel

All our Key Managerial Personnel are permanent employees of our Company.

Interest of Key Managerial Personnel

Other than as provided in *"Our Management – Interest of Directors"* and to the extent of the remuneration, benefits, interest of receiving dividends on the Equity Shares held by them, if any, reimbursement of expenses incurred in the ordinary course of business, our Key Managerial Personnel do not have any other interest in the Company.

No loans have been availed by our Key Managerial Personnel from our Company as on the date of this Prospectus.

Bonus or profit-sharing plan for Key Managerial Personnel

Except for the payments and compensation required to be paid under the laws of India, there is no profit-sharing plan for the Key Managerial Personnel

Attrition of Key Managerial Personnel

The attrition of Key Management Personnel is not high in our Company compared to the industry.

Shareholding of the Key Managerial Personnel

Except as disclosed below, none of the Key Managerial Personnel holds Equity Shares of our Company as on the date of this Prospectus.

Sr. No.	Name of the Key Managerial Personnel (KMP)	No. of Equity Shares
1.	Sukrit Bharati	1,46,57,059
2.	Sajid Shaikh	70

Changes in Key Managerial Personnel

Except as mentioned below, there has been no change in Key Managerial Personnel during the last three (3) years:

Name of KMP	Date of change/ Appointment	Reason
Sukrit Bharati	April 14, 2021	Designated as Managing Directors
Renuka Kulkarni	March 24, 2021	Appointed as Company Secretary and Compliance Officer
Sajid Shaikh	October 01, 2021	Appointed as Chief Financial Officer

Interest in the property of our Company

Except the assignment of lease transferred in favor of our Company by M/s. Paragon Plastics Private Limited, our KMPs do not have any interest in any property acquired by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us as on date of filing this Prospectus with RoC.

Employees' Stock Option Plan

As on date of this Prospectus, our Company have not issued any employee stock option scheme.

Service Contracts with KMPs

Our Key Managerial Personnel are governed by the terms of their appointment letters/employment contracts and have not entered into any other service contracts with our Company. No officer of our Company is entitled to any benefit upon termination of employment or superannuation, other than statutory benefits

OUR PROMOTER AND PROMOTER GROUP

Our Promoter

The Promoter of our Company is Sukrit Bharati.

As on the date of this Prospectus, our Promoter holds 1,46,57,059 Equity Shares of face value ₹10 each, representing 97.83 % of the issued, subscribed and paid-up Equity Share capital of our Company.

For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – Details of shareholding of our Promoter and members of the Promoter Group in our Company*", on page 76 of this Prospectus.

Details of Individual Promoter of our Company



Sukrit Bharati, aged about 33 years. He is the Managing Director of our Company.

Address: 7, M.I.D.C. Area, Trimbak Road, Subhash Chandra Road, Opp SBI Bank, Nashik - 422007, Maharashtra, India.

Date of Birth: October 09, 1988

Permanent Account Number: AQOPB6538L

For further details of his experience in his business, position/posts held in the past directorships held, special achievements, his business and financial activities please refer to section titled "*Our Management*" beginning on page 160 of this Prospectus.

DECLARATION

Our Company confirms that the Permanent Account Number (PAN), Bank Account Number(s) and Passport Number(s), Aadhar Card number and Driving License Number, of our Promoter shall be submitted to BSE at the time of filing Prospectus.

Other Ventures of our Promoter

Other than as disclosed in this section "*Our Management, Our Promoter and Promoter Groups, Our Group Companies*" on page 160, 173, and 178 our promoter are not involved in any other ventures.

Changes in control

There has not been any effective change in the management and control of our Company in the five years immediately preceding the date of this Prospectus.

Nature and extent of the interest, if any, of directors:

For further details please refer Section titled “*Our Management*” on page 160 of this Prospectus.

Nature and extent of the interest, if any, group companies:

For further details please refer Section titled “*Our Group Companies*” on page 178 of this Prospectus

Interest in promotion of our Company

Our Company is promoted by Sukrit Bharati who holds 1,46,57,059 Equity Shares of the Company, respectively, as of the date of this Prospectus.

Our Promoter are interested in our Company to the extent: (1) that they have promoted our Company; (2) of their respective shareholding, the shareholding of their relatives and entities in which the Promoter are interested and which hold Equity Shares in our Company and the dividend payable upon such shareholding, if any, and other distributions in respect of the Equity Shares held by them, their relatives or such entities, if any; (3) that our Company has undertaken transactions with them, or their relatives or entities in which our Promoters hold shares or have an interest, if applicable;.

Our Promoter is also interested in our Company to the extent of being Directors of our Company and the remuneration and reimbursement of expenses payable to them in such capacities.

Our Promoter may also be interested to the extent of providing personal guarantees for some of the loans taken by our Company and also to the extent of unsecured loans.

No sum has been paid or agreed to be paid to our Promoter and our Promoter are not interested as members of any firm or any company and hence no sum has been paid or agreed to be paid to such firm or company in cash or shares or otherwise by any person for services rendered by our Promoter or by such firm or company in connection with the promotion or formation of our Company.

Further, our Promoter are also directors on the boards, or are shareholders, members or partners, of certain entities forming part of the Promoter Group, Group Company and other entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to such entities forming part of the Promoter Group, Group Company and such other entities. For the payments that are made by our Company to certain entities forming part of the Promoter Group, Group Company and other related parties, see “*Summary Offer Document Summary of Related Party Transactions*” and “*Our Group Company*” page number 21 & 178 respectively.

Our Promoters are not interested in any transaction in acquisition of land, construction of building or supply of machinery.

For further details regarding the payments made by our Company to the entities mentioned above, see “*Summary Offer Document – Summary of Related Party Transactions*” on page 21 of this Prospectus

For further details, please refer section titled “*Capital Structure*”, “*Restated Financial Statement*” and “*Our Management*” on pages 76, 183 and 160, respectively of this Prospectus.

No sum has been paid or agreed to be paid to our Promoter and our Promoter groups are not interested as members of any firm or any company and hence no sum has been paid or agreed to be paid to such firm or company in cash or shares or otherwise by any person for services rendered by our Promoter or by such firm or company in connection with the promotion or formation of our Company.

Interest in the properties of our Company

Except as stated in the section titled *"Business Overview"* on page 129 of this Prospectus and in the section titled *"Restated Financial Statement"* on page 183 none of our promotor have any interest in the property acquired by or proposed to be acquired by our Company during a period of three (3) years prior to filing of this Prospectus.

Other Interest

Except as mentioned in section titled *"Business Overview"* *"History and Certain Corporate Matters"* and *"Restated Financial statement"* on page no 76, 156 and 183 respectively. Our Promoter are not interested in any transaction for acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Further, our Promoter Sukrit Bharati are on the board of the Company and members of certain Promoter Group companies and may be deemed to be interested to the extent of the payments made by our Company, if any, to these Promoter Group Companies.

Payment of benefits to our Promoter and Promoter Groups during the last two years

Except in the ordinary course of business and as stated in section *"Restated Financial Statements"* on page 183 of this Prospectus, there has been no payments or benefits to our Promoter during the last two (2) years preceding the date of filing of this Prospectus, nor is there any intention to pay or give any benefit to our Promoter and Promoter Groups as on the date of this Prospectus.

Change in the Management and control of Our Company

Our Promoter are the original promoter of the Company and there has not been any change in the management or control of our company within Five (5) years immediately preceding the date of this Prospectus.

Experience of our Promoter in the business of Our Company

For details in relation to experience of our Promoter in the business of our Company, see Section titled *"Business Overview"* and *"Our Management"* on page no. 129 and 160 respectively of this Prospectus.

Related Party Transactions:

For the transactions with our Group companies, please refer to section titled *"Annexure XXX- Related Party Transactions"* on page 216 of this Prospectus

Litigation involving our Promoter

For details of legal and regulatory proceedings involving our Promoter, please refer section titled *"Outstanding Litigation and Material Developments"* on page 241 of this Prospectus.

Material Guarantees by our Promoter

Except as stated in the section titled *"Financial Indebtedness"* and section titled *"Restated Financial Statements"* on page 229 and 183 of this Prospectus, respectively, there are no material guarantees given by the Promoter to third parties with respect to specified securities of the Company as on the date of this Prospectus.

Details of Companies / Firms from which our Promoter have disassociated

Except mentioned below, our Promoter i.e., Sukrit Bharati have not disassociated themselves from any firms or companies in the last three (3) years preceding this Prospectus.

Sr No	Name of the Entity	Reason
1	Solar Copyer Limited	Resignation as a director w.e.f. from March 25, 2019

OUR PROMOTER GROUP

In addition to our Promoter, the following individuals, companies form part of our Promoter Group in terms of SEBI ICDR Regulation 2(1) (pp) of the SEBI ICDR Regulations:

The natural persons who are part of the Promoter Group (due to their relationships with our Promoter), other than our Promoter, are as follows:

Promoter	Sukrit Bharati
Father	Arvind Bharati
Mother	Ashu Bharati
Spouse	Nikitha Poddatur
Brother	Vishrut Bharati
Sister	-
Son	Aadhrit Bharati
Daughter	Avyaana Bharati
Spouse's Father	Shravan Kumar Reddy
Spouse's Mother	Jayshree Gunukula
Spouse's Sister	Preethi Shravan

(b) Companies/Entities forming part of the Promoter Group:

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

Sr. No.	Name of the Entity/Company
1.	YLP Solutions Pvt Limited
2.	Swami Shanti Prakash Virtuoso Esco Private Limited

Sr. No.	Name of the Entity/Company
3.	Solar Copyer Ltd
4.	Starlite Components Limited

Shareholding of the Promoter Group in our Company

For details of the shareholding of our Promoter and Promoter Groups as on the date of this Prospectus, please refer section titled “*Capital Structure*” on page 76 of this Prospectus

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term “group companies”, includes (i) such companies (other than promoter(s) and subsidiary(ies) with which the relevant issuer company had related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

1. Accordingly, for (i) above, all such companies (other than our Subsidiaries) with which there were related party transactions during the periods covered in the Restated Financial Statement, as covered under the applicable accounting standards, shall be considered as Group Companies in terms of the SEBI ICDR Regulations. For the purpose of avoidance of doubt and pursuant to regulation 2(1)(t) of SEBI ICDR Regulations, 2018 it is clarified that our promoters and subsidiaries will not be considered as Group Companies

Based on the above definition following are the Group Companies of the Company:

1. Starlite Components Limited
2. Solar Copyer Limited
3. YLP Solutions Private Limited
4. Swami Shanti Prakash Virtuoso Esco Private Limited

Details of our Group Companies

1. Starlite Components Limited

About the Company	* Starlite Components Limited , incorporated under Companies Act, 1956 on November 13, 1991.
Listed on	Bombay Stock Exchange of India Limited (“BSE”)
Date of listing at BSE	February 14, 1995
Corporate Identification Number	L31200MH1991PLC063980
Registered Office	Plot No. F-108, MIDC Area, Satpur Nashik 422007, Maharashtra, India

*Starlite Components Limited is under Corporate Insolvency Resolution Process (CIRP) of the Insolvency and Bankruptcy Code 2016 (IBC) in terms of Order passed by the Hon’ble National Company Law Tribunal (NCLT), Mumbai Bench with effect from 29th January, 2020. CA Naren Sheth (IBBI-IPA-001/IP-P00133/2017-18/10275) is appointed as Interim Resolution Professional by NCLT vide its Order dated 29th January, 2020. Pursuant to the publication of the Appointment Order and in accordance with the provisions of the Code, the powers of the Board of Directors of the Company stand suspended and the same have been vested with and are being exercised by the Interim Resolution Professional.

Financial Information

The financial information derived from the audited financial results of Starlite Components Limited for the Financial Years 2022, 2021 and 2020 as required under the SEBI ICDR Regulations, as amended are

available at <https://www.bseindia.com/stock-share-price/starlite-components-ltd/starlite/517548/financials-annual-reports>

2. Solar Coyer Limited

About the Company	Solar Coyer Limited , incorporated under Companies Act, 1956 on September 18, 1976.
Corporate Identification Number	U21098MP1976PLC001379
Registered Office	102, 1st floor, Urvashi, 3, Jaora Compound Indore- 452001, Madhya Pradesh India

Financial Information

The financial information derived from the audited financial results of Solar Coyer Limited for the Financial Years 2021 and 2020 as required under the SEBI ICDR Regulations, as amended are available at <https://voepl-erp.odoo.com/investors>

* The Audited Financial Statements for the year ended 2022 are yet to be finalized.

YLP Solutions Private Limited

About the Company	YLP Solutions Private Limited , incorporated under Companies Act, 2013 on June 24, 2014.
Corporate Identification Number	U72900MH2014PTC255661
Registered Office	7, MIDC Area, Trimbak Road Satpur Nashik - 422007, Maharashtra, India.

Financial Information

The financial information derived from the audited financial results of YLP Solutions Private Limited for the Financial Years 2021 and 2020 as required under the SEBI ICDR Regulations, as amended are available at <https://voepl-erp.odoo.com/investors>

*The Audited Financial Statements for the year ended 2022 are yet to be finalized.

3. Swami Shanti Prakash Virtuoso Esco Private Limited

About the Company	Swami Shanti Prakash Esco Private Limited , incorporated under Companies Act, 2013 on November 21, 2017. The Registered Office of the Company is situated at.
Corporate Identification Number	U31904MH2017PTC302036
Registered Office	7, MIDC Area, Trimbak Road Satpur Nashik - 422007, Maharashtra, India

Financial Information

The financial information derived from the audited financial results of YLP Solutions Private Limited for the Financial years 2021 and 2020 as required under the SEBI ICDR Regulations, as amended are available at <https://voepl-erp.odoo.com/investors>

*The Audited Financial Statements for the year ended 2022 are yet to be finalized.

Website Address for Corporate and Financial Information of the Company-www.voepl.com

Our Company is providing link to such website solely to comply with the requirements specified under the SEBI ICDR Regulations. The information provided on the website given above should not be relied upon or used as a basis for any investment decision.

Neither our Company nor our LM nor any of the Company or LM, respective directors, employees, affiliates, associates, advisors, agents or representatives accept any liability whatsoever for any loss arising from any information presented or contained in the website.

Pending Litigation involving group companies

Except as mentioned under section titled “*Outstanding Litigation and Material Developments – Litigations involving Group Companies*” on page 241 of this Prospectus, our Group Company is not party to any pending litigation which may have a material impact on our Company.

Information regarding significant adverse factors related to the group companies and in particular regarding:

I. Nature and Extent of Interest of Group Companies

a. In Promotion of our Company

Our Group Companies do not have any interest in the promotion of our Company.

b. In the properties acquired or proposed to be acquired by our Company in the past three years prior to filing this Prospectus

Our Group Companies are not interested in the properties acquired by our Company in the three years preceding the date of this Prospectus or proposed to be acquired by our Company. However, we share our corporate office space with our Group company for its usage as registered office by mutual understanding

c. In transactions for acquisition of land, construction of building and supply of machinery

Except as disclosed under “*Restated Financial Statements*” on page 183, our Group Company is not interested in any transactions for acquisition of land, construction of building or supply of machinery, etc.

II. Common Pursuits

a. Common pursuit between the group companies/subsidiaries/associate's companies and our company

There are no common pursuits between our Group Company and our Company. There is no conflicting interest arising out of such the common pursuits. For further details, see “*Financial Statements - Restated Financial Information- Notes to Restated Financial Statement-Annexure XXX- Related Party Transactions*” at page 216 of this Prospectus. We shall adopt necessary procedures and practices as permitted by law to address any instances of conflict of interest, if and when they may arise.

b. Related business transactions within the Group Companies and significance on the financial performance of our Company

Other than the transactions disclosed in the section titled “Financial Statements - Restated Financial Information- Notes to Restated Financial Statement- Annexure XXX - Related Party Transaction” on page 216, there are no other related party transactions that have been entered into between our Group Company and our Company.

c. Business Interests amongst the group companies/subsidiaries/associates’ companies and our company

Other than the transactions disclosed in the section titled “Financial Statements - Restated Financial Information - Notes to Restated Financial Statement - Annexure XXX - Related Party Transaction” on page 216, our Group Company do not have any business interest in our Company and does not have impact on the financial performance of our company.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by majority of the Shareholders, at their discretion, subject to the provisions of the Articles of Association of the Company and the Companies Act, 2013. The declaration of dividend, if any, will depend on a number of factors, including but not limited to the future expansion plans and capital requirements, profit earned during the financial year, capital requirements, and surpluses, contractual restrictions, liquidity and applicable taxes including dividend distribution tax payable by our Company and any other factors considered by our Board of Directors.

The Articles of Association also provides discretion to our Board to declare and pay interim dividends. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, please refer section titled "*Financial Indebtedness*" on page 229 of this prospectus.

All dividend payments are made in cash to the Shareholders of our Company. Our Company has not adopted any Formal Dividend Distribution Policy as on the date of this Prospectus.

Our Company has not declared and/or paid any dividend on the Equity Shares since Incorporation.

SECTION VI – FINANCIAL STATEMENTS
RESTATED FINANCIAL STATEMENT

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**INDEPENDENT AUDITOR'S REPORT ON RESTATED FINANCIAL STATEMENTS OF
VIRTUOSO OPTOELECTRONICS LIMITED**

To,

The Board of Directors,
Virtuoso Optoelectronics Limited

1. We have examined the attached Restated Financial Information of Virtuoso Optoelectronics Limited (the "Company") comprising the Restated Statement of Assets and Liabilities (**Annexure I**) as at March 31, 2022, 2021, 2020, 2019, 2018 and 2017, the Restated Statements of Profit and Loss (**Annexure II**), the Restated Cash Flow Statement (**Annexure III**) for the years ended March 31, 2022, 2021, 2020, 2019, 2018 and 2017, the Summary Statement of Significant Accounting Policies (**Annexure IV**), and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company for the purpose of inclusion in the Draft Prospectus/Prospectus in connection with its proposed Initial Public Offer (IPO) of equity on SME Platform of BSE Limited ("BSE").
2. These Restated Summary Statements have been prepared in terms of 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 Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time ("Guidance Note").



2nd Floor, Shree Gurudeo Tower, Above
Shirpur Co-op. Bank, Canada Corner,
Nashik - 422 005
PH: (0253) 231 9714 | 08888 319714

713, 7th Floor, Gold Crest Business
Center, L T Road, Borivali (West),
Mumbai - 400 092
PH: (022) 2892 1183

54, Shivaji Hsg. Soc., Off S B Road,
Behind J W Marriott, Shivaji Nagar,
Pune - 411 016
PH: (020) 2563 5155

3. The Company's Board of Directors are responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Red Herring Prospectus to be filed with Securities and Exchange Board of India, SME Platform of BSE Limited ("BSE") in connection with the proposed IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in notes to the Restated Financial Information. Responsibility of the Board of Directors of the companies included designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated Financial Information taking into consideration:
- (i) The terms of reference to our engagements with the Company letter dated May 28, 2021 requesting us to carry out the assignment, in connection with the Draft Prospectus/Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE Limited ("BSE") "SME IPO"; and
 - (ii) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time ("Guidance Note")
 - (iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
 - (iv) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
5. This Restated Financial Information of the Company has been extracted by the management from The Audited Financial Statements of the Company for the financial year ended on 31st March, 2022, 2021, 2020, 2019, 2018 and 2017.



6. In accordance with the requirements of Part I of Chapter III of Act, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
- (i) The “Restated Statement of Assets and Liabilities” as set out in **Annexure I** to this report, of the Company as at 31st March, 2022, 2021, 2020, 2019, 2018 and 2017 are prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities, as restated 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 the Restated Financial Information as set out in Annexure IV to this Report.
 - (ii) The “Restated Statement of Profit and Loss” as set out in **Annexure II** to this report, of the Company for the years ended 31st March, 2022, 2021, 2020, 2019, 2018 and 2017 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated 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 the Restated Financial Information as set out in Annexure IV to this Report.
 - (iii) The “Restated Statement of Cash Flow” as set out in **Annexure III** to this report, of the Company for the years ended 31st March, 2022, 2021, 2020, 2019, 2018 and 2017 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated 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 Restated Financial Information as set out in Annexure IV to this Report.
7. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating:
- a) Adjustments for the changes in accounting policies retrospectively in respective financial years/period to reflect the same accounting treatment as per the changed accounting policy for all reporting periods.
 - b) Adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments.
 - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.



- d) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Restated Financial Information as set out in Annexure IV to this report.
 - e) There were no qualification in the Audit Report of the Company for the year ended for the year ended 31st March, 2022, 2021, 2020, 2019, 2018 and 2017 which would require adjustment in this restated Financial Statement of the Company
 - f) The financial statements of the year ended on 31st March, 2022, 2021, 2020, 2019, 2018 and 2017 which has been prepared by the Management in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis, has been audited by us.
8. 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:
1. Details of Share Capital as Restated as appearing in ANNEXURE V to this report;
 2. Details of Reserves and Surplus as Restated as appearing in ANNEXURE VI to this report;
 3. Details of Share Application money as Restated as appearing in ANNEXURE VII to this report;
 4. Details of Long-Term Borrowings as Restated as appearing in ANNEXURE VIII to this report;
 5. Details of Deferred Tax Liabilities as Restated as appearing in ANNEXURE IX to this report;
 6. Details of Long-Term Provision as Restated as appearing in ANNEXURE X to this report;
 7. Details of Short-Term Borrowings as Restated as appearing in ANNEXURE XI to this report;
 8. Details of Trade Payables as Restated as appearing in ANNEXURE XII to this report;
 9. Details of Other Current Liabilities as Restated as appearing in ANNEXURE XIII to this report;
 10. Details of Short-Term Provisions as Restated as appearing in ANNEXURE XIV to this report;
 11. Details of Fixed Assets as Restated as appearing in ANNEXURE XV to this report;
 12. Details of Other Non-Current Assets as Restated as appearing in ANNEXURE XVI to this report;
 13. Details of Inventories as Restated as appearing in ANNEXURE XVII to this report;
 14. Details of Trade Receivables as Restated enclosed as ANNEXURE XVIII to this report;
 15. Details of Cash and Cash Equivalents as Restated enclosed as ANNEXURE XIX to this report;
 16. Details of Short Term Loans and Advances as Restated as appearing in ANNEXURE XX to this report;
 17. Details of Other Current Assets as Restated as appearing in ANNEXURE XXI to this report;
 18. Details of Revenue from Operations (Net of Taxes) as Restated in ANNEXURE XXII to this report;



19. Details of Other Income as Restated as appearing in ANNEXURE XXIII to this report;
 20. Details of Cost of Production as Restated as appearing in ANNEXURE XXIV to this report;
 21. Details of Changes in Inventories as Restated as appearing in ANNEXURE XXV to this report;
 22. Details of Employee Benefit Expenses as Restated as appearing in ANNEXURE XXVI to this report;
 23. Details of Finance Costs as Restated as appearing in ANNEXURE XXVII to this report;
 24. Details of Other Expenses as Restated as appearing in ANNEXURE XXVIII to this report;
 25. Statement of Tax Shelter as Restated as appearing in ANNEXURE XXIX to this report;
 26. Details of Related Parties Transactions as Restated as appearing in ANNEXURE XXX to this report;
 27. Details of Significant Accounting Ratios as Restated as appearing in ANNEXURE XXXI to this report
 28. Capitalization Statement as Restated as at 30th June 2022 as appearing in ANNEXURE XXXII to this report;
 29. Details of Contingent Liability (Annexure – XXXIII)
-
9. We, M/s. Jain Chhajed & Associates, holds valid peer review certificate issued by ICAI, as on date of this report.
 10. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
 11. The report should not in any way be construed as a re-issuance or re-drafting of any of the previous audit reports issued by the statutory auditors nor should this report be construed as a new opinion on any of the financial statements referred to therein.
 12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 13. In our opinion, the above financial information contained in Annexure I to XXX of this report read with the respective Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.



14. Our report is intended solely for use of the Management for inclusion in the offer document to be filed with BSE Limited and Registrar of Companies, Maharashtra in connection with the proposed IPO of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

Jain Chhajed & Associates

Chartered Accountants

Firm's Registration No. 127911W

CA Suyash Chhajed

Partner

Membership No. 121597

UDIN: 22121597APLMPY4721



Place: Nashik

Date: July 28, 2022

VIRTUOSO OPTOELECTRONICS LIMITED

Restated Standalone Financial Statements

Annexure I - Restated Standalone Summary Statement of Assets and Liabilities

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	As on 30.06.2022	2021-22 As on 31.03.2022	2020-21 As on 31.03.2021	2019-20 As on 31.03.2020
	EQUITY AND LIABILITIES					
(1)	Shareholders' Funds					
(a)	Share Capital	V	1,498.25	1,498.25	166.42	166.42
(b)	Reserves and Surplus	VI	1,040.43	628.08	1,165.90	957.57
	Sub Total (1)		2,538.68	2,126.34	1,332.32	1,123.99
(2)	Share Application Money	VII	-	-	300.00	-
(3)	Non Current Liabilities					
(a)	Long Term Borrowings	VIII	3,270.60	2,881.56	2,186.75	1,484.79
(b)	Deferred Tax Liabilities (Net)	IX	134.45	158.71	75.32	42.44
(c)	Long Term Provisions	X	11.85	10.15	5.81	-
	Sub Total (3)		3,416.90	3,050.42	2,267.88	1,527.23
(4)	Current Liabilities					
(a)	Short Term Borrowings	XI	3,837.63	3,918.70	2,955.81	2,368.18
(b)	Trade Payables	XII				
	- Outstanding dues of Micro and Small Enterprises (MSME)		14.73	156.86	1.49	6.27
	- Outstanding due to Creditors other than Micro and Small Enterprises		2,833.50	2,869.21	1,008.12	618.74
(c)	Other Current Liabilities	XIII	472.38	337.32	75.42	42.62
(d)	Short Term Provisions	XIV	237.01	96.67	48.60	32.06
	Sub Total (4)		7,395.27	7,378.75	4,089.43	3,067.86
	TOTAL LIABILITIES (1+2+3+4)		13,350.85	12,555.51	7,989.63	5,719.08
	ASSETS					
(5)	Non Current Assets					
(a)	Property Plant & Equipment and Intangible Assets	XV				
	i) Property Plant & Equipment		4,982.79	5,037.87	1,762.81	1,124.40
	ii) Capital Work-In-Progress		1.60	-	904.78	822.21
(b)	Other Non Current Assets	XVI	291.34	151.71	76.57	71.53
	Sub Total (5)		5,275.72	5,189.58	2,744.17	2,018.15
(6)	Current Assets					
(a)	Inventories	XVII	7,372.60	6,330.92	3,718.08	1,383.93
(b)	Trade Receivables	XVIII	678.11	887.91	1,077.11	1,975.31
(c)	Cash and Cash Equivalents	XIX	1.92	81.22	1.72	5.49
(d)	Short Term Loans & Advances	XX	9.47	5.13	80.76	1.44
(e)	Other Current Assets	XXI	13.01	60.75	367.81	334.75
	Sub Total (6)		8,075.13	7,365.94	5,245.47	3,700.93
	TOTAL ASSETS (5+6)		13,350.85	12,555.51	7,989.63	5,719.08

For Jain Chhajed & Associates

FRN No. 127911W

Chartered Accountants

Suyash

CA Suyash Chhajed
Partner

Mem No.121597

UDIN: 22121597APLMPY4721



For and on Behalf of Board of Directors
of Virtuoso Optoelectronics Limited

Sukrit Bharati
Sukrit Bharati
Director
DIN: 03638084

Vishrut Bharati
Vishrut Bharati
Director
DIN: 06818457



Place : Nashik

Dated : July 28, 2022

Place : Nashik

Dated : July 28, 2022

VIRTUOSO OPTOELECTRONICS LIMITED
Restated Standalone Financial Statements

Annexure II - Restated Standalone Summary Statement of Profits and Losses

						(Rs. in Lakhs)
Sr. No.	Particulars	Note No.	As on 30.06.2022	2021-22 As on 31.03.2022	2020-21 As on 31.03.2021	2019-20 As on 31.03.2020
(I)	Income from continuing operations					
(a)	Revenue from Operations	XXII	7,381.87	20,017.24	11,525.66	6,820.24
(b)	Other Income	XXIII	17.73	10.96	25.64	19.10
	Total Income		7,399.61	20,028.20	11,551.30	6,839.34
(II)	Expenses					
(a)	Cost of raw materials consumed	XXIV	6,192.20	17,194.53	10,214.40	5,691.76
(b)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	XXV	(81.83)	44.11	(327.06)	64.72
(c)	Employee Benefits Expenses	XXVI	132.81	361.85	271.33	103.09
(d)	Finance Costs	XXVII	262.41	905.50	740.96	478.95
(e)	Other Expenses	XXVIII	80.27	435.45	127.16	165.60
(f)	Depreciation and amortisation expenses	XV	241.25	513.70	234.97	143.17
	Total Expenses		6,827.12	19,455.14	11,261.75	6,647.29
	Restated profit before tax from continuing operations		572.49	573.06	289.55	192.05
	Tax Expense / (Income)					
	Current Tax		184.40	95.66	48.33	32.06
	Deferred Tax Charge / (Credit)		(24.26)	83.38	32.88	19.10
	Total Tax Expense		160.14	179.04	81.22	51.16
	Restated profit after tax from continuing operations (A)		412.34	394.01	208.33	140.89
	Earnings / (Loss) per equity share (Basic and Diluted) (in Rs)		2.75	3.11	1.79	1.23

For Jain Chhajed & Associates
FRN No. 127911W
Chartered Accountants

Suyash Chhajed

CA Suyash Chhajed
Partner

Mem No.121597

UDIN: 22121597APLMPY4721



For and on Behalf of Board of Directors
of Virtuoso Optoelectronics Limited

Sukrit Bharati
Sukrit Bharati
Director
DIN: 03638084



Vishrut Bharati
Vishrut Bharati
Director
DIN: 06818457

Place : Nashik
Dated : July 28, 2022

Place : Nashik
Dated : July 28, 2022

VIRTUOSO OPTOELECTRONICS LIMITED

Restated Standalone Financial Statements

Annexure III - Restated Standalone Summary Statement of Cash Flows

(Rs. in Lakhs)

Sr. No.	Particulars	As on 30.06.2022	2021-22	2020-21	2019-20
			As on 31.03.2022	As on 31.03.2021	As on 31.03.2020
A	CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES				
	Net profit before taxation from continuing operations (as restated)	572.49	573.06	289.55	192.05
	Non cash adjustments to reconcile profit before tax to net cash flows				
	Depreciation and amortisation expense	241.25	513.70	234.97	143.17
	Interest on Fixed Deposits	(2.10)	(3.84)	(0.04)	-
	Finance Cost	262.41	905.50	740.96	478.95
	Adjustment in General Reserve	-	-	-	-
	Operating Profit before Working Capital Changes (As Restated)	1,074.05	1,988.42	1,265.43	814.17
	Adjusted for (Increase) / Decrease in:				
	Inventories	(1,041.68)	(2,612.85)	(2,334.14)	(649.67)
	Trade Receivables	209.80	189.20	898.20	(846.60)
	Short Term Loans and Advances	(4.34)	75.63	(79.32)	24.42
	Other Non - Current Assets	(139.63)	(75.13)	(5.04)	(11.53)
	Other Current Assets	47.73	307.06	(33.06)	(229.86)
	Trade Payables	(177.83)	2,016.46	384.60	161.84
	Other Current Liabilities	135.06	261.90	32.80	206.24
	Short Term Provisions	140.35	48.07	16.54	14.66
	Long Term Provisions	1.69	4.34	5.81	-
	Cash flow from operations	245.20	2,203.10	151.83	(516.31)
	Direct Taxes Paid (net of refunds)	(184.40)	(95.66)	(48.33)	(32.06)
	Net cash generated from Operating Activities (A)	60.80	2,107.44	103.49	(548.37)
B	CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES				
	Purchase of fixed assets, including intangible assets, capital work in progress and capital advances	(187.77)	(2,883.97)	(1,090.76)	(1,565.22)
	Adjustment / Re-classification in Building - CWIP	-	-	134.82	-
	Interest on Fixed Deposits	2.10	3.84	0.04	-
	Net cash used in Investing Activities (B)	(185.67)	(2,880.14)	(955.90)	(1,565.22)
C	CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES				
	Proceeds from Issue of New Equity Shares	-	400.00	-	533.55
	Proceeds from Share Application Money	-	(300.00)	300.00	-
	Proceeds from Long Term Borrowings	389.04	694.81	701.96	814.39
	Proceeds from Short Term Borrowings	(81.06)	962.89	587.63	1,193.72
	Finance Cost	(262.41)	(905.50)	(740.96)	(478.95)
	Net cash generated from / (used in) Financing Activities (C)	45.57	852.20	848.63	2,062.71
	Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	(79.29)	79.50	(3.78)	(50.87)
	Cash and Cash Equivalents at the beginning of the year	81.22	1.71	5.49	56.36
	Cash and Cash Equivalents at the end of the year	1.92	81.22	1.71	5.49

For Jain Chhajed & Associates

FRN No. 127911W

Chartered Accountants

Suyash

CA Suyash Chhajed
Partner

Mem No.121597

UDIN: 22121597APLMPY4721

Place : Nashik

Dated : July 28, 2022



For and on Behalf of Board of Directors
of Virtuoso Optoelectronics Limited

Sukrit Bharati
Sukrit Bharati
Director
DIN: 03638084

Place : Nashik

Dated : July 28, 2022

Vishrut Bharati
Vishrut Bharati
Director
DIN: 06818457



ANNEXURE IV – SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES TO RESTATED FINANCIAL INFORMATION OF VIRTUOSO OPTOELECTRONICS LIMITED

I. COMPANY OVERVIEW

The Company ("Virtuoso Optoelectronics Limited", "VOEPL") having CIN – U74999MH2015PLC268355 is public limited company incorporated and domiciled in India having its registered office at Plot No.7, MIDC Area, Trimbak Road, Satpur, Nashik – 422007, Maharashtra, India. The Company is engaged primarily in the in manufacturing, selling and marketing of Consumer Electronics Goods (White Goods). The range of products manufactured by the company includes Air Conditioners, Water Heaters and Lighting. The Company also offers Electronics Manufacturing Services (EMS) and related products to its customers.

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation and measurement

The financial statements of the Company have been prepared in accordance with the Accounting Standards (AS) to comply with the Section 133 of the Companies Act, 2013 ("the 2013 Act") and the relevant provisions and amendments, as applicable. The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realization in respect of incomes. Accounting policies not specifically referred to otherwise, are consistent and in consonance with the generally accepted accounting policies.

The financial statements are prepared under the historical cost convention method unless otherwise specified and presented in Indian Rupee (INR), which is also the company's functional currency. All the amounts have been rounded-off to the nearest rupee, unless otherwise indicated.

Estimates and assumptions used in the preparation of the financial statements and disclosures are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements.

The restated financial statements of the Company for the quarter ended June 30, 2022 were approved by the Board of Directors and authorized for issue on July 28, 2022.



(b) Operating cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has identified twelve months as its operating cycle.

(c) Revenue Recognition

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, regardless of when the payment is being made. Revenue is measured at the fair value of amount received or receivable.

Sale of goods is recognized when significant risks & rewards of ownership of the goods are transferred to the buyer, usually on the delivery of goods.

Service income is recognized as per the terms of contract with customers when the related services are performed.

Interest income is recognized using time proportionate method.

Other income (including rent, income from sale of scrap, income from claims received, etc.) is recognized on accrual basis. However, where the ultimate collection of the same is uncertain, revenue recognition is postponed to the extent of uncertainty.

Dividend income is accounted when right to receive is established.

(d) Property, Plant and Equipment:**Recognition and measurement:**

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment includes purchase price, including freight, duties, taxes and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.



Property, plant and equipment are derecognized from financial statements, either on disposal or when no economic benefits are expected from its use or disposal. The gain or losses arising from disposal of property, plant and equipment are recognized in the Statement of Profit and Loss in the year of occurrence.

Assets under construction include the cost of property, plant and equipment that are not ready to use at the balance sheet date. Advances paid to acquire property; plant and equipment before the balance sheet date are disclosed under other non-current assets. Assets under construction are not depreciated as these assets are not yet available for use.

Subsequent expenditures

Subsequent expenditures related to an item of property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company and cost can be reliably measured. All other repair and maintenance costs are recognized in the Statement of Profit and Loss during the year in which they are incurred.

Intangible Assets

An intangible asset shall be recognized if, and only if:

- (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company; and
- (b) the cost of the asset can be measured reliably.

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use.

Depreciation and amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation / Amortisation on property, plant & equipment of the Company has been provided using the written down value (WDV) method based on the useful life specified in Schedule II to the Companies Act, 2013. The useful life is as follows:



Class of Asset	Useful Life
Factory Building / Leasehold Improvements	30 years
Plant & Machinery	15 years
Plant other than Machinery	15 years
Electrical Installations	10 years
Furniture & Fixtures	10 years
Tools, Dies & Equipments	10 years
Office Equipments	5 years
Computers & ERP Software	3 years

Assets costing less than INR 5,000 are depreciated at 100% in the year of acquisition.

Assets acquired on lease and leasehold improvements are amortised over the primary period of the lease on straight line basis.

The estimated useful lives and residual values of the property, plant & equipment and intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

(e) Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount.

The reduction is treated as an impairment loss and is recognized in the statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.



(f) Foreign currency transactions:

Transactions in foreign currencies are translated into the Company's functional currency at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous standalone financial statements are recognised in the standalone statement of profit and loss in the period in which they arise.

(g) Investments:

- Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis.
- Investment other than current investments, are classified as long-term investments and are stated at cost. Provision for diminution in value of Long term investments is made only if such a decline is other than temporary.

(h) Inventories:

- Inventories are valued at cost or market price whichever is less in the case of finished and semi-finished goods and at cost in case of raw material. Cost comprises of cost of purchase, cost conversion & other cost for bringing the inventory to present location and condition.
- The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products.
- Raw material, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices are declined, and it is estimated that the cost of finished products will exceed their net realizable value.
- Traded goods are valued at cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- The value of write down and circumstances, if any are disclosed in the notes pertaining to the inventories. There is no reversal of write down.



(i) Taxes on Income:

The tax expense comprises current and deferred tax. Tax is recognized in the statement of profit and loss.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- i) has a legally enforceable right to set off the recognised amounts; and
- ii) intends either to realize the asset and settle the liability on a net basis or simultaneously.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent there is convincing evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- i) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.



Minimum Alternative Tax (MAT)

Minimum Alternative Tax (MAT) paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

(j) Leases:

Finance Lease

Agreements are classified as finance leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

Operating Lease

Agreements which are not classified as finance leases are considered as operating lease.

Operating lease payments/income are recognised as an expense/income in the standalone statement of profit and loss on a straight line basis over the lease term unless there is another systematic basis which is more representative of the time pattern of the lease.

(k) Borrowing Costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. There are no borrowing costs capitalized during the year.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowings are classified as current liabilities unless the company has an unconditional right to differ settlement of liability for at least 12 months after the reporting period.

(l) Related Party

The disclosures of transactions with related parties, their outstanding balances, terms & conditions, securities offered and guarantees given are disclosed in Note No. 26. The company has not made provision for doubtful debts in respect of any of the related parties. The company has not written-off or written back any amount in respect of above related parties.



(m) Earnings per share:

Basic earnings per share are calculated by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is calculated by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

(n) Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, demand deposit and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(o) Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes a provision when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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.



(p) Dividend:

Dividend to the equity shareholders is recognized as a liability in the Company's financial statements in the period in which the dividend is approved by the shareholders.

(q) Events after reporting date:

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted with the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

(r) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The primary operating segment of Company is business segment. Since majority of the assets are located at single place and are of common nature, management has decided not to bifurcate the same into segment wise assets & liabilities.

The Geographic Segments identified, as Secondary Segment are "Domestic Market" and "Export Market".

(s) Cash Flow Statement

The Cash Flow statement is prepared by indirect method set out in AS 3 - "Cash Flow Statements" and present cash flows by operating, investing and financing activities of the Company.

(t) Trade Receivables

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business.

The management is authorized, whenever required, to execute / transfer / assign Company's right to claim on its trade receivables in favour of its trade payables to avoid getting stuck in debt recovery loop and affect its operations, by executing proper documentation to that effect in favour of its trade payables / creditors. Consequently, amount of trade receivables is reduced to such extent of debts which are assigned in favour of creditors.



(u) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after reporting period. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

The management of the company, whenever required, can execute and transfer its right to claim on its trade receivables in favour of its trade payables to avoid financial crunch and getting stuck in trade payable payment pressure and affect its operations, by executing proper documentation to that effect in favour of its trade payables / creditors. Consequently, amount of trade payable is reduced to such extent of debts which are assigned in their favour.



VIRTUOSO OPTOELECTRONICS LIMITED
RESTATED NOTES FORMING PART OF BALANCE SHEET

(Rs. in Lakhs)

PARTICULARS	As on 30.06.2022	2021-22	2020-21	2019-20
		As on 31.03.2022	As on 31.03.2021	As on 31.03.2020
ANNEXURE VI				
RESERVES & SURPLUS				
(a) Share Premium Account				
Balance as at the beginning of the year	66.67	667.13	667.13	667.13
Less: Balance utilised on issue of bonus shares	-	(667.13)	-	-
Add: Securities premium on shares issued during the year (Private Placement)	-	66.67	-	-
Balance as at the end of the year	66.67	66.67	667.13	667.13
(b) General Reserves :-				
Balance as at the beginning of the year	561.42	498.77	290.44	149.55
Add : Net Profit as per Profit & Loss Statement	412.34	394.01	208.33	140.89
Less : Issue of Bonus Shares	-	(331.37)	-	-
Closing Balance	973.76	561.42	498.77	290.44
Total	1,040.43	628.08	1,165.90	957.57
ANNEXURE VII				
SHARE APPLICATION MONEY PENDING ALLOTMENT				
Mr. Sukrit Bharati	-	-	225.00	-
Mr. Vishrut Bharati	-	-	75.00	-
	-	-	300.00	-
ANNEXURE VIII				
LONG TERM BORROWINGS				
(a) Term Loan - From Banks				
Secured Borrowings				
Karnataka Bank (Term Loan of INR 2.50 Crores)	-	-	39.78	58.51
Karnataka Bank (Term Loan of INR 6.61 Crores)	-	-	624.70	633.20
Karnataka Bank (GECL Loan of INR 4.20 Crores)	-	-	420.00	-
SIDBI (Term Loan of INR 0.50 Crores)	-	-	45.35	-
SIDBI (Term Loan of INR 7.20 Crores)	-	-	657.00	300.00
SIDBI (Term Loan - 4 Crores)	91.35	-	-	-
Axis Bank (Term Loan of INR 1.89 Crores)	154.68	163.26	-	-
Axis Bank (Term Loan of INR 6.13 Crores)	537.03	555.93	-	-
Axis Bank (Term Loan of INR 4.20 Crores)	316.50	351.00	-	-
Axis Bank (Term Loan of INR 8.00 Crores)	773.24	773.24	-	-
Yes Bank (TL - 6.26 Crores)	605.95	625.73	-	-
Yes Bank (TL - 0.34 Crores)	32.17	34.19	-	-
Yes Bank (TL - 1.38 Crores)	124.87	138.00	-	-
Yes Bank (TL - 1.08 Crores) - Equipment Finance 1	103.73	108.58	-	-
Yes Bank (TL - 1.06 Crores) - Equipment Finance 2	101.37	106.10	-	-
Yes Bank (TL - 1.06 Crores) - Equipment Finance 3	101.37	106.10	-	-
Mahindra Finance (TL - 2.70 Crores)	228.88	93.85	-	-
HDFC GECL (TL - 2.10 Crores)	210.00	-	-	-
(b) Term Loan - From Others				
Secured Borrowings				
Hero Fincorp Limited (Term Loan of INR 1.85 Crores)	74.32	83.47	117.21	144.66
Hero Fincorp Limited (GECL Loan of INR 0.29 Crores)	22.74	24.93	29.11	-
Hero Fincorp Limited (GECL Loan of INR 2.96 Crores)	238.36	260.47	296.00	-
Tata Capital (Moratorium Interest Loan of INR 0.09 Crores)	0.87	9.44	9.44	-
Tata Capital (Moratorium Interest Loan of INR 0.05 Crores)	(1.62)	(2.01)	4.51	-
Tata Capital (Term Loan of INR 5.00 Crores)	250.97	276.06	376.44	451.73
Unsecured Borrowings				
Ambit Finvest Private Limited	-	-	-	20.69
Kapital Tech (UPF Finance)	-	-	-	19.21
Bajaj Finance Limited (Term Loan of INR 0.36 Crores)	-	-	23.67	35.89
Cawach Funding Support - Loan (Term Loan of INR 0.28 Crores)	14.65	18.10	25.00	-
Less : Short Term Maturities of Long Term Debts	(710.82)	(844.87)	(481.47)	(179.10)
Total	3,270.60	2,881.56	2,186.75	1,484.79

Notes to Long term Secured Borrowings:
#Figures in bracket denominate the original loan amount sanctioned by the bank / financial institutions.
(a) The company has availed term loan of Rs. 1.89 crores from Axis Bank for the purpose of purchase of plant and machinery. The rate of interest is at 7.70% p.a. and repayable with an EMI of Rs.2,86,000/- in 66 months. This loan is secured by hypothecation of plant and machinery procured out of this loan second pari passu charge on current assets and equitable mortgage of leasehold rights of industrial property bearing No. 7 situated in MIDC Satpur, Nashik owned by M/s Filaments & Filaments.
(b) The company has availed term loan of Rs. 6.13 crores from Axis Bank for the purpose of purchase of plant and machinery. The rate of interest is at 7.70% p.a. and repayable with an EMI of Rs.6,30,000/- in 97 months. This loan is secured by hypothecation of plant and machinery procured out of this loan second pari passu charge on current assets and equitable mortgage of leasehold rights of industrial property bearing No. 7 situated in MIDC Satpur, Nashik owned by M/s Filaments & Filaments.
(c) The company has availed loan of Rs. 4.20 crores from Axis Bank under GECL Scheme. The rate of interest is at 7.70% p.a. and repayable with an EMI of Rs.11,50,000/- for next 39 months. This loan is secured by guarantee given by National Credit Guarantee Trustee Company (NCGTC) and extension of charge on current assets and existing collateral securities mortgaged with Axis Bank.
(d) The company has availed term loan of Rs. 8.00 crores from Axis Bank for the purpose of purchase of plant and machinery. The rate of interest is at 7.70% p.a. and repayable in 84 months. This loan is secured by hypothecation of plant and machinery procured out of this loan and second charge on current assets.
Primary Security for Axis Bank:
- Exclusive charge on plant and machinery (moveable assets) acquired against facility sanctioned
- Second pari passu charge on current asset
Collateral Security for Axis Bank:
- Equitable mortgage of leasehold rights of industrial property bearing on No. 7 situated in MIDC Satpur Nashik owned by M/s Filaments & Filaments.
-Equitable mortgage of industrial property bearing No. 203/1 & 205/2 situated in Badasaly Village MP owned by M/s Luma Lamp Private Limited
- Second Pari passu charge on industrial property bearing No. 64-B-1 situated in MIDC Satpur Nashik owned by M/s Virtuoso Optoelectronics Ltd. and
- Personal / Corporate Guarantee of Directors and Associate Concerns.
(e) The company has availed term loan of Rs. 6.26 crores from Yes Bank. The rate of interest is at 7.50% p.a. and repayable with an EMI of Rs.10,47,859/- in 75 months. This loan is secured by equitable mortgage on property situated at 64-B-1 MIDC Area, Satpur, Nashik and unconditional and irrevocable guarantee of directors.
(f) The company has availed term loan of Rs. 0.34 crores from Yes Bank. The rate of interest is at 7.50% p.a. and repayable with an EMI of Rs.99,079/- in 39 months. This loan is secured by equitable mortgage on property situated at 64-B-1 MIDC Area, Satpur, Nashik and unconditional and irrevocable guarantee of directors.
(g) The company has availed term loan of Rs. 1.38 crores from Yes Bank. The rate of interest is at 7.50% p.a. and repayable with an EMI of Rs.5,21,883/- in 29 months. This loan is secured by equitable mortgage on property situated at 64-B-1 MIDC Area, Satpur, Nashik and unconditional and irrevocable guarantee of directors.
(h) The company has availed term loan of Rs. 1.08 crores from Yes Bank for the purpose of purchase of plant and machinery. The rate of interest is at 9.50% p.a. and repayable with an EMI of Rs.2,40,400/- in 56 months. This loan is secured by hypothecation of plant and machinery procured out of this loan.
(i) The company has availed term loan of Rs. 1.06 crores from Yes Bank for the purpose of purchase of plant and machinery. The rate of interest is at 8.15% p.a. and repayable with an EMI of Rs.2,35,000/- in 56 months. This loan is secured by hypothecation of plant and machinery procured out of this loan.
(j) The company has availed term loan of Rs. 1.06 crores from Yes Bank for the purpose of purchase of plant and machinery. The rate of interest is at 8.15% p.a. and repayable with an EMI of Rs.2,35,000/- in 56 months. This loan is secured by hypothecation of plant and machinery procured out of this loan.
Primary Security for Yes Bank:
- Exclusive charge on plant and machinery (moveable assets) acquired against facility sanctioned
- Pari Passu Charge with Axis Bank on current asset for both present and future
- 1st Charge by way of Mortgage of industrial property bearing No. 64-B-1 situated in MIDC Satpur Nashik owned by the Company
Collateral Security for Yes Bank:
- 1st Charge by way of Mortgage of industrial property bearing No. 64-B-1 situated in MIDC Satpur Nashik owned by the Company
- Unconditional and Irrecoverable Personal Guarantees of Directors.
(k) The company has availed term loan of Rs. 2.70 crores from Mahindra & Mahindra Financial Services Ltd. for the purpose of upgradation of plant and machinery. The rate of interest is at 8.00% p.a. and repayable with an EMI of Rs.6,23,072/- in 48 months. This loan is secured by hypothecation of plant and machinery procured out of this loan (primary security).
(l) The company has availed term loan of Rs. 1.85 crores from Hero Fincorp Limited for the purpose of purchase of plant and machinery. The rate of interest is at 13.25% p.a. and repayable with an EMI of Rs.4,98,607/- in 48 months. This loan is secured by hypothecation of plant and machinery procured out of this loan.
(m) The company has availed loan of Rs. 0.29 crores from Hero Fincorp Limited under GECL Scheme. The rate of interest is at 11.50% p.a. and repayable with an EMI of Rs.27,898/- (Interest) for 12 months and Rs.95,994/- for next 36 months. This loan is secured by guarantee given by National Credit Guarantee Trustee Company (NCGTC) and extension of charge on securities given for existing credit facilities by Hero Fincorp Limited.
(n) The company has availed loan of Rs. 2.96 crores from Hero Fincorp Limited under GECL Scheme. The rate of interest is at 11.00% p.a. and repayable with an EMI of Rs.2,71,334/- (Interest) for 12 months and Rs.9,69,067/- for next 36 months. This loan is secured by guarantee given by National Credit Guarantee Trustee Company (NCGTC) and extension of charge on securities given for existing credit facilities by Hero Fincorp Limited.

(o) & (p) The company has availed FITL loan from Tata Capital Financial Services Limited for servicing the interest amount during Covid-19 lockdown period. The rate of interest was at 18.25% p.a. and repayable with an EMI in 54 monthly installments. This loan is secured by extension of charge on securities given for existing credit facilities by Tata Capital Financial Services Limited.

(q) The company has availed term loan of Rs. 5.00 Crores from Tata Capital Financial Services Limited for purchase of plant & machineries. The rate of interest was at 12.25% p.a. and repayable with an EMI of Rs.8,36,500/- in 54 months. This loan is secured by hypothecation of plant and machinery procured out of this loan.

(r) The company has availed term loan of Rs. 4.00 Crores from SIDBI for purchase of plant & machineries and other equipments. The rate of interest is at 7.55% p.a. and repayable with an monthly principal installment of Rs.7,40,000/- in 54 months. This loan is secured by hypothecation of plant and machinery procured out of this loan and lien on Fixed Deposit of Rs. 1.00 Crore with SIDBI.

(s) The company has availed loan of Rs. 2.10 crores from HDFC Bank under GECL Scheme. The rate of interest is at 7.00% p.a. and repayable with an monthly principal repayment of Rs.4,37,500/- in 48 months after moratorium period of 12 months from first disbursement. This loan is secured by guarantee given by National Credit Guarantee Trustee Company (NCGTC) and extension of charge on securities given for existing credit facilities by HDFC Bank.

(t) The company has availed funding support from 'Centre for Augmenting WAR with COVID-19 Health Crises' (CAWACH) without any interest. The same is repayable with in 8 monthly installments of Rs.3,45,000/- starting from October 2021.

ANNEXURE IX				
DEFERRED TAX LIABILITY				
- on Account of Depreciation				
Depreciation as per books	241.25	513.70	234.97	143.17
Depreciation as per Income Tax	154.06	813.42	353.17	211.84
Difference	87.19	(299.73)	(118.21)	(68.67)
Opening Balance	158.71	75.32	42.44	23.33
Add: Addition during the year	(24.26)	83.38	32.88	19.10
Deferred Tax Liability	134.45	158.71	75.32	42.44
ANNEXURE X				
LONG TERM PROVISIONS				
(a) Provisions for Employee Benefits				
Provisions for Gratuity	10.35	8.97	4.99	-
Provisions for Leave Encashment	1.49	1.18	0.83	-
Total	11.85	10.15	5.81	-



ANNEXURE XI				
SHORT TERM BORROWINGS				
(a) Loans Repayable on Demand - From Banks				
<u>Secured Borrowings</u>				
Karnataka Bank - Overdraft Limits	-	-	1,497.27	1,460.55
Axis Bank - Cash Credit Limit	1,256.61	1,600.99	-	-
Axis Bank (PO - Finance)	395.05	397.84	-	-
HDFC Bank (PO - Finance)	1,025.15	625.00	-	-
(b) Loans Repayable on Demand - From Others				
<u>Secured Borrowings</u>				
Tata Capital Financial Services Ltd. - PO Finance	-	-	977.07	728.52
Short Term Borrowings - Unsecured				
From Directors - Repayable on Demand	450.00	450.00	-	-
Short Term Maturities of Long term Debts				
	710.82	844.87	481.47	179.10
Total	3,837.63	3,918.70	2,955.81	2,368.18
Notes to Short term Borrowings:				
(a) The company has availed cash credit loan of Rs.17.00 crores from the Axis Bank. As per sanction letter of Axis Bank, rate of interest is at 7.70% p.a. and the limit is secured by charge on all existing and future current asset excluding receivable discounted with TATA capital (primary security); equitable mortgage of leaseholdrights of Industrial property bearing on No. 7 situated in MIDC Satpur Nashik owned by M/s Filamwents & Filaments, Industrial property bearing No. 203/1 & 205/2 situated in Badasaly Village MP owned by M/s Luma Lamp Pvt. Ltd. and 2nd charge on Industrial property bearing No. 64-B-1 situated in MIDC Satpur Nashik owned by M/s Virtuoso Optoelectronics Ltd. (collateral security) and personal / corporate guarantee of Directors and Associate Concerns.				
(b) The company has availed PO Finance Limit of Rs.4.00 crores from the Axis Bank against securitisation of PO of Voltas. As per sanction letter, rate of interest is at 8.30% p.a. and the limit is secured by Documents of title to goods duly endorsed in favour of Bank and personal / corporate guarantee of Directors and Associate Concerns.				
(c) The company has availed PO Finance Limit of Rs.10.00 crores from the HDFC Bank against securitisation of PO of Panasonic and Voltas. As per sanction letter, rate of interest is at 7.25% p.a. and the limit is secured by charge on Land & Building (primary security) against specific PO Securitized by them and personal guarantees of Directors and corporate guarantee of Reprolite Papers India Private Limited				
(d) Unsecured Loans from Directors are payable on demand and no interest has been paid on the same during the year under audit.				
ANNEXURE XII				
TRADE PAYABLES				
Outstanding to MSME Creditors	14.73	156.86	1.49	6.27
Outstanding to Other Creditors	2,833.50	2,869.21	1,008.12	618.74
Total	2,848.24	3,026.07	1,009.61	625.01
ANNEXURE XIII				
OTHER CURRENT LIABILITIES				
(a) Other Payables				
GST Payable	384.30	254.84	-	-
TDS Payable	11.14	31.97	36.17	15.78
TCS Payable	-	0.81	1.37	-
Profession Tax Payable (Staff)	0.16	0.17	0.15	0.77
PF Payable	2.51	2.22	2.26	1.89
ESIC Payable	0.25	0.30	0.25	0.23
Salary Payable	43.53	32.96	25.95	18.22
Provisions for Gratuity	1.53	1.53	-	-
Provisions for Leave Encashment	0.08	0.08	-	-
Audit Fees Payable	8.15	8.15	6.00	3.00
Electricity Charges Payable	13.17	4.14	3.16	2.62
Telephone Charges Payable	0.06	0.16	0.10	0.11
Rent Payable	7.50	-	-	-
Total	472.38	337.32	75.42	42.62
ANNEXURE XIV				
SHORT TERM PROVISIONS				
Provision For Income Tax	237.01	96.67	48.60	32.06
Total	237.01	96.67	48.60	32.06

ANNEXURE XVI				
OTHER NON CURRENT ASSETS				
(a) Investments in Fixed Deposits				
Fixed Deposit with Banks	216.01	77.87	5.00	-
Accrued Interest on Fixed Deposit	2.00	0.51	0.04	-
	218.01	78.38	5.04	-
(b) Security Deposits				
Deposits with Municipal Commissioner Punchkulla	60.00	60.00	60.00	60.00
Gas Connection Deposit	0.25	0.25	0.25	0.25
MSEDCL Deposit - Janori	12.90	12.90	11.14	11.14
BSNL Telephone Deposit	0.17	0.17	0.14	0.14
	73.32	73.32	71.53	71.53
Total	291.34	151.71	76.57	71.53
ANNEXURE XVII				
INVENTORIES				
Finished Goods	565.45	483.63	527.74	200.68
Raw Material	6,807.15	5,847.30	3,190.34	1,183.26
Total	7,372.60	6,330.92	3,718.08	1,383.93
ANNEXURE XVIII				
TRADE RECEIVABLES				
(a) Outstanding for more than 6 months	71.34	71.34	68.42	-
(b) Others				
Unsecured, considered good	606.77	816.57	1,008.69	1,975.31
Total	678.11	887.91	1,077.11	1,975.31
Amount due from Directors/Group Companies/Promoters	42.40	47.76	844.21	1,096.08
ANNEXURE XIX				
CASH AND CASH EQUIVALENTS				
(a) Balances with Schedule Banks				
- In Current Account	1.82	81.10	1.67	5.45
- Other Bank Balances	-	-	-	-
(b) Cash on Hand				
Total	1.92	81.22	1.72	5.49
ANNEXURE XX				
SHORT TERM LOANS AND ADVANCES				
(a) Loans & Advances to Others				
Unsecured, considered good				
Advance for Capital Goods	-	-	78.94	-
Advance to Staff	9.47	5.13	1.82	1.44
Total	9.47	5.13	80.76	1.44
ANNEXURE XXI				
OTHER CURRENT ASSETS				
Balance with Tax Authorities :-				
TDS Receivables	1.60	17.28	1.87	6.22
TCS on Purchase	-	1.77	4.81	-
GST Credit - Excess ITC	-	-	316.22	308.89
Advance Tax	-	25.00	0.10	0.50
Customs Duty Receivable	11.42	11.42	11.42	11.42
Other Assets				
TDS Receivables - NBFC	-	-	29.12	5.91
Prepaid insurance	-	5.28	4.27	1.82
Total	13.01	60.75	367.81	334.75



ANNEXURE XXII				
REVENUE FROM OPERATIONS				
Sales of Products				
Sale of Lighting, Consumer Durables, etc.	7,381.21	19,979.09	11,468.31	6,567.84
Sale of Services				
Jobwork Charges	0.66	38.15	35.87	235.69
Service Income	-	-	21.48	16.71
Total	7,381.87	20,017.24	11,525.66	6,820.24
ANNEXURE XXIII				
OTHER INCOME				
Interest on Fixed Deposits	2.10	3.84	0.04	-
Foreign Exchange Gains	15.60	-	-	13.84
Discount Received	0.03	-	0.60	0.73
Covid 19 - Support Incentive	-	-	25.00	-
Misc. Income - Liabilities not payable	-	7.13	-	4.52
Total	17.73	10.96	25.64	19.10
ANNEXURE XXIV				
COST OF RAW MATERIALS CONSUMED				
Inventory at the beginning of the year	5,847.31	3,190.34	1,183.26	468.87
Add : Purchase of Goods	6,897.93	19,017.16	11,570.96	6,013.29
Add : Other Manufacturing Cost / Cost of Production	254.11	834.34	650.52	392.85
Less : Inventory at the end of the year	6,807.15	5,847.30	3,190.34	1,183.26
Total	6,192.20	17,194.53	10,214.40	5,691.76
Other Manufacturing Cost / Cost of Production				
Freight Inward	23.35	99.88	72.09	38.24
Conversion Cost - Manufacturing	73.62	243.24	197.47	238.50
Electricity Charges	20.25	82.20	44.91	41.86
Customs Duty	83.02	153.44	178.80	40.33
Clearing & Forwarding Expenses	53.69	250.10	147.56	31.60
Loading & Unloading Charges	-	0.19	0.38	0.50
Packing & Water Charges	0.17	4.98	0.44	1.82
Warehouse Charges	-	-	8.88	-
Tooling & Development Expenses	-	0.32	-	-
	254.11	834.34	650.52	392.85
ANNEXURE XXV				
CHANGES IN INVENTORIES OF FINISHED GOODS				
Opening Stock	483.63	527.74	200.68	265.40
Less : Closing Stock	565.45	483.63	527.74	200.68
Total	(81.83)	44.11	(327.06)	64.72
ANNEXURE XXVI				
EMPLOYEE BENEFIT EXPENSES				
(a) Salary, Wages and Bonus				
Salaries, Wages, Bonus and Other Allowances	106.51	285.06	210.60	82.49
Directors Remuneration	7.50	30.00	30.00	12.00
Stipend Expenses - Internship	7.36	10.89	-	-
(b) Staff Welfare Expenses	3.75	12.15	10.35	4.85
(c) Contribution to Provident and Other Funds				
Contribution to Provident Fund & ESIC Fund	4.37	15.24	13.75	3.76
Expenses for Gratuity	1.38	5.51	5.45	-
Expenses for Leave Encashment	1.95	3.00	1.19	-
Total	132.81	361.85	271.33	103.09
ANNEXURE XXVII				
FINANCE COSTS				
(a) Interest Expenses				
Interest on Loan	223.85	752.97	671.75	344.09
(b) Other Borrowing Costs				
Bank Charges, ESBTR and Commission	38.56	152.53	69.21	134.86
(c) Net (gain) / loss on foreign currency transactions and translation				
	-	-	-	-
Total	262.41	905.50	740.96	478.95

ANNEXURE XXVIII				
OTHER EXPENSES				
Auditors Remuneration	-	5.50	3.00	3.00
Foreign Exchange Loss	-	33.42	8.66	-
Commission Expenses	-	-	-	1.55
Discount Allowed	-	-	0.35	1.13
Freight Outward	0.60	8.41	5.34	7.20
Interest on Income Tax	-	8.15	4.50	1.91
Interest to Others	-	-	2.33	0.48
Installation Charges	-	-	0.15	1.15
Insurance Expenses	5.73	10.68	6.25	20.21
Office Expenses	2.58	6.81	9.68	1.79
Printing and Stationery	0.32	2.58	0.82	0.25
Professional Fees	20.36	61.87	36.94	89.17
Rent, Rates & Taxes	43.02	250.07	0.36	1.76
Repairs and Maintenance	0.21	9.19	2.64	12.34
Research & Development Expenses	-	-	10.72	-
ROC Filing Fees & Stamp Duty	-	-	-	0.18
Sales Promotion Expenses	0.16	6.13	6.25	2.77
Security Service Charges	2.90	19.08	11.23	5.22
Travelling Expenses	2.37	11.56	8.56	15.07
Telephone Expenses	0.38	2.00	1.39	0.42
Other Expenses	1.65	-	7.98	-
Total	80.27	435.45	127.16	165.60



ANNEXURE XV : RESTATED STANDALONE FIXED ASSETS SCHEDULE

(Rs. in Lakhs)

Particulars	As on 30.06.2022	2021-22	2020-21	2019-20
		As on 31.03.2022	As on 31.03.2021	As on 31.03.2020
Factory Land				
Opening Balance	157.00	157.00	157.00	-
Add : Addition During the Year	-	-	-	157.00
Less : Deduction During the Year	-	-	-	-
Less : Depreciation	-	-	-	-
Closing Balance	157.00	157.00	157.00	157.00
Factory Building (Satpur/Janori)				
Opening Balance	874.81	-	-	-
Add : Addition During the Year	-	961.54	-	-
Less : Deduction During the Year	-	-	-	-
Less : Depreciation	20.72	86.73	-	-
Closing Balance	854.09	874.81	-	-
Plant and Machinery				
Opening Balance	3,206.46	1,171.62	600.93	56.14
Add : Addition During the Year	140.18	2,330.90	713.64	583.86
Less : Deduction During the Year	-	-	-	-
Less : Depreciation	148.86	296.06	142.95	39.07
Closing Balance	3,197.79	3,206.46	1,171.62	600.93
Computer and Softwares				
Opening Balance	5.39	6.47	1.44	2.30
Add : Addition During the Year	0.39	3.80	6.49	0.77
Less : Deduction During the Year	-	-	-	-
Less : Depreciation	0.87	4.87	1.46	1.63
Closing Balance	4.91	5.39	6.47	1.44
Tools, Dies & Equipments				
Opening Balance	348.79	187.79	169.82	229.15
Add : Addition During the Year	3.66	234.06	62.54	-
Less : Deduction During the Year	-	-	-	-
Less : Depreciation	22.67	73.06	44.57	59.33
Closing Balance	329.77	348.79	187.79	169.82
Plant other than Machinery - Equipments, Conveyors, Assembly Lines, etc.				
Opening Balance	154.74	162.97	194.09	236.98
Add : Addition During the Year	-	22.57	4.26	-
Less : Deduction During the Year	-	-	-	-
Less : Depreciation	28.01	30.80	35.38	42.89
Closing Balance	126.74	154.74	162.97	194.09
Office Equipments				
Opening Balance	1.05	1.53	0.42	-
Add : Addition During the Year	0.12	0.22	1.58	0.51
Less : Deduction During the Year	-	-	-	-
Less : Depreciation	0.13	0.71	0.47	0.09
Closing Balance	1.04	1.05	1.53	0.42
Furniture and Fittings				
Opening Balance	184.14	75.43	0.71	-
Add : Addition During the Year	34.91	128.56	84.87	0.87
Less : Deduction During the Year	-	-	-	-
Less : Depreciation	12.98	19.85	10.14	0.16
Closing Balance	206.06	184.14	75.43	0.71
Electrical Installations				
Opening Balance	93.17	-	-	-
Add : Addition During the Year	1.20	94.39	-	-
Less : Deduction During the Year	-	-	-	-
Less : Depreciation	6.07	1.22	-	-
Closing Balance	88.30	93.17	-	-



Research & Development Tools				
Opening Balance	12.31	-	-	-
Add : Addition During the Year	5.72	12.71	-	-
Less : Deduction During the Year	-	-	-	-
Less : Depreciation	0.94	0.40	-	-
Closing Balance	17.09	12.31	-	-
Total				
Opening Balance	5,037.87	1,762.81	1,124.40	524.57
Add : Addition During the Year	186.17	3,788.76	873.37	743.00
Less : Deduction During the Year	-	-	-	-
Less : Depreciation	241.25	513.70	234.97	143.17
Closing Balance	4,982.79	5,037.87	1,762.81	1,124.40
Capital Work-in-Progress				
Opening Balance	-	904.78	822.21	-
Add : Addition During the Year	1.60	-	217.39	822.21
Less : Deduction During the Year	-	904.78	134.82	-
Less : Depreciation	-	-	-	-
Closing Balance	1.60	-	904.78	822.21



Annexure XXXI - Restated Standalone Statement of Accounting Ratios

Particulars	As on 30.06.2022	2021-22		2020-21		2019-20	
		As on 31.03.2022		As on 31.03.2021		As on 31.03.2020	
Basic & Diluted Earnings per Share (Rs.)	2.75	3.11		1.79		1.23	
Face Value per Share (Rs.)	10.00	10.00		10.00		10.00	
EBITDA (Rs. in Lakhs)	1,076.15	1,992.25		1,265.47		814.17	
Return on Net Worth (in Percentage)	16.24%	18.53%		15.64%		12.53%	
Net Asset Value per equity share (Rs.)	16.94	14.19		80.06		67.54	
Net Profit after Tax as restated attributable to equity shareholders (Rs. Lakhs)	412.34	394.01		208.33		140.89	
Net Worth at the end of the year (Rs. in Lakhs)	2,538.68	2,126.34		1,332.32		1,123.99	
Total weighted average no of shares (Refer note b)	1,49,82,516	1,26,72,014		1,16,49,183		1,14,98,695	
Total number of equity shares outstanding at the end of the year	1,49,82,516	1,49,82,516		16,64,129		16,64,169	

Notes:-

- (a) EPS Calculation has been done as per Accounting Standard-20, "Earnings Per Share" issued by The Institute of Chartered Accountants of India.
- (b) Weighted Average Number of Equity Shares of preceding FY 2020-21 & FY 2019-20 were adjusted for the bonus issue of 99,85,014 shares during the FY 2021-22. Accordingly, EPS for the preceding financial years is restated and presented.
- (c) Figure may changes due to rounding off



Annexure XXXII - Restated Standalone Capitalisation Statement

(Rs. in Lakhs)

Particulars	Pre Issue			Post Issue#
	30th June 2022	31st March 2022	31st March 2021	
Debt				
Long Term Debt	3,270.60	2,881.56	2,186.75	3,270.60
Short Term Debt	3,837.63	3,918.70	2,955.81	3,837.63
Total Debts (A)	7,108.24	6,800.26	5,142.56	7,108.24
Equity (Shareholders' Funds)				
Equity Share Capital	1,498.25	1,498.25	166.42	2,038.25
Reserve and Surplus	1,040.43	628.08	1,165.90	3,524.43
Total Equity (B)	2,538.68	2,126.34	1,332.32	5,562.68
Long Term Debt / Equity Shareholders' Funds	1.29	1.36	1.64	0.59
Total Debt / Equity Shareholders' Funds	2.80	3.20	3.86	1.28

The post issue position is derived on the basis of proposed issue of 54 Lakhs new equity shares of Rs. 10/- each at a premium of Rs. 46/- each.

Note:

- Short term Debts represent which are expected to be paid/payable within [•] months and
- Long term Debts represent which are expected to be paid/payable within [•] months



Annexure XXIX - Restated Standalone Tax Shelter Statement

(Rs. in Lakhs)

Particulars	As on 30.06.2022	2021-22	2020-21	2019-20
		As on 31.03.2022	As on 31.03.2021	As on 31.03.2020
Restated Profit Before Tax (A)	572.49	573.06	289.55	192.05
Permanent Difference (B)	3.33	8.51	26.90	2.39
Provision for Gratuity & Leave Encashment	3.33	8.51	20.07	-
Income Tax	-	-	4.50	1.91
Interest on TDS	-	-	2.33	0.48
Prior Period Items	-	-	-	-
Timing Difference (C)	87.19	(299.73)	(118.21)	(68.67)
Depreciation Difference	87.19	(299.73)	(118.21)	(68.67)
Deduction Under Chapter VI (D)				
Taxable income under Normal provision	663.01	281.84	198.24	125.77
(E=A+B+C-D)				
Tax Rate Under Normal provision % (F)	27.82	27.82	27.82	27.82
Income Tax as per normal provision (G=E*F)	184.40	78.41	55.15	34.99
Tax Rate Under MAT Provisions (H)	16.69	16.69	16.69	16.69
Income Tax as per MAT Provisions (I=A*H)	100.00	95.66	48.33	32.06
Tax Payable	184.40	95.66	48.33	32.06
(Higher of Normal Tax or MAT Provisions)				



Annexure XXX - Restated Standalone Statement of Related Party Transactions

A. List of Related Parties and Relationship

(a) Key Management Personnel

- 1 Mr. Sukrit Bharati
- 2 Mr. Vishrut Bharati

(b) Relatives of Key Management Personnel

- 1 Nikitha Shravan Poddatur
- 2 Arvind Bharati

(c) Enterprises over which Key Management Personnel exercise significant influence or control

- 1 YLP Solutions Private Limited
- 2 Swami Shanti Prakash Virtuoso Esco Pvt. Ltd.

(d) Enterprises over which their relatives exercise significant influence or control

- 1 Solarcopyer Limited
- 2 Starlite Components Limited
- 3 Paragon Plastics Private Limited
- 4 M/s. Solar Technologies (Non - Related Party with effect from 01.04.2021)

B. Transactions with Related Parties

(Rs. in Lakhs)

Nature of Transaction	Upto Jun 2022		2021-22		2020-21		2019-20	
	Transaction Value for the year	Closing Balances at the period end	Transaction Value for the year	Closing Balances at the year end	Transaction Value for the year	Closing Balances at the year end	Transaction Value for the year	Closing Balances at the year end
A) Key Management Personnel -								
Issue of Share Capital	-	-	400.00	-	-	-	495.55	-
Share Application Money	-	-	(300.00)	-	300.00	300.00	-	-
Director's Remuneration	7.50	0.75	30.00	3.46	30.00	12.88	12.00	-
Sale of Goods	-	-	-	-	2.04	-	-	-
Unsecured Loans	-	450.00	450.00	450.00	-	-	-	-
B) Transactions with Relatives of KMP and the entities which is controlled by the Key Management Personnel -								
Issue of Share Capital	-	-	-	-	-	-	38.00	-
Salary Payment	-	-	-	-	-	-	-	-
Sale of Goods	-	-	0.20	0.91	1.29	6.33	6.51	3.62
Purchase of Goods	-	-	8.28	-	-	-	792.71	-
Advance For Purchases	25.50	26.41	-	-	-	-	-	-
C) Transactions with the entities which is controlled by the Relatives of KMP -								
Issue of Share Capital	-	-	-	-	-	-	-	-
Sale of Goods	-	42.40	399.42	46.85	308.32	837.87	2,410.38	1,092.46
Purchase of Goods	-	2.34	1,312.03	2.34	1,969.00	-	2,216.40	-
Advance For Purchases	80.80	80.80	-	-	-	-	-	-
Purchase of Fixed Assets	-	-	-	-	115.72	-	2.20	-



Annexure XXXIII: Restated Standalone Statement of Contingent Liabilities**(Rs. in Lakhs)**

Particulars	As on 30.06.2022	2021-22	2020-21	2019-20
		As on 31.03.2022	As on 31.03.2021	As on 31.03.2020
Contingent Liabilities				
TDS Outstanding Demand	0.88	0.88	2.62	-
Custom Duty Payable (EPCG Obligations)	293.76	293.76	53.66	
Total	294.64	294.64	56.28	-

Note:

(a) Contingent Liabilities is towards Custom Duty amount waived under EPCG Scheme, for import of plant and machinery. This contingent liability may arise in case the company fails to honour the export obligation in future.



MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

Unless the context so requires, you should read the following discussion of our financial position and results of operations together with our Restated Financial Statements which have been included in this Prospectus. The following discussion and analysis of our financial position and results of operations is based on our Restated Financial Statements for the period ended June 30, 2022 and for financial years ended March 31, 2022, 2021 and 2020 including the related notes and reports, included in this Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial information.

Our Financial Statements, as restated have been derived from our audited financial statements for the respective period and years. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year ("Fiscal Year") are to the twelve-month period ended March 31 of that year.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "*Risk Factors*" and "*Forward Looking Statements*" beginning on pages 26 and 16, respectively, and elsewhere in this Prospectus.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Virtuoso Optoelectronics Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "*Restated Financial Statements*" for the period ended June 30, 2022 and for the Financial Years 2022, 2021 and 2020 beginning on page no. 183 of this Prospectus.

BUSINESS OVERVIEW

We manufacture consumer durable goods and assemble a wide array of products and provide end-to-end product solutions. We serve under both original equipment manufacturer ("OEM") and original design manufacturer ("ODM") business models. Under the ODM model, in addition to manufacturing, we conceptualize and design the products which are then marketed to our customers' prospective customers under their brands. We have developed ODM capabilities with respect to lighting products and small appliances

Our current product portfolio of consumer goods includes (i) Split Air Conditioners; (ii) Water Heaters; (iii) LED Lighting products; and (iv) other miscellaneous products such as injection molding components for air conditioners.

For further details, please refer section titled "*Business Overview*" beginning on page 129 of this Prospectus

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL PERIOD

No material events have occurred after the last audited period.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page 26 of this Prospectus. Our business, financial condition and results of operations have been, and are expected to be, influenced by numerous factors. A summary of the most important factors that have had, and that we expect will continue to have, a significant impact on our business, results of operations and financial condition follows below:

- Volatility in supply and pricing of raw material;
- Labour intensive Industry
- Substantial capital expenditure & working capital requirements
- Outbreak of Covid-19;
- Default or delay in payment from customers;
- Changes in laws, rules & regulations and legal uncertainties;
- Pricing pressures from the competitive business environment;
- Market conditions affecting the industry
- Maintaining our customer relationships
- Revenue from key customers
- Change in Technology
- Economic and Demographic condition.

SIGNIFICANT ACCOUNTING POLICIES

For more details kindly refer to section titled – Restated Financial Statements - Annexure 4 beginning on page 187 of this Prospectus.

The impact of COVID-19 on our results of operations and financial condition

In late 2019, COVID-19 emerged and by March 11, 2020 it was declared as a global pandemic by The World Health Organization. The Government of India declared COVID-19 as a “notified disaster” on March 14, 2020. Governments and municipalities around the world instituted measures in an effort to control the spread of COVID-19, including quarantines, shelter-in-place orders, school closings, travel restrictions, and closure of non-essential businesses. By the end of March 2020, the macroeconomic impacts became significant, exhibited by, among other things, a rise in unemployment and market volatility. The Government of India announced a 21-day lockdown on March 24, 2020, which was followed by successive extensions. The COVID-19 pandemic has caused substantial disruption to the global economy and supply chains, created significant volatility and disruption in financial markets, including in India, with the Governor of the Reserve Bank of India stating on May 22, 2020, that the GDP growth in Fiscal 2021 is estimated to remain negative.

In compliance with the lockdown orders announced by the Indian Government on March 24, 2020, we temporarily closed our offices and manufacturing operations. Additionally, many of our customers and raw material suppliers temporarily ceased operating their respective enterprises. Basis the government relaxations to the priority sector, our Company resumed its manufacturing operations during the one week of September 2020. Pursuant to second wave our manufacturing process was stopped in April

months 2021. During this period, our Company did not book any revenue but continued to incur expenditure in the form of salaries of its employees and other fixed overheads.

As a result, we experienced a decline in sales and reduced revenues due to the impact of COVID-19 and various regulatory measures in response to COVID-19 for Financial 2021. For further details, see, “*Risk Factors* - The impact of the COVID-19 pandemic and the resulting deterioration of general economic conditions has in the past financial years affected our business and may continue to materially affect our business, results of operations, financial condition, and / or our cash flows in future periods.” However, during the second lockdown and for the three month period ended June 30, 2022, there was no impact of COVID-19 pandemic on the operations and the business of our Company. Our future revenues may be impacted if the COVID-19 pandemic persists.

Key Components of our Statement of Profit and Loss Based on our Restated Financial Statement

The following descriptions set forth information with respect to the key components of our profit and loss statements.

Revenue

Revenue consists of revenue from operations and other income.

Revenue from operations. Revenue from operations comprises revenue from sale of products, revenue from sale of services like job work charges and services income.

Other income.

Other income primarily comprises interest income on bank deposits, discounts, warranty claim received and other miscellaneous income.

Expenditure

Expenditure consists of cost of materials consumed, changes in inventories of finished goods, employee benefits expenses, depreciation and amortization expense, finance cost and other expenses

Cost of materials consumed:

Cost of materials consumed represents the cost of the raw materials consumed in our manufacturing operations

Changes in inventories of finished goods and work-in-progress.

Changes in inventories of finished goods and work in progress represent the difference between the opening and closing stock of finished goods and work in progress relating to our manufacturing business

Employee benefits expenses.

Employee benefits expenses comprise of salaries and wages, contribution to provident fund and other funds, gratuity and staff welfare expenses.

Finance costs.

Finance cost primarily comprises of interest expense on terms loans, interest expense on cash credit facilities, bank charges & commission, bank interest and other borrowing costs.

Depreciation expense.

Depreciation relates to depreciation on property, plant and equipment.

Other expenses.

Other expenses primarily comprise of utility expenses, contract labour charges, loading and unloading charges and inward and outward freight charges.

Tax Expense

Tax expense consists of current tax and deferred tax.

DISCUSSION ON RESULTS OF OPERATIONS

The following table sets forth financial data from our Restated Financial Statements of profit & loss for the period ended June 30, 2022 and for the financial years ended March 31, 2022, 2021 and 2020, the components of which are also expressed as a percentage of total revenue for such periods:

(₹ in Lakhs except data)

Sr No	Particulars	For the three months period ended as on	For the year ended as on		
		June 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
1	Revenue Operations from	7,381.87	20017.24	11525.66	6820.24
	% of total revenue	99.76	99.95	99.78	99.72
	Variance	-	73.68	68.99	-
2	Other Income	17.73	10.96	25.64	19.10
	% of total revenue	0.24	0.05	0.22	0.28
	Variance	-	(57.25)	34.24	-
3	Total Revenue	7399.60	20028.20	11551.30	6839.34
4	Expenditure				
a	Cost of Raw Materials Consumed	6192.20	17194.53	10214.40	5691.76
	% of total revenue	83.68	85.85	88.43	83.22
	Variance	-	68.34	79.46	-
b	Changes in Inventories of Finished Goods	(81.83)	44.11	(327.06)	64.72

	% of total revenue	(1.11)	0.22	(2.83)	0.95
	Variance	-	(113.49)	(605.35)	-
c	Employee Benefit Expenses	132.81	361.85	271.33	103.09
	% of total revenue	1.79	1.81	2.35	1.51
	Variance	-	33.36	163.20	-
d	Finance Cost	262.41	905.50	740.96	478.95
	% of total revenue	3.55	4.52	6.41	7.00
	Variance	-	22.21	54.71	-
e	Depreciation and Amortisation	169.56	234.97	143.17	32.94
	% of total revenue	2.29	2.03	2.10	0.60
	Variance	-	64.12	334.58	-
F	Other Expenses	352.41	769.01	558.45	171.51
	% of total revenue	4.76	6.66	8.18	3.10
	variance	-	37.71	225.61	-
	Total Expenditure	7271.46	11276.01	6633.44	5436.40
	% of total revenue	98.28	97.62	97.19	98.38
	Profit and Loss Before Tax	127.09	275.29	192.05	89.54
	Tax Expense:	39.87	78.84	51.16	35.67
	MAT Provision for the year				
	Less Current Tax	22.797	45.95	32.06	17.23
	Deferred Tax charge credit	17.08	32.88	19.10	18.44

	Less Mat Credit entitlement		0.00	0.00	-2.18
	PROFIT AND LOSS FOR THE YEAR	87.21	196.45	140.89	53.87
	% of total revenue	1.18	1.70	2.06	0.97
	variance		39.44	161.55	

FOR THE PERIOD ENDED AS ON JUNE 30, 2022

Income:

Total Revenue

Our total revenue amounted to ₹ 7,399.61 lakhs for the period ended June 30, 2022 which is on account of revenue from operations and other income as described below:

Revenue from Operations

Our revenue from operations for the period ended June 30, 2022 was ₹ 7,381.87 Lakhs which is about 99.76% of the total revenue out of which ₹ 7381.21 Lakhs comes from sale of our products and ₹ 0.66 Lakhs from sale of services.

Other Income

Our other income for the period ended June 30, 2022 was ₹ 17.73 Lakhs for the period ended June 30, 2022.

Expenditure:

Cost of Production

Our cost of production was ₹ 6192.20 Lakhs which was 83.68% of our total revenue for the period ended June 30, 2022.

Change in inventories of Finished Good

Our changes in inventories of stock in trade was ₹ (81.83) Lakhs which was (1.11)% of our total revenue for the period ended June 30, 2022

Employee Benefits Expenses

The employee benefits expenses for the period ended June 30, 2022 is ₹ 132.81 Lakhs which is about 1.79 % of the total revenue.

Finance Cost

Financial costs for the period ended June 30, 2022 is ₹ 262.41 Lakhs which is about 3.55% of the total revenue.

Other Expenses

Other Expenses for the period ended June 30, 2022 is ₹ 80.27 Lakhs which is about 1.08% of the total revenue.

Depreciation and Amortization Expenses

Depreciation for the period ended June 30, 2022 is ₹ 241.25 Lakhs which is about 3.26% of the total revenue.

Tax Expenses

Tax expenses for the period ended June 30, 2022 is ₹ 184.40 Lakhs.

Profit after Tax

Profit after tax for the period ended June 30, 2022 is ₹ 412.35 Lakhs which is about 5.57% of the total revenue.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2022 TO FINANCIAL YEAR ENDED MARCH 31, 2021**Total Revenue**

Our total revenue increased by 73.38% to 20028.20 Lakhs for the financial year March 31, 2022 from ₹ 11551.30 Lakhs for the financial year March 31, 2021.

Revenue from Operations

The total income from operations for the financial year March 31, 2022 was ₹ 20017.24 Lakhs and it was ₹ 11525.66 lakhs for the financial year March 31, 2021. The revenue of the Company has increased in the year FY 2021 by 73.68 %.

Other Income

For the financial year March 31, 2022 it was ₹ 10.96 Lakhs as compared to ₹ 25.64 Lakhs for the financial year March 31, 2021 which shows a decrease by 57.25%.

Expenditure**Cost of Material Consumed**

The cost of production for the financial year March 31, 2022 was increased by 85.85% to ₹ 17194.53 Lakhs from ₹ 10214.40 Lakhs for the financial year March 31, 2021 owing to increase in the purchase of raw materials and sales.

Changes in Inventories of Finished Goods

Our changes in inventories of work in progress and finished goods changed by (-113.49) % from (327.06) Lakhs for the financial year March 31, 2021 to ₹ 44.11 lakhs for the financial year March 31, 2022.

Employee Benefits Expenses

The Employee expenses was increased by 33.36% from ₹ 271.33 Lakhs for the financial year March 31, 2021 to ₹ 361.85 Lakhs for the financial year March 31, 2021.

Finance Cost

The Finance Cost expenses was increased by 22.21% from ₹ 740.96 Lakhs for the financial year March 31, 2021 to ₹ 905.50 Lakhs for the financial year March 31, 2022.

Other Expenses

The other expenses was ₹ 127.16 Lakhs as compared to ₹ 435.45 Lakhs for the financial year March 31, 2022 which shows an increase of 242.44% in other expenses.

Depreciation and Amortization Expenses

The Depreciation and Amortization Expenses increased by 118.62% from ₹143.17 Lakhs for the financial year March 31, 2021 to ₹ 513.70 Lakhs for the financial year March 31, 2022.

Profit after Tax (PAT)

PAT was increased from ₹ 208.33 lakhs for the financial year March 31, 2021 to ₹ 394.02 Lakhs for the financial year March 31, 2022. The profit after tax increased by 89.13% as compared to Financial 2021 on account of increase in revenue from operations.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2021 TO FINANCIAL YAER ENDED MARCH 31, 2020

Total Revenue

Our total revenue increased by 68.89% to 11551.30 lakhs for the financial year March 31, 2021 from ₹ 6839.34 Lakhs for the financial year March 31, 2020.

Revenue from Operations

The total income from operations for the financial year March 31, 2021 was ₹ 11525.66 lakhs and it was ₹ 6820.24 lakhs for the financial year March 31, 2020. The revenue of the Company has increased in the year FY 2021 by 68.99 %.

Other Income

For the financial year March 31, 2021, it was ₹ 25.64 Lakhs as compared to ₹ 19.10 Lakhs for the financial year March 31, 2020 which shows an increase by 34.24%.

Expenditure

Cost of Production

The cost of production for the financial year March 31, 2021 was increased by 79.46% to ₹ 5691.76 Lakhs for the financial year March 31, 2020 compared from ₹ 10214.40 Lakhs for the financial year March 31, 2021 owing to increase in the purchase of raw materials.

Changes in Inventories of Finished Goods

Our changes in inventories of work in progress and finished goods changed by (-405.34) % from 64.72 Lakhs for the financial year March 31, 2020 to ₹ (327.06) lakhs for the financial year March 31, 2021. This was primarily due to lower level of closing inventories of finished goods at end of financial year 2020-21 as compared to financial year 2019-20.

Employee Benefits Expenses

The Employee expenses for the financial year March 31, 2021 was increased by 163.20% from ₹ 103.09 Lakhs for the financial year March 31, 2020 to ₹ 271.33 Lakhs for the financial year March 31, 2021.

Finance Cost

The Finance Cost expenses for the financial year March 31, 2021 was increased by 54.71% from ₹ 478.95 Lakhs for the financial year March 31, 2020 to ₹ 740.96 Lakhs for the financial year March 31, 2021.

Other Expenses

The other expenses for the financial year March 31, 2021 it was ₹ 127.16 Lakhs as compared to ₹ 165.60 Lakhs for the financial year March 31, 2020 which shows a decrease of 13.54% in other expenses

Depreciation and Amortization Expenses

The Depreciation for the financial year March 31, 2021 was increased by 64.12% from ₹143.17 Lakhs for the financial year March 31, 2020 to ₹234.97 Lakhs for the financial year March 31, 2021.

Profit after Tax (PAT)

PAT was increased from ₹ 140.89 lakhs for the financial year March 31, 2020 to ₹ 208.33 Lakhs for the financial year March 31, 2021. The profit after tax increased by 47.87% as compared to Financial 2020 on account of increase in revenue from operations.

Information required as per Item 11 (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

1. Unusual or infrequent events or transactions

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three (3) years.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in 'Factors Affecting our Results of Operations' and the uncertainties described in the section entitled "*Risk Factors*" beginning on page 26 of this Prospectus. To our knowledge, except as we have described in this Prospectus, there are no known factors which we expect to bring about significant economic changes.

3. Income and Sales on account of major product/main activities

Income and sales of our Company on account of main activities derives from sale of products and sale of services.

4. Whether the company has followed any unorthodox procedure for recording sales and revenues

Our Company has not followed any unorthodox procedure for recording sales and revenues.

5. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section titled "*Risk Factors*" beginning on page 2 of this Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

6. Extent to which material increases in net sales or revenue are due to increase in services

Increases in revenues are by and large linked to increases in volume of business.

7. Total turnover of each major industry segment in which the issuer company operated.

The Company is engaged in the manufacturing business of consumer durable goods as OEM, the relevant industry data, as available, has been included in the section titled "*Industry Overview*" beginning on page 111 of this Prospectus.

8. Status of any publicly announced new products or business segment.

Our Company has not announced any new services or business segment.

9. The extent to which business is seasonal.

Our Company's business is not seasonal.

10. Any significant dependence on a single or few suppliers or customers.

Significant proportion of our revenues have historically been derived from a limited number of customers. The Contribution of our Company's customers and supplier's vis a vis the revenue from operations and raw materials purchase respectively for the three months period ended on June 30, 2022 and for the financial year ended as on March 31, 2022 based on Restated Financial Statements are as follows:

Particular	Supplier		Customers	
	For the three months period on June 30, 2022	As on March 31, 2022	As on June 30, 2022	As on March 31, 2022
% of Top 5 suppliers/ customers	3.78%	12.23%	80.48%	79.60%
Total purchase/sales (in Rs Lakhs)	6897.93	19017.16	7381.21	19979.09

11. Competitive conditions.

Competitive conditions are as described under the Sections titled "*Industry Overview*" and "*Business Overview*" beginning on pages 111 and 129, respectively of this Prospectus.

Material developments subsequent to June 30, 2022.

Except as disclosed in this Prospectus, there are no significant developments or circumstances that have arisen since June 30, 2022, the date of the last financial statements included in this Prospectus, which materially and adversely affect or is likely to affect our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

FINANCIAL INDEBTEDNESS

Our Company avails credit facilities in its ordinary course of business for purposes such as meeting its working capital requirements, business requirements and other general corporate purposes. As on the date of this Prospectus, our Company has made applications and obtained consents from all its lenders to undertake the Issue. For further details, see Risk factors “We are subject to certain restrictive covenants in our financing arrangements which may limit our operational and financial flexibility, and our future results of operations and financial condition may be adversely affected if we fail to comply with these covenants

A. Small Industries Development Bank of India (SIDBI)

Below are the details as per the Letter of Intent Ref. No.2023MAY02/L412265312/NKBO-VOL/ARISE-2022 dated May 02, 2022

Date of Loan Agreement	May 20, 2022
Letter of Intent dated	May 02, 2022
Date of Execution of Agreement	May 20, 2022
Amount of Financial assistance	₹ 4,00,00,000 (Rupees Four Crore Only)
Purpose	Term loan for purchase of machinery and equipment
Guarantor	Sukrit Bharati & Vishrut Bharati
Interest	The Borrower shall pay to SIDBI interest at the rate of 2.15 % above Repo Rate rising or falling therewith, with Monthly rests, on the principal amount of the Loan outstanding -from time to time, payable on 10th day of each month of each year. The current Repo Rate being 4.40% and current effective rate of interest being 6.55% per annum.
Additional Interest	SIDBI may in its absolute discretion and on such terms and conditions as may deems fit, consider disbursement(s) of the loan or a portion thereof to the Borrower pending creation of stipulated security, however, in such an event, the Borrower shall, from the first such disbursement, pay to SIDBI in the manner aforesaid, an additional interest at the rate of 1 % per annum (over and above the applicable rate of interest) on the principal amount of the loan outstanding from time to time till the date of creation of the stipulated security.
Penal Interest on Defaulted Amounts	In case of non-payment of installments of principal, interest and all other monies (except penal interest) on their respective due dates, the Borrower agrees to pay on the defaulted amounts, penal interest at the rate of 2% per annum for the period of default. Penal interest shall be payable in the manner and on the dates as specified herein for payment of interest.
Processing Fees	The upfront fee at the rate of 1 % plus applicable GST of the total sanctioned loan herein paid by the borrower to SIDBI shall be non-refundable and non-adjustable.
Repayment	The Loan shall be repaid by the Borrower to SIDBI in 54 monthly installments after a moratorium of 6 months from the date of first disbursement of the

	loan as per the repayment Schedule
Premature Repayment	The Borrower agrees not to repay the outstanding principal of Loan in full or part before the due date, except after obtaining prior approval of SIDBI in writing [which may be granted subject to such conditions as SIDBI may deem fit including payment of premium for such prepayment].
Security	i) First charge by way of hypothecation on all the movables of the borrower both present and future, including plant and machinery, equipment, machinery spares, tools & accessories, office equipment, computers, furniture & fixtures, miscellaneous fixed assets etc. borrower which have been or proposed to be acquired under the ARISE scheme. ii) whole of the Borrower's unencumbered movable assets.
Covenants	(i) Not undertake any new project, diversification, Modernisation or substantial expansion of the project described in the Loan Agreement without prior approval of SIDBI. (ii) Not issue any debentures, raise any loans, accept deposits from public, issue equity or preference capital, change its capital structure or create any charge on its assets or give any guarantees without the prior approval of SIDBI. This provision shall not apply to normal trade guarantees of temporary loans and advances granted to staff or contractors or suppliers in the ordinary course of business or to raising of unsecured loans, overdrafts, cash credit or other facilities from banks in the ordinary course of business. (iii) Not prepay any loan availed of by it from any other party without the prior approval of SIDBI. (iv) Not pay any commission to its promoters, directors, managers, or other persons for furnishing guarantees, counter guarantee or indemnities or for undertaking any other liability in connection with any financial assistance obtained for or by the Borrower or in connection with any other obligation undertaken for or by the Borrower for the purpose of the Project. (v) (a) Not declare or pay any dividend to its shareholders during any financial year unless it has paid all the dues to SIOBI up to the date on which the dividend is proposed to be declared or paid or has made satisfactory provisions therefor. (b) Not withdraw any amount from the profits unless it has paid all the dues to SIOBI upto the date on which such amounts are withdrawn, without obtaining prior written consent from SIDBI. (vi) Not create any subsidiary or permit any company to become its subsidiary. (vii) Not undertake or permit any merger, consolidation, reorganization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction. (viii) Not make any investments by way of deposits, loans, share capital, etc. in any concern. {viii} Not revalue its assets at any time during the currency of the Loan. (ix) Not carry on any general trading activity other than the sale of its own products.

B. HDFC Bank

Below are the details as per the Sanction Letter – Sanction of Guaranteed Emergency Credit line (GECL) dated April 26, 2022

Date of Sanction letter	February 18, 2022
Amount of Financial assistance	₹ 2,10,00,000
Details of Credit Facilities Sanctioned	Working Capital Term Loan under ECGLS
Interest	7 % p.a. Interest Rate (percentage per annum) (Floating Rate): Reference Rate* + Spread of 0.35(%) p.a.
Tenor	60 Months
Moratorium Period	12 Months
Repayment Period	12 month Principal Moratorium. 48 monthly Installments after moratorium. (Principal Repayment) Interest to be serviced on monthly basis.
Interest Levy	Charged @ 18.00% p.a. on overdue/ delays/ defaults of any monies payable.
Term & Conditions	As specified in sanction letter

C. Tata Capital Financial Services Limited (TCFSL)

Below are the details as per the Sanction Letter Ref no CF/EF/MUM/2061138 dated June 28, 2019

Date of Loan Agreement	June 28, 2019
Date of Creation charge	July 26, 2019
Amount of Financial assistance	₹ 5,00,00,000 (Rupees Five Crore Only)
Tenure	60 months (including 6 months moratorium)
Interest Type	Floating
Purpose	For purchasing of equipment
Rate of Interest	12.25% p.a. i.e., ROI equal to LTLR less 7% Subject to minimum of 11.75% Presently Long-Term Lending Rate (LTLR) as on date is 19.25%. Interest rate on repayment would change based on the change in LTLR as announced by TCFSL from time to time. This would lead to change in interest payable to TCFSL
Upfront Fees	3% of the Loan Amount + Applicable GST (Non-Refundable Fees)
Penalty	2% of the outstanding amount will be charged for the period of delay in respect of Delayed/non-submission of security/collateral related documents and non-perfection of security.
Prepayment Penalty	4% on the Amount prepaid
Additional Interest	6% p.a. over and the above the normal rates shall be charged in case of delayed payment of interest
Repayment Schedule	Interest - to be paid on Monthly basis till Maturity.

	Principal -6-month moratorium starts from date of first tranche Disbursement, thereafter payable in Equal Monthly Installments till maturity. All repayments to be done from CC account.
Disbursement Draw down	Payment to be made directly to the suppliers against Performa invoice/order copy/invoice authorize by the suppliers post receipt of margin money receipt & bank statement or Reimbursement to borrower based on roof of payments submitted as acceptable to TCFSL. Disbursement to be made 75% of machine/Invoice value including taxes.
Security	Primary: Hypothecation of machinery purchased/ to be purchased out of TCFSL fund. Guarantee: Irrevocable and Unconditional Personal Guarantee of Mr. Sukrit Bharati and Mr. Vishrut Bharati.
Special Condition	• Cash inflows (minimum of Rs 4.00 crores on quarterly basis) from VOLTAS LIMITED will be paid into an designated account maintained with a suitable bank and monitored by TCFSL • Proceeds from EXISTING AND PROPOSED SID facility to be utilized in case if there is any delay/default in proposed EF loan facility.
General Covenants	• All legal and incidental expense including valuation /legal search /ROC search Stamp Duty and Out of Pocket expenses in connection with proposed credit facility will have to be borne by the Borrower. The Borrower shall deliver up front cheque/s towards the same. • Disbursement of loan shall be subject to the execution of necessary documents completion of all requirements/formalities which forms part of the overall sanction communication from TCFSL. • The borrower/security provider agrees for insurance product(s) Business Guard or Home Guard Plus via third party tie-ups. TCFSL is only acting as a facilitator for the borrower/security provider in arranging the insurance and is not liable for the settlement of insurance claim or any other liability arising due to the purchase of insurance product(s) by the borrower/security provider. • TCFSL also offers in-principal Sanction of Finance Lease Facility, refer Annexure 2 for terms of Lease Finance Facility.

D. YES BANK

Below are the details as per the Sanction Letter – YBL/SEB/WS/FU2021-2022/10021 dated February 18, 2022:

Date of Sanction letter	February 18, 2022
Date of creation of charge	March 10, 2022
Date of Modification	July 19, 2022
Amount	Rs 16,75,00,000

Facility Description	Rs	Terms & Conditions	Details
Cash Credit	6,50,00,000	1. Pari Passu Charge with Axis Bank by way of Hypothecation on Current Assets for both present and future. 2. Equitable / Registered Mortgage on Property situated at 64-B-I MIDC Area, Satpur, Nasik, Maharashtra -422007. 3. Unconditional and Irrevocable Personal till the tenor of facility :Vishrut Bharati & Sukrit Bharati	a) Interest Payment – Monthly b) Repayment – Moratorium c) Tenor – 12 months d) Margin- 25% of stock debtors (less than 90days excluding debtors discounted with other banks) e) Interest – Effective Rate of Interest (ROI) is 7.50% p.a. which is 3.12% over & above External Benchmark Lending Rate f) Interest reset – 3 months g) Facility Purpose/Revolving: Working Capital
Term Loan I	6,12,58,000 (Existing Facility Reduced to Current Outstanding)	1. Equitable / Registered Mortgage on Property situated at 64-B-I MIDC Area, Satpur, Nasik, Maharashtra -422007. 2. Unconditional and Irrevocable Personal till the tenor of facility :Vishrut Bharati & Sukrit Bharati	a) Interest – Effective Rate of Interest (ROI) is 7.50% p.a. which is 3.12% over & above External Benchmark Lending Rate b) Interest reset – 3 months c) Tenor- 75 months d) Margin – NA e) Repayment – Moratorium – Equated monthly installment f) Facility – Term Loan 1, Balance Sector & Term loan takeover from SIDBI g) Facility Purpose – Non Revolving - Others
Term Loan II	1,29,26,532 (Existing Facility Reduced to Current Outstanding)		a) Tenor – 29 months b) Rest details are similar as mentioned above of Term loan I
Term Loan III	32,63,221 (Existing Facility Reduced to Current Outstanding)		a) Tenor – 29 months b) Rest details are similar as mentioned above of Term loan I
Letter of Credit Foreign Usage	2,00,00,000	Facility Security – Same as Cash Credit	a) Commission – 1.10%pa + Applicable Taxes b) Maximum Usance Tenor under FLC should not exceed 120 days

			from the date of BL. No LCs to be issued in favour of group companies
			c) Availability – 12 Months d) Repayment – On Demand e) Tenor – 120 days f) Margin – 10% in the form of FD g) Working Facility - Revolving

E. Hero Fincorp Limited

Below are the details as per the Sanction Letter MIO-GECL VER1.0/0320 dated July 17, 2020

Date of Creation of Certificate	August 21, 2020
Amount of Financial assistance	₹ 29,11,000 (Rupees Twenty-Nine Lakhs & Eleven Thousand Only)
Tenure	48 months
Co- Borrower Name	1) Sukrit Bharati 2) Arvind Bharati
Guarantor	NA
Interest Type	Floating Rate
Nature of Facility	Additional Term Loan
Purpose	For Working Capital
Rate of Interest	11.50% p.a.
Moratorium	12 months (For Principal amount. Interest to be serviced during the Moratorium period)
Installment Amount	Rs 27,898/- towards payment of monthly interest for the Moratorium period of 1 year. The remaining interest & Principal amount shall be repaid in 36 Instalments after the Moratorium period is over amounting to Rs 95,994
Installment Cycle	03 rd of Every Month
Security	Primary: Second ranking charge on the assets already hypothecated for securing the existing facility extended to the Borrower by Hero Fin Corp. Other Security: First ranking charge on the assets, if any, purchased out of the proceeds of the Facility.

F. Hero Fincorp Limited

Below are the details as per the Sanction Letter dated October 01, 2020

Date of Creation of Certificate	September 30, 2020
Hypothecation Deed	September 30, 2020
Amount of Financial assistance	₹ 2,96,00,000 (Rupees Two Crores & Ninety-Six Lakhs Only)
Tenure	48 months
Co- Borrower Name	1) Sukrit Bharati

	2) Arvind Bharati
Guarantor	NA
Interest Type	Floating Rate
Nature of Facility	Additional Term Loan
Purpose	For Working Capital
Rate of Interest	11.00% p.a.
X	12 months (For Principal amount. Interest to be serviced during the Moratorium period)
Installment Amount	Rs. 271,334/- towards payment of monthly interest for Moratorium period of 1 year. The remaining interest & principal amount shall be repaid in 36 installments after the moratorium period is over amounting to Rs. 969,067/-
Installment Cycle	03 rd of Every Month
Security	Primary: Second ranking charge on the assets already hypothecated for securing the existing facility extended to the Borrower by Hero Fin Corp. Other Security: First ranking charge on the assets, if any, purchased out of the proceeds of the Facility.

G. Hero Fincorp Limited

Below are the details as per the Sanction Letter SME_TL VER 1.8/0119 dated September 12, 2020

Date of Creation of Certificate	October 01, 2019
Hypothecation Deed	October 01, 2019
Amount of Financial assistance	₹ 1,85,00,000 (Rupees One Crore & Eighty-Five Lakhs Only)
Tenure	48 months
Co- Borrower Name	NA
Guarantor	1) Sukrit Bharati 2) Arvind Bharati
Interest Type	Floating Rate
Nature of Facility	Additional Term Loan
Purpose	Purchase of Machinery
Rate of Interest	13.25% p.a. Hero Fincorp PLR (For Floating Rate of Interest): 13.00% p.a. Spread (for Floating Rate of Interest): 0.25%
Moratorium	03 months
Processing Type	01% of Sanctioned amount plus applicable tax, amounting Rs.2,1,8 300/-
Installment Amount	Rs. 271,334/- towards payment of monthly interest for Moratorium period of 1 year. The remaining interest & principal amount shall be repaid in 36 installments after the moratorium period is over amounting to Rs. 969,067/-
EMI Cycle	03 rd of Every Month
Foreclosure/ Prepayment Charges	•Foreclosure not allowed till first 12 months. •Beyond 12 months foreclosure charges 2% on Principal Outstanding will be applicable.
Default Interest	2% per month on the overdue amount

Security	• PG Of Mr. Sukrit A. Bharati and Vishrut A. Bharati • 05 SPDCs for the Proposed Exposure of Rs. 1.85 Crores • Machine of approx. Value of Rs 2.47 Crores funded by HFCL needs to be Hypothecated to HFCL and Deed of Hypothecation required to be created.
Special Conditions	1. Disbursement shall be subject to clearance of title search report and positive legal opinion. 2. Subject to positive CPV, RCU report (If Applicable). 3. Proper self-attestation required on provided documents. 4. Execution of all the documents in the formats as specified by the HFCL. 5. Creation of exclusive charge in ROC in favor of Hero FinCorp Limited on the prime security offered (If Applicable). 6. Collateral offered to be insured and Hero FinCorp Ltd reserves right to deduct Insurance Premium from loan. 7. The Borrower will inform HFCL in writing regarding the change in location/ premises of the funded machine in future. 8. In case bounce is ≥ 3 times within first year of disbursement, HFCL reserves the right to revise applicable ROI by up to 2%, at its sole discretion, upon occurrence of any financial default. Such revised interest rates shall be effective prospectively. 9. Non-submission of Post Disbursal Documents by the Borrower beyond permissible timelines shall attract following additional Penal charges a. Rs 50,000/- if Post Disbursal Documents are related to Collateral b. Rs 10, 000/- if Post Disbursal Documents are not related to Collateral

H. Axis Bank Limited

Below are the details as per the Sanction Letter – AXISB/SME/ANDHERI/MEG/2021-22 dated June 28, 2021

Date of Sanction letter	June 28, 2021		
Hypothecation Deed	June 28, 2021		
Amount of Financial assistance	₹ 37,22,00,000 (Rupees Thirty-Seven Crore & Twenty-Two Lakhs Only)		
Guarantor	1) Sukrit Bharati 2) Vishrut Bharati 3) Security Providers - Filament & Filament 4) Security Providers - Lumalamp Ltd		
Facility Agreements	1) Working Capital Loan Agreement 2) Term Loan Agreement		
Facility	1) Cash Credit 2) Term Loan 1, Term 2 & Term Loan 3 3) ECLG		
	Cash Credit	Term Loan Agreement	ECLG
Purpose	To meet working capital requirement	Term 1 & Term 2 Take from Karnataka Bank for purchase of plant & machinery & for Term 3 for import of Machinery	To meet liquidity mismatching arising out Covid 19

		for Capex	
Amount	₹ 17.00 crore	₹ 1.89 crore for Term I & ₹ 6.13 crore for Term II & Term III 8.00 crore	₹ 4.20 crore
Margin	25%	Nil for Term loan I & Term loan 2 25% for Term Loan 3	Nil
Rate of Interest	Repo+ 3.70%p. a	Repo+ 3.70%p. a for Term loan I, Term loan 2 & Term loan 3	Repo+ 3.70%p. a
Repayment	On Demand	66 month & 97 months for Term loan I & Term loan 2 respectively & 84 months for Term loan 3	36 months
Security	Primary: Exclusive charge on all existing and future current asset excluding receivable discounted with TATA capital	For Term loan I & Term loan 2 Primary: Exclusive charge on through Hypothecation of plant & machinery purchased Second pari passu charge on current asset. Equitable mortgage of leasehold rights of industrial property bearing no 7 situated in MIDC Satpur Nashik taluka owned by M/ Filament s & Filament valued market value of Rs 15.5cr (unexpired period of lease 46 years)	
	Collateral: Exclusive charge on I) Equitable mortgage leasehold rights of industrial property bearing no 7 in MIDC Satpur Nashik taluka owned by M/ S Filaments & Filaments valued market value of Rs	Collateral :- As mentioned for CC	

	15.50 cr (unexpired period of lease is 46 years) 2) Equitable mortgage of leasehold rights of industrial property bearing no 203/1 & 205/2 situated in Badasalay Village MP owned by M/ S Lump lamp Pvt Ltd valued market value of RS 4.50cr (unexpired period of lease is 46 years) Second pari passu charge along with SIDBI on property: Equitable mortgage of leasehold rights of industrial property bearing no 64-8-1 situated in MIDC Satpur Nashik Tolu ka owned by M / S Virtuoso Optoelectronics Pvt Lid (unexpired period of lease is 58 years)		
Covenants	Borrower shall not without the prior written approval of the Board • Enter into any agreement such as merger/amalgamation, etc or do buyback • Windup/litigations its affairs or agree/authorize to settle any litigation/arbitration having a material adverse effect • change the general nature of its business or undertake any expansion or invest in any other entity • Permit any change in its ownership/control/management (including by pledge of promoter/sponsor shareholding in the Borrower to any third party or enter into agreement whereby its business/operations are managed controlled directly or indirectly by any other person. • The borrower will place its proportionate banking business with the Bank. • Book-debts arising on account of bills drawn on sister/ associate concerns will not be financed. • The borrower shall pay the charges to the Bank as per the Banks standard schedule of charges for various services rendered by the Bank. • The borrow er should undertake not to divert working capital funds for long term purposes. • The borrower will maintain its net working capital position equal to or above the level s furnished in its projections for working capital finance. In the event of difference of opinion arising as to what constitute current assets and current liabilities the Bank's • Decision will be binding on the borrower		

	The borrower should undertake that its total short borrowings under banking system during the financial year shall not exceed assessed MPBF for that financial

I. Mahindra & Mahindra Financial Services Limited

Below are the details as per the Sanction Letter –SME/YN/VOL 002/2021-22 dated November 24, 2021

Date of Creation of Certificate	November 24, 2021
Hypothecation Deed	November 26, 2021
Amount of Financial assistance	₹ 2,70,00,000 (Rupees Two Crore & Seventy Lakhs Only)
Tenure	48 months
Purpose	Purchase of Machinery
Rate of Interest	4.50% p.a.
Moratorium	03 months
Disbursement	The Proportionate margin of 30% to be collected before disbursement in the form of security deposit. The Customer shall provide CA/CS certified shareholding pattern prior to disbursement of loan
Repayment	The loan shall be repayable in 48 Equated Monthly Installments (EMI) repayments commencing at the end of first month from the date of first disbursement of the loan. The detail repayment schedule derived from system would be communicated afterward the disbursement of first tranche of loan.
Interest	Interest shall be charged @ 7.80% p.a. fixed or such other higher lending rate as may be in force, at the time of execution of documents.
Security	Lien on Security Deposit of Rs. 81.00 Lakh for tenure of 48 months with right to adjust towards any dues of Mahindra Finance. The rate on security deposit will be equivalent 4.50%p.a.
Other Conditions	The LTV of 70% to be maintained and security deposit equivalent to 30% to be created Security deposit shall have rate of interest of 4.50% p.a. for tenure of 48 months. Prepayment penalty 4% p.a. if loan is foreclosed/prepaid within 12 months, 3.0% p.a. after 12 months within 24 months, 2.0% p.a. after 24 months but within 36 months and 1% after 36 months and till last EMI on the loan outstanding amount

Unsecured Loans

Nature of Borrowings	As on for the three months period June 30, 2022 (₹ in Lakhs)
From Bajaj Finance Limited	0.00
From Cawach Funding Loan	14.65
From Sukrit Bharti	408.00
From Vishrut Bharti	42.00

Note:

The secured loans satisfied by the company are as follows:

Sr No	Charge holder Name	Sanction letter	₹ in Lakhs	Date of Satisfaction
1.	SIDBI	SIDBI/NSK/VOPL/L412186286/DCS	720.00	May 30, 2022
2.	SIDBI	SIDBI/NSK/VOEPL/L412196876/DCS	50.00	May 30, 2022
3.	SIDBI	SIDBI/NSK/VOEL/L412238452/LIQUID	150.00	May 30, 2022
4.	TATA CAPITAL FINANCIAL SERVICES LIMITED	CF/SID/MUM/2401201	3000.00	May 06, 2022

**SECTION VII – LEGAL AND OTHER INFORMATION,
OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

Except as stated in this section, there are no outstanding

- i) criminal litigation involving our Company, Directors, Promoter or Group Companies;
- ii) actions by any statutory or regulatory authorities involving our Company, Directors, Promoter or Group Companies; or
- iii) claim involving our Company, Directors, Promoter or Group Companies for any direct or indirect tax liabilities, respectively, on a standalone basis.
- iv) Further, except as stated in this section, there are no (i) outstanding proceedings initiated for economic offences against our Company; (ii) pending defaults or non-payment of statutory dues by our Company; (iii) material fraud against our Company in the last five years immediately preceding this Prospectus; (iv) inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company during the last five years immediately preceding the year of this Prospectus; (v) prosecutions filed (whether pending or not); compounding of offences or fines imposed under the Companies Act against our Company, in the last five years immediately preceding the year of this Prospectus; (vi) litigation or legal action, pending or taken, against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding this Prospectus; (vii) other pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by our Board of Directors, in accordance with the SEBI ICDR Regulations; or (viii) outstanding dues to creditors of our Company as determined to be material by our Board of Directors, in accordance with the SEBI ICDR Regulations; and (ix) outstanding dues to small scale undertakings and other creditors; and (x) overdues or defaults to banks or financial institutions by our Company. With respect to point (vii) above, our Board, in its meeting held on May 03, 2021 has adopted a policy for identification of material legal proceedings (“Materiality Policy”).

For the purposes of disclosure, pursuant to the SEBI ICDR Regulations and the Materiality Policy, (i) all pending litigation involving our Company, Directors, Promoter and Group Companies, other than criminal proceedings and statutory or regulatory actions, would be considered ‘material’ if the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of 20% of the profit after taxes of our Company as per the Restated Financial Statements, being 78.80 Lakh, for the Fiscal Year ended March 31, 2022, or (ii) pending proceedings involving the abovementioned persons whose outcome may have a bearing on the business, operations or prospects or reputation of our Company, are considered ‘material’, and disclosed in this Prospectus.

It is clarified that for the purposes of the above, pre-litigation notices (other than those issued by statutory or regulatory authorities) received by our Company, Directors, Promoter and the Group Companies shall, unless otherwise decided by the Board, not be considered as litigation until such time that our Company our Directors, Promoter and our Group Companies, as the case may be, is impleaded as a defendant in litigation proceedings before any judicial forum.

Further, with respect to point (viii) above, our Board, in its meeting held on May 03, 2021 determined that outstanding dues to creditors in excess of 20% of Profit After Tax, being 78.80 as per our Restated Financial Statements for the Financial Year ended March 31, 2022, shall be considered as material dues (“Material Dues”).

Except as stated in this section, there are no outstanding

Further, except as stated in this section, there are no:

- i. pending proceedings initiated against our Company for economic offences;
- ii. default and non - payment of statutory dues by our Company;
- iii. inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous companies' law in the last five years against our Company from the date of this Prospectus;
- iv. material frauds committed against our Company in the last five years;
- v. overdues to banks or financial institutions by our Company;
- vi. defaults against banks or financial institutions by our Company;
- vii. fines imposed or compounding offences by or against our Company under the Companies Act in the last five years immediately preceding this Prospectus;
- viii. surveys, inquiries, inspections or investigations initiated or conducted under the IT Act
- ix. proceedings initiated against our Company for economic offences;
- x. matters involving our Company pertaining to violation of securities law, and
- xi. outstanding dues to material creditors and material small scale undertakings.

Unless stated to the contrary, the information provided in this section is as of the date of this prospectus. All terms defined in a summary pertaining to a particular litigation shall be construed only in respect of the summary of the litigation where such term is used.

LITIGATION INVOLVING OUR COMPANY

A. Outstanding criminal proceeding involving our Company:

I. Litigation Involving Criminal Laws:

There are no criminal proceedings against our Company

II. Litigation Involving Civil Laws:

- A. M/s. Precise Engineering Company has filed complaint before MSME: Micro and Small Enterprises Facilitation Council (MSEFC) Nashik against our Company for recovery of an amount of Rs.4,34,138/-and in return our Company has also made a reply stating that there is no such amount pending to be paid by our Company to M/s. Precise Engineering.

III. Litigation Involving Actions by Statutory/Regulatory Authorities:

There are no statutory/ regulatory authority involving against our company

IV. Other Material Pending Litigations:

There are no material pending litigation against our company

B. Litigation by our Company:

I. Litigation Involving Criminal Laws:

There are no criminal proceedings filed by our Company

II. Litigation Involving Civil Laws:

1. Our Company has filed arbitration case before 1-Principal District and sessions Judge, Nashik bearing Registration no.138/2019 against the Directorate of Urban Local Body Through Chief Engineer.

Filing date: 08-07-2019

Next date: 03-03-2022

2. Our Company has filed arbitration case before 1-Principal District and sessions Judge, Nashik bearing Registration no.117/2019 against the Directorate of Urban Local Body Through Chief Engineer.

Filing date: 28-06-2019

Next date: 03-03-2022

3. Our Company has filed Commercial Arbitration under section 9 of Arbitration & Conciliation Act before the court of Hon'ble District and sessions Judge, Nashik, Application bearing filing Number 2/2021, date of filing: 01-01-2021 against the Directorate of Urban Local Bodies and as prayed for :

The Arbitration Tribunal i.e Facilitation Council may be substituted by the sole arbitrator with seat and venue of Arbitration at Nashik and with further directions to complete the Arbitration Proceedings within 90 days from the date of the order of this Hon'ble court.

The Arbitration Application is filed In regards to the Contract entered with the Directorate of Urban Local Bodies functioning in Haryana on 28th February,2018 for Contract amount of Rs.1,11,89,32,292/-with name of work :-Work of replacement of existing street light with energy efficient led street lights, installation of centralized control & monitoring system panel and/or smart lighting system along with operation & maintenance for 10 years in area covered under MC's- SONEPAT,KHARKHODA,GANAUR AND GOHANA in District :SONEPAT (on energy saving model).whereas the Directorate of Urban Local bodies has refused to take the delivery of the goods from Our Company as per the contract.

Last date : 31/03/2022 : Disposed off

4. Our Company has filed Commercial Arbitration under section 9 of Arbitration & Conciliation Act before the court of Hon'ble District and sessions Judge, Nashik, Application bearing filing Number 3/2021, date of filing: 01-01-2021 against the Directorate of Urban Local Bodies:

This Arbitration Application is filed In regards to the Contract entered with the Directorate of Urban Local Bodies functioning in Haryana on 28th February,2018 for Contract amount of Rs.1,07,24,53,205/-with name of work :-Work of replacement of existing street light with energy efficient led street lights, installation of centralized control & monitoring system panel and/or smart lighting system along with operation & maintenance for 10 years in area covered under MC's-HISAR and HANSI of District Hisar (on energy saving model). whereas the Directorate of Urban Local bodies has refused to take the delivery of the goods from our Company.

Last date : 31/03/2022 Judgements :Disposed off

5. Our Company has filed Commercial Arbitration under section 9 of Arbitration & Conciliation Act before the court of Hon'ble District and sessions Judge, Nashik, Application bearing filing Number 4/2021, date of filing : 01-01-2021 against the Directorate of Urban Local Bodies :

The Arbitration Application is filed In regards to the Contract entered with the Directorate of Urban Local Bodies functioning in Haryana on 28th February,2018 for Contract amount of Rs.1,16,04,75,001/-with name of work :-Work of replacement of existing street light with energy efficient led street lights, installation of centralized control & monitoring system panel and/or smart lighting system along with operation & maintenance for 10 years in area covered under MC's-Karnal, Nilokheri, Nissing, Taroari, Assand, Gharunda and Indrin in District Karnal (on energy saving model). whereas the Directorate of Urban Local bodies has refused to take the delivery of the goods from Our Company.

Last Date : 31/03/2022 : Disposed of with Judgment

III. Litigation Involving Actions by Statutory/Regulatory Authorities:

Nil

IV. Other Material Pending Litigations:

NIL

C. LITIGATION INVOLVING OUR DIRECTORS

Litigation against our Directors:

I. Litigation Involving Criminal Laws:

Nil

II. Litigation Involving Civil Laws:

Nil

III. Litigation Involving Actions by Statutory/Regulatory Authorities:

NIL

IV. Other Material Pending Litigations:

NIL

Litigation by our Directors:

I. Litigation Involving Criminal Laws:

NIL

II. Litigation Involving Civil Laws:

NIL

III. Litigation Involving Actions by Statutory/Regulatory Authorities:

NIL

IV. Other Material Pending Litigations:

NIL

D. LITIGATION INVOLVING OUR PROMOTERS:

Litigation against our Promoters:

I. Litigation Involving Criminal Laws:

Nil

II. Litigation Involving Civil Laws:

NIL

III. Litigation Involving Actions by Statutory/Regulatory Authorities:

NIL

IV. Other Material Pending Litigations:

NIL

Litigation by our Promoters:

I. Litigation Involving Criminal Laws:

Nil

II. Litigation Involving Civil Law

Nil

III. Litigation Involving Actions by Statutory/Regulatory Authorities:

NIL

IV. Other Material Pending Litigations:

NIL

E. LITIGATION INVOLVING OUR GROUP COMPANY:

Litigation against our Group Company:

I. Litigation Involving Criminal Laws:

Nil

II. Litigation Involving Civil Laws:

Nil

III. Litigation Involving Actions by Statutory/Regulatory Authorities:

- a. Shree enterprises issued notices for the service provided to Starlite Components Limited for an amount Rs.44,21,296.22/-

Shree Enterprises has filed petition before National Company Law Tribunal Court-V,Mumbai Bench under section 9 of Insolvency and Bankruptcy Code 2016 against our Group Company Starlite Components Limited bearing No.26.IA(I.B.C)/1130(MB)2021 in C.P.(IB)/3350(MB)2019 is file for approval of the Resolution.

The matter is adjourned to 21.09.2022 for further hearing.

IV. Other Material Pending Litigations:

NIL

Litigation by our Group Company:

I. Litigation Involving Criminal Laws:

Nil

II. Litigation Involving Civil Laws:

Nil

III. Litigation Involving Actions by Statutory/Regulatory Authorities:

NIL

IV. Other Material Pending Litigations:

Nil

F. OUTSTANDING TAX MATTERS

The details of the amount of the outstanding tax matter payable by our Company, our Directors and our Promoters and group companies as on the date of filing of this Prospectus as summarized as below:

I. DIRECT TAX

a. Income Tax

1. Outstanding Demand Against Company

Period AY	Number of cases	Amount in Lakhs to the Extent of ascertainable
VIRTUOSO OPTOELECTRONICS LIMITED		
AY 2020	1	1.18

2. Outstanding Demand Against Promoter

Period AY	Number of cases	Amount in Lakhs to the Extent of ascertainable
SUKRIT BHARATI		
AY 2018	1	2.83
VISHRUT BHARATI		
AY 2018	1	0.06

3. Group companies:

Period AY	Tax claims & Government Claims Authorities	Amount in Lakhs to the Extent of ascertainable
SOLARCOPYER LIMITED		
AY 2017	Income Tax Demand for the FY 2017-16	Rs. 30.97 Lakhs (includes outstanding demand of Rs. 25.23 Lakhs and Accrued Interest of Rs. 5.75 Lakhs)
STARLITE COMPONENTS LIMITED		
AY 1996 - 2005	BST /CST Payable	14.90

Period AY	Tax claims & Government Claims Authorities	Amount in Lakhs to the Extent of ascertainable
	Deferred BST Liability	2.51
	Deferred CST Liability	4.14
	CST Liability	0.15
	VAT Liability	1104.32
	ESIC Payable	2.60
	Provident Fund Payable	3.22
	Professional Tax Payable	0.63
2003-04	Interest & Penalties on sales Tax disputed & Appeal filed with Mumbai High court	992.57
	Income Tax Demand including interest Disputed & Appeal filed with Mumbai High Court for the AY 2003-04	123.09 Lakhs (includes outstanding demand of Rs. 59.72 Lakhs and Accrued Interest of Rs. 62.86 Lakhs)
AY 2017-18	Income Tax Demand for the FY 2017-16	458.71
SWAMI SHANTI PRAKASH VIRTUOSO ESCO PRIVATE LIMITED		
NIL	NIL	NIL
YLP SOLUTIONS PRIVATE LIMITED		
NIL	NIL	NIL

II. INDIRECT TAX:

NIL

G. MATERIAL DEVELOPMENTS

Except as mentioned in the section titled “*Management Discussion and Analysis of Financial Position and results of operations*” beginning on page 21 of this Prospectus, there have been no material developments that have occurred after the Last Audited Balance Sheet Date

Amounts owed to MSMEs and other creditors

As per the Materiality Policy, such creditors to whom, outstanding dues to any creditor of our Company having monetary value which exceed ₹ 78.80 Lakhs, which is 20% of the total trade payables of our Company as per the Restated Financial Statements of our Company for the year ended March 31, 2022 included in this Prospectus, shall be considered as ‘material’. The outstanding creditors for the three months period June 30, 2022

(₹ in Lakhs)

Particulars	Amount Involved as per March 31, 2022
Micro, Small and Medium Enterprises	14.73
Other Creditors	2833.50
Total	2848.23

Wilful defaulter or a fraudulent borrower

Our Company, Promoter, or Directors have not been declared as Wilful Defaulters or fraudulent borrower by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

Material Developments occurring After Last Balance Sheet Date:

Except as disclosed in Chapter titled “*Management’s Discussion & Analysis of Financial Conditions & Results of Operations*” beginning on page 219 of this Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

GOVERNMENT AND OTHER STATUTORY APPROVALS

We have obtained all material consents, licenses, permissions, registrations and approvals from various governmental, statutory and regulatory authorities in India, which are necessary for undertaking our Company's business, except as disclosed below. The disclosure below is indicative and no further material approvals are required for carrying on the present business operations of our Company. Unless otherwise stated, these material approvals are valid as on the date of this Prospectus.

We have also disclosed below (i) the material approvals applied for, including renewal applications made, but not received; and (ii) the material approvals which are required but not obtained or applied for. As on the date of this Prospectus, there are no material approvals which have expired and renewal for which are yet to be applied for.

For further details in connection with the applicable regulatory and legal framework, see "*Risk Factors*" and "*Key Industry Regulations & Policies*" on pages 26 and 142 respectively.

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 in relation to 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 August 02, 2021 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 annual general meeting held on August 25, 2021, authorized the Issue.
3. In-principle approval dated August 24, 2022 from the SME Platform of BSE Limited for listing of the Equity Shares issued by our Company pursuant to the Issue.

II. Agreement with CDSL & NSDL

1. The Company has entered into an agreement dated June 05, 2021 with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent, who in this case is Cameo Corporate Services Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated June 24, 2021 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is, Cameo Corporate Services Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number ("ISIN") is INE0IOT01010

III. Approvals for our Company

A. Incorporation details

1. Certificate of incorporation dated September 11, 2015 issued by the RoC, Mumbai, Maharashtra in the name of **Virtuoso Optoelectronics Private Limited**.
2. Fresh certificate of incorporation consequent upon conversion from Private Company to Public Company dated issued April 19, 2021 by the RoC, Mumbai, Maharashtra consequent upon change of name of our Company from **Virtuoso Optoelectronics Private Limited to Virtuoso Optoelectronics Limited**.

3. The Corporate Identity Number (CIN) of the Company is **U74999MH2015PLC268355**.

B. Tax related approvals

1. The permanent account number of our Company is **AAFCV2265E** issued by Income Tax Department under the Income Tax Act, 1961.
2. The tax deduction account number of our Company is **NSKV04121F** dated 12/09/2015 issued by Income Tax Department under the Income Tax Act, 1961.
3. The GST registration number of our Company is **27AAFCV2265E1ZD** certificate of Registration issued by Government of India on 31/05/2021 under the Centre Goods and Service Tax Act, 2017 for its principal place of business at SATPUR TOWNSHIP, 64-B-1, 1st Floor, M.I.D.C. Area, Satpur, Nashik- 422007, Maharashtra, India in name of **Virtuoso Optoelectronics Limited**.
4. Certificate of Enrolment bearing Enrolment Certificate Number **99583017566P** issued by Deputy Professional Tax Officer, Mumbai for registration under the Maharashtra State Tax on Profession, Trade, Calling and Employment Act, 1975

C. Establishment, business related approvals

1. UDYAM REGISTRATION CERTIFICATE issued by Govt of India under Micro, Small and medium enterprise bearing UDYAM Registration Number: **UDYAM-MH-23-0002439**, dated **11/09/2015** for our Company for manufacturing of electronic items.
2. Our Company has obtained the Udyog Aadhar Memorandum bearing **UAM No.MH23B00000016** under The Micro, Small and Medium Enterprise Developments Act, 2006 issued by the Ministry of Micro, Small & Medium Enterprises 05/12/2015.
3. A Legal Entity Identifier India Limited (LEI) is **335800IXTFKQNSWFD412** & its valid till August 05, 2021
4. Factory License to work at Factory for Our factory situated at Survey No.602/2, Janori, Bear Ozar Airport,Janori,Dindori,Nashik,Maharashtra,422206 under Factory Act,1948 approved as per Rule 3(3) of The Maharashtra Factories Rules 1963 bearing License no.30904 : dated 02-02-2022 : valid upto : 01-02-2023
5. Certificate of registration bearing registration number 110024212103 dated 18-10-2021 issued by office of the Deputy Commissioner of Labour Inspector at Nashik under Shops and Establishment Act, 2017 for our place of business at Plot No.64,B-1,M.I.D.C,satpur,Nashik: 422007
6. Our Company has obtained the Certificate of Importer-Exporter Code bearing **IEC number AAFCV2265E** issued by the Foreign Trade, Ministry of Commerce dated 22/04/2019.

D. Quality Certifications obtained by Our Company

- a) *Our Company has obtained ISO 9001-2015 for Quality Management System “Virtuoso Optoelectronics Private Limited” bearing Certificate No. UQ-20200617013: Date of Certificate: 17th June,2020: 1st Surveillance Audit Due: 16th June, 2021: and Expiry Date: 16th June, 2023.
- b) *Our Company has obtained ISO 9001-2015 for Quality Management System “Virtuoso Optoelectronics Private Limited” bearing Certificate No.IN13087A date of Initial Registration: 24/11/2019, and Expiry Date: 23/11/2022. This certificate is applicable to manufacture of home appliances.
- c) **License Registration with Bureau of Indian Standards

Sr. No.	Registration No./ License No.	Issuing Authority	Date of issue	Date of Expiry
1.	Registration/CRS 2021-3624/R-71016187	Ministry of Commerce Affairs, Food & Public Distribution, Govt of India	04-06-2021	03-06-2023
2.	Registration/CRS 2021-6540/R-71018074	Ministry of Commerce Affairs, Food & Public Distribution, Govt of India	11-11-2021	10-11-2023
3.	Registration/CRS 2021-6690/R-71018325	Ministry of Commerce Affairs, Food & Public Distribution, Govt of India	30-11-2021	29-11-2023
4.	Registration/CRS 2021-3264/R-71016187	Ministry of Commerce Affairs, Food & Public Distribution, Govt of India	21-07-2020	20-07-2022

*Our Company had made an application for change in the name in the Certificate from Virtuoso Optoelectronics to Virtuoso Optoelectronics Limited.

** Our Company had made an application for change in the name in the Certificate from Virtuoso Optoelectronics to Virtuoso Optoelectronics Limited.

E. Labour and Employment related approvals

1. Certificate of registration bearing Code Number: **KDNSK2017381000** dated 25/11/2019 issued by Regional Provident Fund Commissioner, Maharashtra for registration of the employees under the Employees Provident Funds and Miscellaneous Provision Act, 1952.
2. Certificate of registration bearing Code number **36000038480000999** dated: 25/11/2019 issued by Sub Regional Office Mumbai, Employee State Insurance Corporation for registration of the fifty-two employees under the Employees State Insurance Act, 1948.

F. Intellectual property approval obtained by Our Company

Sr. No.	Description of the Logo / Label / Device (Applied for)	Certificate No	Application no and date	Classes	Proprietor Name	Authority Granting Approval	Validity upto/Renewed upto	Status
1.	TRIAM	2583734	4506625 21-05-2020	99	VIRTUOSO OPTOELECTRONICS PRIVATE LIMITED*	Registrar of Trademark, Mumbai	21/05/2030	Registered
2.	VOEPL	2802894	4881610 26-02-2021	11	VIRTUOSO OPTOELECTRONICS PRIVATE LIMITED*	Registrar of Trademark, Mumbai	26/02/2031	Registered
3.	VOEL	2802994	4881611 26-02-2021	11	VIRTUOSO OPTOELECTRONICS PRIVATE LIMITED*	Registrar of Trademark, Mumbai	26/02/2031	Registered

*Our company had made an application for change in name in the name from “Virtuoso Optoelectronics Private Limited” to “Virtuoso Optoelectronics Limited”.

G. Employee and labour related approvals

Our company entered Memorandum of Understanding with Distill Education & Technology Pvt Ltd & Gram Tarang Employability Training Services Private Limited for to setup manage and operate Work Integrated Skill Training & Apprenticeship program aligned to the National Skills Qualification Framework

OTHER REGULATORY AND STATUTORY APPROVALS

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution of the Board of Directors passed at their meeting held on August 02, 2021 subject to the approval of shareholders of our Company through a special resolution to be passed pursuant to Section 62(1) (c) of the Companies Act, 2013.

The shareholders of our Company have authorized this Issue by a special resolution passed pursuant to Section 62(1) (c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of our Company held on August 25, 2021.

Our Board has approved this Prospectus pursuant to resolution dated August 24, 2022.

We have received In - Principle Approval from BSE Limited vide their letter dated August 24, 2022 to use the name of BSE Limited in the Prospectus for listing of our Equity Shares on SME Platform of BSE Limited. BSE Limited is the Designated Stock Exchange.

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, Promoters, Promoter Group and Directors are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

Our Directors and Promoters are not directors or promoters of any other company which is debarred from accessing the capital markets by SEBI.

Our Company, Promoter, or Directors have not been declared as Wilful Defaulters or fraudulent borrower by any bank or financial institution or consortium thereof in accordance with the guidelines on willful defaulters issued by the RBI

Our Promoter or Directors have not been declared as Fugitive Economic Offenders.

There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or any other right which would entitle any person any option to receive Equity Shares, as on the date of this Prospectus. For further information see "*Capital Structure*" on page 76 of this Prospectus.

CONFIRMATION

1. Our Company, Promoters and Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable to each of them as on the date of the Prospectus.
2. Our directors are not in any manner associated with the securities market and no action has been taken by the SEBI against any of the Directors or any entity with which our directors are associated as promoters or directors in past (5 five) years.

DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the securities market.

DECLARATION AS WILFUL DEFAULTERS OR FRAUDULENT BORROWER & FUGITIVE ECONOMIC OFFENDER

Neither our Company, our Promoters, our Directors, relatives (as per Companies Act 2013) of promoters or the person(s) in control of our company have been identified as a willful defaulter or a fugitive economic offender by the RBI or other government authorities and no such proceedings are pending against any of them except as details provided in the section titled “*Outstanding Litigations and Material Developments*” on page 241 of this Prospectus.

CONFIRMATION FROM THE DIRECTORS

Our directors are not in any manner associated with the securities market and no action has been taken by the SEBI against any of the Directors or any entity with which our directors are associated as promoter or directors in past (5 five) years.

ELIGIBILITY FOR THE ISSUE

Our company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018; and this Issue is an “Initial Public Offer” (“IPO”) in terms of the SEBI (ICDR) Regulations, 2018.

Our company is eligible for the Issue in accordance with Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than ten crores and upto twenty five crore rupees, shall issue shares 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 Limited.

Our Company also complies with eligibility conditions laid by BSE SME for listing of Equity Shares.

We confirm that:

1. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, the lead manager shall ensure that the issuer shall file copy of this Prospectus/Prospectus with SEBI along with Due Diligence Certificate including additional confirmations as required at the time of filing the Prospectus/Prospectus to SEBI.
2. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, 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*” on page 66 of this Prospectus.
3. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, 2018, 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 four (4) day, be liable to unblock such application money with interest as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable laws.
4. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we shall enter into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this issue. For further details of the arrangement of market making please see “*General Information*” on page 66 of this Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

1. The issuer should be a Company incorporated Under Companies Act, 2013

Our Company is incorporated under the Companies Act, 2013.

2. The post issue paid up capital of the company (face value) shall not be more than ₹ 25 crores.

The post issue paid up capital of the Company (face value) will be ₹ 20.38 crores, which is less than ₹ 25 crores

3. Net worth

(₹ in lakhs)

Particulars	For the three months period June 30, 2020	March 31, 2022	March 31, 2021	March 31, 2020
Net Worth as per Restated Financial Statements	2538.68	2126.34	1332.32	1123.99

The net worth of our company is positive for the year ended March 31, 2022 i.e., ₹ 1320.71 Lakhs

4. Net Tangible Asset

(₹ in lakhs)

Particulars	For the three months period June 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Net Tangible Asset as per Restated Financial Statements	2538.68	2126.34	1332.32	1123.99

The net tangible asset of our company for the year ended March 31, 2022 is ₹ 2538.68 Lakhs which is more than ₹ 150 Lakhs

5. Track Record

A) The Company should have a (combined) track record of at least 3 years

Our Company satisfies the criteria of Track Record.

B) The company should have combined positive cash accruals (earnings before depreciation, Interest and tax) from operations for at least 2 financial years preceding the application and its net worth should be positive

(₹ in lakhs)

Particulars	For the period three months period as on June 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Positive Cash Accruals as per restated Financial Statement*	796.01	1,075.79	498.87	316.12
Net Worth as per Restated Financial Statement	2,538.68	2,126.34	1,332.32	1,123.99

*Positive Cash Accruals= Profit before Tax (+) Depreciation (–) Other Income

6. The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the tripartite agreements with the Depositories and the Registrar and Share Transfer Agent.

The Company's shares bear an ISIN No: INE010T01010

7. Company shall mandatorily have a website.

Our Company has a live and operational website: www.voepl.com

Certificate from the applicant company stating the following:

Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

There is no winding up petition against the company that has been admitted by the Court and accepted by a court or a Liquidator has not been appointed.

There has been no change in the promoter/s of the Company in preceding one (1) year from the date of filing application to Stock Exchange for listing on SME segment.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of BSE Limited.

SEBI DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE 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 MANAGER, FEDEX SECURITIES PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE

THE LEAD MANAGER FEDEX SECURITIES PRIVATE LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MARCH 01, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOUSER REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, MUMBAI, IN TERMS OF SECTION 26, 30, 32 AND SECTION 33 OF THE COMPANIES ACT, 2013.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSELIMITED

“As required, a copy of this Prospectus has been submitted to BSE Limited. BSE has given vide its letter dated August 24, 2022 permission to the Issuer to use the Exchange’s name in this Prospectus as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by BSE should not in any way be deemed or construed that the prospectus has been cleared or approved by BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this prospectus; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

DISCLAIMER FROM OUR COMPANY, THE LEAD MANAGER, DIRECTOR & PROMOTER

The Company, director, promoter and the Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of the issuer and that anyone placing reliance on any other source of information, including our website: www.voepl.com, www.fedsec.in would be doing so at their own risk.

The LM accept no responsibility, save to the limited extent as provided in the Prospectus and the Underwriting Agreement. All information shall be made available by our Company, each of the Promoter, (to the extent that the information pertains to its and its respective portions of the Offered Shares) and the LM to the investors and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.

Each of the Promoter, its respective directors and officers accept or undertake no responsibility for any statements other than those specifically undertaken or confirmed by such Promoter in relation to itself and its respective portions of the issue Shares.

None amongst our Company, Promoter or any member of the Syndicate shall be liable for any failure in (i) uploading the Applications due to faults in any software/ hardware system or otherwise or (ii) the blocking of Bid 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. Applicants will be required to confirm and will be deemed to have represented to our Company, Promoter, the 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 issue, 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.

CAUTION- DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER

The Company, and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus/Prospectus or in the advertisements or any other material issued by or at instance of the issuer and that anyone placing reliance on any other source of information, including our website: <http://voepl.com>, www.fedsec.in would be doing so at their own risk.

DISCLAIMER IN RESPECT OF JURISDICTION

This issue is being made in India to persons resident in India including Indian Nationals Resident in India who are not Minors, HUFs, Companies, Corporate Bodies And Societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian Financial Institutions, Commercial Banks, Regional Rural Banks, Co-Operative Banks (subject to RBI permission), or Trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, any FII sub –account registered with SEBI which is a foreign corporate or foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Draft Prospectus / 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 offer or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus/ Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

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, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Draft Prospectus / Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Draft Prospectus / Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1933

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.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions 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. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

LISTING

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, there is requirement of obtaining In-Principle approval from SME Platform of BSE Limited, an application is being made to the SME Platform of BSE Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the issue.

Our company has obtained In-Principle approval from BSE vide letter dated August 24, 2022 to use name of BSE in the Prospectus for listing of equity shares on SME Platform of BSE Limited.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE Limited, the Company shall unblock, without interest, all moneys received from the applicants in pursuance of the Prospectus. If any such money is not unblocked within four (4) days after the issuer becomes liable to unblock it then our Company and every director of the company who is an officer in default shall, on and from the expiry of the fourth (4) day, be jointly and severally liable to unblock that money with interest at the rate of fifteen per cent per annum (15% pa) as prescribed under Section 40 of the Companies Act, 2013.

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 Limited mentioned above are taken within six (6) working days from the Issue Closing Date.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 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 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 of Companies Act, 2013”

The liability prescribed under Section 447 of the Companies Act, 2013–

Any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than three months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees 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 fifty lakh rupees or with both.

CONSENTS

The written consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers’ to the Company, Legal Advisor to the Issue, the Lead Manager to the Issue, Underwriter, Registrar to the Issue, Market Makers and Banker to Issue and Sponsor Bank to act in their respective capacities have been obtained.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, 2018

- 1) M/s. Jain Chhaged & Associates, Chartered Accountants, have provided their written consent for the inclusion of their report dated July 28, 2022 regarding Restated Financial Statements; and
- 2) M/s. Jain Chhaged & Associates, Chartered Accountant, have provided their written consent for the inclusion of Statement of Tax Benefits dated February 18, 2022 which may be available to the Company and its shareholders included in this Draft Prospectus/Prospectus in the form and context in which they appear therein and such consent and reports have not been withdrawn up to the time of delivery of the Prospectus with ROC.

EXPERT OPINION

Except for Peer Review Auditors’ reports on the Restated Financial Statements and Statement of Tax Benefits; we have not obtained any other expert opinions.

PREVIOUS PUBLIC OR RIGHTS ISSUE

Company has not made any previous Public or Right issue during last five (5) years.

COMMISSION OR BROKERAGE

We have not made any public issue in last five (5) years. Hence, no sums have been paid or payable as Commission or Brokerage.

CAPITAL ISSUE DURING THE LAST THREE YEARS BY ISSUER, LISTED GROUP COMPANIES AND SUBSIDIARIES OF OUR COMPANY

Except as disclosed in Section titled “*Capital Structure*” on page 76 and below, our Company has not made any capital issue during the previous three years.

PERFORMANCE VIS-À-VIS objects;

Except as stated in the section titled "*Capital Structure*" beginning on page 76 of this Prospectus, we have not made any previous rights and / or public issues during the last five (5) years and are an "Unlisted Issuer" in terms of SEBI (ICDR) Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

Except Starlite Components Limited, none of our Group Companies and Promoter Group Companies have their equity shares listed on any stock exchange.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issue handled by Fedex Securities Private Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI, please refer Annexure "A" and the website of Lead Manager at www.fedsec.in

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY FEDEX SECURITIES PRIVATE LIMITED

Sr. No .	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	Atam Valves Limited	4.50	40	October 06, 2020	40.00	-0.12% (2.63%)	-1.75% (21.74%)	-0.12% (24.22%)
2.	Rangoli Tradecomm Limited	45.14	207	March 22, 2021	211.00	14.49% (-4.15%)	255.07% (5.63%)	377.78% (18.57%)
3.	Rajeshwari Cans Limited	4.03	20	April 15 2021	20.75	-10.00% (-0.15%)	7.00 % (8.13%)	2.50% (23.06%)
4.	Kuberan Global Edu Solutions Limited	1.16	20	May 05, 2021	21.00	-7.50% (7.30%)	-10.25% (8.78%)	-30.00% (24.95%)
5.	Aashka Hospitals Limited	101.64	121	September 01, 2021	121.1	-58.68% (3.12%)	-64.34% (-0.14%)	-62.89% (-1.90%)
6.	Euro Panel Products Limited	45.15	70	December 24, 2021	70.00	62.36% (0.85%)	39.29% (1.42%)	36.14% (-8.03%)
7.	Wherrelz IT Solutions Limited	2.011	171	December 29, 2021	173.05	19.88% (-0.92%)	18.13% (-0.37%)	16.96% (-8.11%)
8.	Sunrise Efficient Marketing Limited	16.69	121	April 12, 2022	121.25	0.41% (-7.66%)	-20.00% (-7.14%)	Not Applicable
9.	Le Merite Exports Limited	48.00	75	May 09, 2022	75	-5.13% (0.70%)	Not Applicable	Not Applicable
10.	Kesar India Limited	15.82	170	July 12, 2022	172.5	Not Applicable	Not Applicable	Not Applicable

Sources: All share price data is from www.bseindia.com and www.nseindia.com

Note:

1. The BSE Sensex (remaining company as mentioned above) and CNX Nifty (for Sona Hi Sona Jewellers (Gujarat) Limited & DC Infotech and Communications Ltd) are considered as the Benchmark Index

2. Prices on BSE/NSE are considered for all of the above calculations
 3. In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
 4. In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.
- As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds Raised (₹. Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30 th Calendar Day from listing date			Nos of IPOs trading at discount on 180 th Calendar day from listing date			Nos of IPOs trading at premium on 180 th Calendar Day from listing date		
			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%
2020-21	*2	49.64	-	-	1	-	-	1	-	-	1	1	-	-
2021-22	**5	153.99	1	-	2	1	-	1	1	1	-	-	1	2
2022-23	***3	80.51	-	-	1	-	-	1	-	-	-	-	-	-

* The script of Atam Valves Limited and Rangoli Tradecomm Limited were listed on October 06, 2020 and March 22, 2021 respectively.

** The script of Rajeshwari Cans Limited, Kuberan Global Edu Solutions Limited, Aashka Hospitals Limited Euro Panel Products Limited and Wherrelz IT Solutions Limited were listed on April 15, 2021, May 05, 2021, September 01, 2021, December 24, 2021 and December 29, 2021 respectively.

*** The script of Kesar India Limited was listed on July 12, 2022 and has not completed 30 days. The scripts of Sunrise Efficient Marketing Limited and Le Merite Exports Limited were listed on April 12, 2022 and May 09, 2022 respectively and have not completed 180 calendar days.

Track Record of past issues handled by Fedex Securities Private Limited

For details regarding track record of the Lead Manager to the Offer as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Lead Manager at: www.fedsec.in

STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

All grievances relating to the Offer may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process and UPI may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Applicants, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSBs or the member of the Syndicate (in Specified Cities) or Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

The Company has appointed Registrar to the Issue, to handle the investor grievances in co-ordination with our 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 the Issue 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 and UPI 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 (7) 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 has obtained authentication on the SCORES and shall comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

Our Company has constituted a Stakeholders Relationship Committee of the Board vide resolution passed on May 03, 2021. For further details, please refer the section titled “*Our Management*” on page 160 of this Prospectus.

Our Company has also appointed Renuka Kulkarni as the Company Secretary and Compliance Officer of our company, for this Issue she may be contacted in case of any pre-issue or post-issue related concerns at the following address:

Plot No. 7 M.I.D.C. Satpur, Nasik -422007,

Maharashtra, India

Tel No: 0253 2350461

Email: info@voepl.com

Website: www.voepl.com

Status of Investor Complaints:

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS GRANTED BY SEBI

Our Company has not undertaken any exemption with related to provision of securities law granted by SEBI

SECTION VIII – ISSUE INFORMATION

TERMS OF ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, our Memorandum and Articles of Association, SEBI Listing Regulation, the terms of this 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 SME Platform of BSE Limited, 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 SEBI, the RBI, the Government of India, the FIPB, the Stock Exchange, the ROC and any other authorities while granting approvals for the Issue.

Please note that, in terms of Regulation 256 of the SEBI ICDR Regulations 2018 read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the applicants have to compulsorily apply through the ASBA Process and further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular 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 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 (together, the “UPI Circular”) in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020 (“UPI Phase II”). Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice. The applicant shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and 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 which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Corporation with the SCSBs, to the extent applicable.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

Authority for the Present Issue

This Issue has been authorized by a resolution of our Board passed at their meeting held on August 02 2021 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting of the Company held August 25, 2021.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association shall rank pari-passu in all respects 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 the Articles of Association*" beginning on page 316 of this Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled "*Dividend Policy*" and "*Main Provisions of Article of Association*" beginning on page 182 and 316 respectively of this Prospectus.

Face Value and Issue Price

The face value of the Equity Shares is ₹10.00/- each and the Issue Price is ₹ 56/- per Equity Share (including premium of ₹ 46/- per Equity Share).

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled "*Basis for Issue Price*" beginning on page 100 of this Prospectus. At any given point of time there shall be only one denomination for the Equity Shares. At any given point of time there shall be only one (1) denomination of Equity Shares of our Company, subject to applicable law.

Compliance with SEBI ICDR Regulations, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. 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 in accordance with the provisions of the Companies Act, 2013;
- Right to receive offer/ issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and other preferential claim being satisfied;

- Right of free transfer *in a rights issue for a issue of certificates period* ability subject to applicable law, 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, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 316 of this Prospectus.

Minimum Application Value; Market Lot and Trading Lot

The trading of the Equity Shares will happen in the minimum contract size of 2000 Equity Shares and the same may be modified by SME BSE Limited from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 2000 Equity Share subject to a minimum allotment of 2000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

In accordance with Regulation 267(2) of the SEBI (ICDR) Regulations 2018 the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Minimum Number of Allottees

The minimum number of allottees in this Issue shall be fifty (50) shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by the SCSBs shall be unblocked within 4 (four) working days of closure of issue.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Mumbai.

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.

The Equity Shares have not been and will not be registered under 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 applicable state securities laws. Accordingly, the Equity Shares are only 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 and referred to in this Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii) outside the United States in offshore transactions in reliance on 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.

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 (1) person in whom, in the event of the death of sole applicant or in case of Joint Applicants, 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/transfer/alienation 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:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) 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 with within a period of ninety (90) 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 is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Period of Operation of Subscription List of Public Issue

ISSUE OPENS ON	September 02, 2022
ISSUE CLOSSES ON	September 07, 2022*
FINALISATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE	On or Before September 12, 2022
INITIATION OF REFUNDS /UNBLOCKING OF FUNDS FROM ASBA ACCOUNT	On or Before September 13, 2022
CREDIT OF EQUITY SHARES TO DEMAT ACCOUNTS OF ALLOTTEES	On or Before September 14, 2022
COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGE	On or Before September 15, 2022

- In terms of Regulation 265 of 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 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 sub-regulation 266(1).

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 BSE SME are taken within six (6) 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 BSE SME. The Commencement of trading of the Equity Shares will be entirely at the discretion of BSE SME and in accordance with the applicable laws.

*UPI mandate end time and date shall be at 5.00 PM on September 07, 2022

Submission of Application Forms:

Issue period (except the Issue Closing Date)	
Submission and Revision of Application Form	Only between 10.00 a.m. to 5.00 p.m. IST
Issue Closing Date	
Submission and Revision of Application Form	Only between 10.00 a.m. to 3.00 p.m. IST

On the Issue Closing Date, for uploading the Application Forms:

1. 4.00 p.m. IST in case of application by QIBs and Non – Institutional Investors and
2. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by LM to the Stock Exchanges.

Due to limitation of time available for uploading the application forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this Prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms 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 holidays). Neither our Company nor the LM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

The above timetable is indicative and does not constitute any obligation or liability on our Company, our Promoter 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 Exchanges are taken within Six (6) Working Days from the Offer Closing Date or such period as may be prescribed, with reasonable support and co-operation of the Promoter, as may be required in respect of its respective portion of the Offered Shares, the timetable may change due to various factors, such as extension of the Offer Period by our Board, as applicable, in consultation with the Lead Manager. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Promoter confirms that it shall extend such reasonable support and co-operation in relation to its respective portion of the Offered Shares for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within Six Working Days from the Offer Closing Date or such other period as may be prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the Lead Manager will submit reports of compliance with T+6 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 Four (4) Working Days from the Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding Four (4) Working Days from the Offer 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/prospectus may result in changes to the above-mentioned timelines. Further, the offer 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 Exchanges 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 four 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 four 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 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 Prospectus may result in changes in the timelines.

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 SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Application

Forms prior to the Issue Closing Date. Allocation to Retail Individual Applicants, in this 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 Application Form, for a particular Applicant, the details as per the file received from BSE SME may be taken as the final data for the purpose of Allotment.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten as per Regulation 260(1) of SEBI ICDR Regulation.

If the issuer does not receive the subscription of hundred per cent (100%) of the offer through Prospectus/Prospectus on the date of closure of the issue including devolvement of underwriters, if any, or if the subscription level falls below hundred per cent (100%) after the closure of issue on account of withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the stock exchange for the securities so offered under the Prospectus, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond four (4) days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen per cent per annum (15% p.a.)

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.

Arrangements for Disposal of Odd Lots

The trading of the equity shares will happen in the minimum contract size of 2000 Equity 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 Limited.

Withdrawal of the Issue

Our Company in consultation with the Lead Manager, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the 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 (2) 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 or the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one (1) working day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are 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 this Prospectus after it is registered with the ROC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue, our Company shall file a fresh Draft Prospectus/ Prospectus.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the Pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the section titled "*Capital Structure*" beginning on page 76 of this Prospectus, and except as

provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details, please refer to the section titled “Main Provisions of the Articles of Association” beginning on page 316 of this 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/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.

Migration to Main Board

The Company may be migrated to Main Board pursuant to Regulation 277 of the SEBI (ICDR) Regulation and in accordance to that Securities Exchange Board of India (SEBI) vide Circular Nos. CIR/MRD/DSA/17/2010 dated May 18, 2010 has stipulated the requirements for migration from SME platform to main board. The migration eligibility is notified on website of Stock Exchanges i. and as amended time to time.

Market Making

The shares offered though this issue are proposed to be listed on the SME Platform of BSE Limited, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Platform of BSE Limited for a minimum period of three (3) years from the date of listing of shares offered though this Prospectus.

For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please see “General Information” beginning on page 66 of this Prospectus.

New Financial Instruments

As on the date of this 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.

Allotment of Equity Shares in Dematerialized Form

In terms of Section 29 of the Companies Act 2013, the Equity Shares shall be Allotted only in dematerialized form. As per the existing SEBI ICDR Regulations, 2018 the trading of the Equity Shares shall only be in dematerialized form for all investors.

In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing the Prospectus:

- Tripartite agreement dated June 05, 2021 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated June 24, 2021 among NSDL, our Company and the Registrar to the Issue

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. 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 dematerialized segment of the

Stock Exchanges. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

Application by Eligible NRIs, FIIs registered with SEBI, VCFs registered with SEBI and QFIs

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

As per the extant policy 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, FIIs 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.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than ₹10 crores and upto twenty-five crore rupees, shall issue shares 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 Limited).

For further details regarding the salient features and terms of such an issue please refer section titled "*Terms of the Issue*" and "*Issue Procedure*" on page 266 and 277 respectively of this Prospectus.

Public issue of 54,00,000 equity shares of face value of ₹ 10.00/- each for cash at a price of ₹ 56/- per equity share including a share premium of ₹ 46/- per equity share (the "issue price") aggregating to ₹ 3024.00 lakhs ("the issue") by our company.

Particulars	Net Issue to Public	Market Maker reservation portion
Number of Equity Shares	51,20,000 Equity Shares	2,80,000 Equity Shares
Percentage of Issue Size available for allocation	94.81 % of the Issue Size	5.19 % of the Issue Size
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 2000 Equity Shares and Further allotment in multiples of 2000 Equity Shares each. For further details, please refer to the section titled " <i>Issue Procedure</i> " on page 277 of this Prospectus.	Firm Allotment
Mode of Application	Retail Individual Investors may apply through UPI Payment Mechanism. All other applicants and Retail Individual Investors (whose bank do not provide UPI Payment facility) shall apply through ASBA Only.	Through ASBA mode Only.
Minimum Application Size	<u>For QIB and NII:</u> Such number of Equity Shares in multiples of 2000 Equity Shares such that the Application Value exceeds ₹ 2,00,000 <u>For Retail Individuals:</u> Such number of equity shares where application size is of at least	2,80,000 Equity Shares

Particulars	Net Issue to Public	Market Maker reservation portion
	2000 Equity Shares.	
Maximum Bid	<u>For QIB and NII:</u> Such number of Equity Shares in multiples of 2000 Equity Shares such that the Application Size does not exceed net issue subject to adhere under the relevant laws and regulations as applicable. <u>For Retail Individuals:</u> Such number of Equity Shares so that the Application Value does not exceed ₹2,00,000	2,80,000 Equity Shares
Mode of Allotment	Compulsorily in dematerialized mode	Compulsorily in dematerialized mode
Trading Lot	2000 Equity Shares	2000 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Terms of payment	In case of ASBA, the entire application amount shall be blocked at the time of submission of Application Form to the SCSBs and in case of UPI as an alternate mechanism, application amount shall be blocked at the confirmation of mandate collection request by the Applicant.	

Note:

1. In case of joint application, the Application Form should contain only the name of First Applicant whose name should also appear as the first holder of 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 joint holders.
2. Applicants will be required to confirm and will be deemed to have represented to our Company, the LM, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.
3. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018. For further details, please refer section titled "Issue Procedure" beginning on page 277 of this Prospectus.

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue (“GID”), prepared and issued in accordance with the SEBI circular no SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 notified by SEBI and updated pursuant to the circular SEBI/HO/CFD/DIL2/CIR/P/2 dated March 30, 2020 (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 website of Stock Exchange(s), the Company and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

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 Bid 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 bids in cases of individual, multiple bids 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

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Lead Managers would not be able for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with the 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.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified though its circular 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 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (collectively the “UPI Circulars”) has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI mechanisms for RIs applying through Designated Intermediaries have been made effective along with the existing process and existing timeline of T+6 days. The same was applicable until June 30, 2019 (“UPI Phase I”).

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 Applications by RIs 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 Applications 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”), Further pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. The final reduced timeline of T+3 days be made effective using the UPI Mechanism for applications by RIs (“UPI Phase III”), as may be prescribed

by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by 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 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 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May 01, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, and the provisions of this circular, are deemed to form part of this Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Four (4) 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 Four (4) Working Days from the 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. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days.

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. 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 <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Issue and Share Transfer Agent ("RTA") that have been notified by Stock Exchange to act as intermediaries for submitting Application Forms are provided on the website of the Stock Exchange. For details on their designated branches for submitting Application Forms, please refer the above-mentioned Stock Exchange website.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. 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. Our Company and Lead Manager would not be able for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications are submitted in accordance with the 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 Prospectus.

Further, our Company, Promoter and the LM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Phased implementation of Unified Payments Interface

SEBI has issued circular bearing number 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 no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 and circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (collectively the "UPI Circulars") in relation to streamlining the process of public issue of equity shares and convertibles. 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 the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to 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 Circular proposes to introduce and implement the UPI payment mechanism in three phases in the following manner:

Phase I:

This phase has become applicable from January 1, 2019 and will continue till June 30, 2019. Under this phase, a Retail Individual Applicant would also have the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six working days.

Phase II:

This phase commenced on completion of Phase I i.e. with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries 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 would continue to be six working days during this phase.

Phase III:

The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three working days.

The revisions of the circular dated June 02, 2021 are elaborated as under: -

SCSB's shall continue to send SMS alerts during the actual block/debit/unblock of UPI mandate in the prescribed format, the details of total number of shares applied/allotted/non-allotted etc. shall be included in SMS for Public Issues opening on/after January 01, 2022. The automated web portal shall be live and operational after due testing and mock trials with the CUG entities for Public Issues opening on or after October 01, 2021. The requisite information on this automated portal shall be updated periodically in intervals not exceeding two hours.

In the interim, for the Public Issues opening from the date of this circular and till the automated web portal is live and operational, the Sponsor Banks shall send the details to the e-mail address of CUG entities periodically in intervals not exceeding three hours. In case of exceptional events viz., technical issues with UPI handles/PSPs/TPAPS/SCSB's etc., the same shall be intimated immediately to the CUG entities so as to facilitate the flow of information in the Public Issue process. The Stock Exchanges and Book Running Lead Managers shall facilitate providing the requisite data of CUG entities to Sponsor Bank for the development of automated web portal. Such information shall be provided to the Sponsor Bank before opening of the Public Issue. The Registrar to the Issue shall provide the allotment/ revoke files to the Sponsor Bank by 8:00 PM on T+3 i.e., the day when the Basis of Allotment (BOA) has to be finalized. The Sponsor Bank shall execute the online mandate revoke file for Non-Allottees/ Partial Allottees and provide pending applications for unblock, if any, to the Registrar to the Issue, not later than 5:00 PM on BOA+1. Subsequent to the receipt of the pending applications for unblock from the Sponsor Bank, the Registrar to the Issue shall submit the bank-wise pending UPI applications for unblock to the SCSBs, not later than 6:30 PM on BOA+1 and ensure that the unblocking is completed on T+4. The Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the RIBs using the UPI

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI payment mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchange <http://www.sebi.gov.in> and the Lead Manager <http://www.fedsec.in>

Fixed Price Issue Procedure

The Issue is being made under Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 through a Fixed Price Process. 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. 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 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 Applicants 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, except in the QIB Portion, 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 LM and the Stock Exchange are required to submit their Applications to the Application Collecting Intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected.

Investors should note that Equity Shares will be allotted to successful Applicants in dematerialized form only. The Equity Shares on Allotment shall be traded only in the dematerialize segment of the Stock Exchange, as mandated by SEBI. Applicants will not have the option of getting allotment of the Equity Shares in physical form. However, the Investors may get the Equity Shares rematerialized subsequent to the allotment of the Equity shares in the offer, subject to applicable laws.

ELECTRONIC REGISTRATION OF APPLICATIONS

a) The Designated Intermediary may register the Application using the online facilities of the Stock Exchange. 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 online facilities for Fixed Process on a regular basis before the closure of the Issuer.

b) On the Application/Issuer Closing Date, the Designated Intermediaries may upload the Applications till such time as may be permitted by the Stock Exchange and as disclosed in the Prospectus.

c) Only Applications that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 p.m. IST on the next Working Day following the Application/Issuer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Application/Issuer Period after which the Stock Exchange send the information to the Registrar to the Offer for further processing.

Availability of Prospectus and Application Forms

Copies of the Application Form and the Prospectus will be available at the offices of the LM, the Designated Intermediaries at Bidding Centers, 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.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. All the Applicants (other than Anchor Investor and Retail Individual Investor using UPI Payment Mechanism) shall mandatorily participate in the Issue only through the ASBA process for application. ASBA applicants must provide bank account details and authorization to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected.

The ASBA Applicants shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, which shall be effective from September 1, 2022. All ASBA Bidders are required to provide either, (i) bank account details and authorizations to block funds in the 309 ASBA Form; or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that did not contain such details will be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable to be rejected.

Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) shall be required to bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Application Form. Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) failed to mention UPI ID are liable to be rejected. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Applicants shall ensure that the applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form

Resident Indians / Eligible NRIs applying on a non-repatriation basis (ASBA)	White*
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)	Blue*

**Excluding electronic Application Form.*

In case of ASBA Forms, Designated Intermediaries shall upload the relevant Application details in the electronic Bidding system of the Stock Exchanges. Subsequently, for ASBA Forms (other than RIIs using UPI mechanism) Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a RIIs using the UPI mechanism) to the respective SCSBs, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. For RIIs using UPI mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds.

For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Issue Closing Date ("Cut Off Time"). Accordingly, UPI Bidders Bidding through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

Application Forms will also be available on the website of the BSE (www.bseindia.com). Same Application Form applies to all ASBA Applicants/ Retail Individual Investors applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Issue and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).

Submission and Acceptance of Application Form

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").

Sr No.	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.	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 intermediaries 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.

Designated Intermediaries shall submit Application Forms to SCSBs only

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may by blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For Applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). 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.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	After accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of stock exchange(s). Stock Exchange shall share bid 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(s) shall validate the electronic bid details with depository's records for DP ID/ClientID 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.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Application are deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

Who can apply?

In addition to the category of Applicants set forth under General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/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;

- Companies, corporate bodies and societies registered under applicable law in India and authorised to hold and invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- FPIs other than FPIs which are individuals, corporate bodies and family offices Bidding under the QIBs category;
- FPIs which are individuals, corporate bodies and family offices, Bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI published in the Gazette of India;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Offer, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Offer.

Applications not to be made by:

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRI)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation

The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, and 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 applicable state securities laws. Accordingly, the Equity Shares are only 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 and referred to in this Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of

the U.S Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulations 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.

For Retails Individual Applicants

The Application must be for a minimum of 2000 Equity Shares and in multiples of 2000 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 2000 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 and Non-Institutional Investor cannot withdraw its Application after the Issue Closing Date and is required to pay 100% Bid Amount upon submission of Bid.

In case of revision in Applications, the Non-Institutional Applicants, 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.

Participation by associates/affiliates of Lead Manager

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 Category where the allotment is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis

Option to Subscribe to the Issue

1. Our Company shall allot the specified securities in dematerialised form only. Investors opting for allotment in dematerialised form may get the specified securities rematerialized subsequent to allotment.
2. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
3. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

Application By HUF

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows:

“Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

Application made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such 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 SEBI and such Applications in respect of more than one (1) scheme of the mutual fund will not be treated as multiple Applications, provided, that the Applications clearly indicate the scheme concerned for which the Application has been made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be attached with the Application Form. Failing this, our Company reserves the right to reject their application in whole or in part, in either case, without assigning any reason thereof.

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 Indian Public including eligible NRIs applying on non-Repatriation

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors (other than minor having valid depository accounts as per demographic details provided by the depository), Foreign Nationals, Non Residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

Application by Eligible NRIs/FII's on Repatriation Basis

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (“NRO”) accounts for the full Application Amount, at the time of the submission of the Application Form.

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).

Pursuant to the provisions of the FEMA regulations, investments by NRIs under the Portfolio Investment Scheme (“PIS”) is subject to certain limits, i.e., 10.00% of the paid-up equity share capital of the company. Such limit for NRI investment under the PIS route can be increased by passing a board resolution, followed by a special resolution by the shareholders, subject to prior intimation to the RBI. Our Company has not passed any resolution to increase this limit and hence investments by NRIs under the PIS will be subject to a limit of 10% of the paid-up equity capital of the Company.

For details of investment by NRIs, see “Restrictions in Foreign Ownership of Indian Securities” on page 313 of this Prospectus. Participation of eligible NRIs shall be subject to FEMA Regulations.

Application by FPIs

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-Offer 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 shall not exceed 24% of the paid-up Equity Share capital of our Company on a fully-diluted basis. With effect from the April 1, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognised stock exchange in India, and/ or may purchase or sell securities other than equity instruments.

FPIs are permitted to participate in the Offer 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 o the 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.

In accordance with the FEMA Non-Debt Instrument Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed five percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent 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 percent if a special resolution to that effect is passed by the general body of the Indian company.

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, amongst others, 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.

Bids by FPIs submitted under the multiple investment managers structure with the same PAN but with different beneficiary account numbers, Client ID and DP ID may not be treated as multiple Bids.

As specified in 4.1.4.2 (b) and 4.1.4.2 (c)(iv) of the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilise the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations ("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 utilise 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, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilise the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids are liable to be rejected. Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments ("ODI") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate

FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; and (vii) Entities registered as collective investment scheme having multiple share classes.

Application by SEBI registered VCFs, AIFs and FVCIs

SEBI VCF Regulations and SEBI FVCI Regulations inter alia prescribe the investment restrictions on the VCFs and FVCIs registered with SEBI. Further, SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one (1) venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering.

Category I and II AIFs cannot invest more than 25% of their corpus in one (1) investee company. A category III AIF cannot invest more than 10% of their investible funds in one (1) investee company. A venture capital fund registered as a category I AIF, as defined in SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus 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 SEBI AIF Regulations shall continue to be regulated by SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of SEBI AIF Regulations.

Further, according to SEBI ICDR Regulations, the shareholding of VCFs and category I AIFs or FVCI held in a company prior to making an initial public offering would be exempt from lock-in requirements provided that such equity shares held are locked in for a period of at least one (1) year from the date of purchase by such VCF or category I AIFs or FVCI.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the LM will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency. 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.

Application by provident funds/ pension funds

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹2,500 Lakhs, 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, our Company reserves the right to reject their application, without assigning any reason thereof

Application 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 this, our Company reserves the right to reject their application without assigning any reason thereof.

Application by Banking Companies

In case of Application made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the 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 reserves the right to reject any Application by a banking company, without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less.

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 banking companies in terms of Section 6(1) of the Banking Regulation Act; (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company; (iii) hold along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above.

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 bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act. banking company would require a prior approval of the RBI to make (investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial service

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, as amended.

Application by Insurance Companies

In case of Application 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 reserves the right to reject their application without assigning any reason thereof.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, as amended ("IRDAI Investment Regulations"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

Application by SCSBs

SCSBs participating in the Issue are required to comply with the terms of SEBI circulars dated September 13, 2012 and January 2, 2013. 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 ASBA applications.

Application by Systemically Important Non-Banking Financial Companies

In case of Application made by systemically important non-banking financial companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof. Systemically important non-banking financial companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Application under Power of Attorney

In case of Application made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, FPIs, Mutual Funds, Eligible QFIs, 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, provident funds with a minimum corpus of ₹ 2,500 Lakhs and pension funds with a minimum corpus of ₹ 2,500 Lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), 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, as applicable must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject their application in whole or in part, in either case, without assigning any reasons thereof.

Our Board as applicable, in consultation with the LM in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form subject to the terms and conditions that our Board, as applicable, in consultation with the LM may deem fit.

Application by OCBs

In accordance with RBI regulations, OCBs cannot participate in this Issue.

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) 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.

Lists of banks that have been notified by SEBI to act as SCSB (Self-Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

ASBA Process and Electronic Registration of Application

Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("ASBA Account") is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

APPLICATION FORM SHALL BEAR THE STAMP OF THE SYNDICATE MEMBER/SCSBS/REGISTRAR AND SHARE TRANSFER AGENTS/DEPOSITORY PARTICIPANTS/STOCK BROKERS AND IF NOT, THE SAME SHALL BE REJECTED.

Who can apply?

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.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

Terms of payment

The entire Issue price of Rs.5600/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants. SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs. The Applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

Payment Mechanism

The Applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the bid Amount (issue price) in the bank account specified in the Application Form. The SCSB shall keep the bid Amount in the relevant bank account blocked until withdrawal/ rejection of the

Application or receipt of instructions from the Registrar to unblock the bid Amount. However, Non-Retail Investors shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Bid by the ASBA Bidder, as the case may be.

PROCEDURE FOR UNIFIED PAYMENT INTERFACE (UPI)

In accordance to the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, to streamline the process of public issue of Equity Shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Retail Individual Investors through intermediaries, where the existing process of investor submitting application form with any intermediaries along with bank account details and movement of such application forms from intermediaries to self-certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI mechanism would be permissible mode.

Who can apply through UPI Mode:

Only Retail Individual Investors are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and High-Net worth Investors shall continue to apply as per the existing process.

Process

Applications through UPI in IPOs (Public Issue) can be made only through the SCSBs/mobile applications whose name appears on the SEBI website: www.sebi.gov.in.

Blocking of Funds:

- a) Investors shall create UPI ID
- b) Investors shall submit their IPO applications through intermediaries and the investors shall enter UPI ID in the application form
- c) Thereafter, intermediary shall upload the bid details and UPI ID in the electronic bidding system of the Stock Exchange
- d) Stock Exchange shall validate the bid details on the real time basis with depository's records and shall bring the inconsistencies to the notice of intermediaries for rectification and re-submission
- e) Stock Exchange shall share the details including UPI ID with Sponsor Bank, to enable the Sponsor Bank to initiate the request for the blocking of funds
- f) Thereafter the investor shall receive notification and shall confirm the request by entering valid UPI PIN and upon such acceptance of request, funds would get blocked and intimation shall be given to the investor regarding blocking of funds

Unblocking of Funds:

- a) After the issue close day, the RTA on the basis of bidding and blocking received from stock exchange undertake a reconciliation and shall prepare Basis of Allotment.
- b) Upon approval of such basis, instructions would be sent to the Sponsor Bank to initiate process for credit of funds in the public issue escrow account and unblocking of excess funds

- c) Based on authorization given by the investor using UPI PIN at the time of blocking of funds, equivalent to the allotment, would be debited from investors account and excess funds, if any, would be unblocked.

Further, RILs would continue to have an option to modify or withdraw the bid till the closure of the issue period. For each such modification of application, RILs shall submit a revised application and shall receive a mandate request from the Sponsor Bank to be validated as per the process indicated above. Hence, applications made through UPI ID for payment the same shall be revised by using UPI ID only.

Rejection grounds under UPI Payment Mechanism

An investor making application using any of channels under UPI Payments Mechanism, shall use only his/her own bank account or only his/ her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account

List of Banks providing UPI facility

An investor shall ensure that when applying in the IPO using UPI facility, the name of his Bank shall appear in the list of SCSBs as displayed on the SEBI website.

A list of SCSBs and mobile application which are live for applying in public issues using UPI mechanism is provided on the SEBI Website at the following path:

Home >> Intermediaries/Market Infrastructure Institutions >> Recognised Intermediaries >>Self Certified Syndicate Banks eligible as Issuer Banks for UPI

Investors whose Bank is not live on UPI as on the date of the aforesaid circular, may use the other alternate channels available to them viz. submission of application form with SCSBs or using the facility of linked online trading, demat and bank account (Channel I or II at para 5.1 SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018).

Electronic Registration of Applications

1. The Designated Intermediary will register the Applications using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Applications are being accepted. The Lead Manager, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary or (iv) Applications accepted and uploaded without blocking funds.
2. The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary and (iv) Applications accepted and uploaded without blocking funds. It shall be presumed that for Applications uploaded by the Designated Intermediary, the full Application Amount has been blocked.
3. In case of apparent data entry error either by the Designated Intermediary in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock

Exchange(s).

4. The Designated Intermediary will undertake modification of selected fields in the Application details already uploaded within before 1.00 p.m. of the next Working Day from the Issue Closing Date.
5. The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available with the Designated Intermediary and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Designated Intermediary can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities on a regular basis. On the Issue Closing Date, the Designated Intermediary shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Lead Manager on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.
6. At the time of registering each Application submitted by an Applicant, Designated Intermediary shall enter the following details of the investor in the on-line system, as applicable:
 1. Name of the Applicant;
 2. IPO Name;
 3. Application Form number;
 4. Investor Category;
 5. PAN (of First Applicant, if more than one Applicant);
 6. DP ID of the demat account of the Applicant;
 7. Client Identification Number of the demat account of the Applicant;
 8. UPI ID (RIIs applying through UPI Mechanism)
 9. Numbers of Equity Shares Applied for;
 10. Location of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 11. Bank account number
 12. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.
 13. The Designated intermediaries 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 registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
 14. Such acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.
 15. In case of QIB Applicants, the Lead Manager has the right to accept the Application or reject it. However, the rejection should be made at the time of receiving the Application and only after assigning a reason for such rejection in writing. In case on Non-Institutional Applicants and Retail Individual Applicants, Applications would be rejected on the technical grounds.

16. The permission given by the Stock Exchanges to use their network and software of the Online IPO 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 any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our 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 Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
17. Only Applications that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The Designated Intermediary will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar will receive this data from the Stock Exchanges and will validate the electronic Application details with depository's records. In case no corresponding record is available with depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such Applications are liable to be rejected.

Withdrawal of Applications

RILs can withdraw their applications until Issue Closing Date. In case a RILs wishes to withdraw the applications during the Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB or Sponsor Bank in the ASBA Account.

The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

Signing of Underwriting Agreement

The issue is 100% Underwritten. For further details please refer to Section titled "*General Information*" on page 66 of this Prospectus.

Filing of the Prospectus/ Prospectus with the RoC

For filing details, please refer Section titled "*General Information*" beginning on page 66 of this Prospectus.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, the Company shall, after filing the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where registered office of the Company is situated.

In the pre-Offer advertisement, we shall state the Issuer Offer Opening Date and the Issuer Offer 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 X of the SEBI ICDR Regulations

Price Discovery and Allocation of Equity shares

- a) The Issue is being made through the Fixed Price Process where in up to Equity Shares shall be reserved for Market Maker. Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid Application being received from Retail Individual Applicants at the Issue

Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non-Retail Applicants.

- b) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange.
- c) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- d) In terms of SEBI Regulations, Non-Retail Investors shall not be allowed to either withdraw or lower the size of their applications at any stage.
- e) Allotment status details shall be available on the website of the Registrar to the Issue.

Issuance of Allotment Advice

Upon approval of the Basis of Allotment by the Designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue.

1. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
2. **Issuer will that:** (i) the allotment of the equity shares; and (ii) initiate corporate action for credit of shares to the successful applicant's Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.
3. The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

Issuance of Confirmation Allocation Note ("CAN")

- a) A physical book is prepared by the Registrar on the basis of the Application Forms received from Investors. Based on the physical book and at the discretion of the Company in consultation with the LM, selected Investors will be sent a CAN and if required, a revised CAN.
- b) In the event that the Offer Price is higher than the Investor Allocation Price: Investors will be sent a revised CAN within 1 (one) day of the Pricing Date indicating the number of Equity Shares allocated to such Investor and the pay-in date for payment of the balance amount. Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Investors.
- c) In the event the Offer Price is lower than the Investor Allocation Price: Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

Designated Date

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

General Instructions

Applicants are requested to note the additional instructions provided below.

Do's:

1. Check if you are eligible to apply as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Read all the instructions carefully and complete the Application Form;
3. Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
4. Ensure that your Application Form, bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Collection Centre within the prescribed time, except in case of electronic forms. Retail Individual Investors using UPI mechanism, may submit their ASBA forms with Designated Intermediary and ensure that it contains the stamp of such Designated Intermediary;
5. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
6. If the first applicant 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). Ensure that you have mentioned the correct bank account number and UPI ID in the Application Form;
7. All Applicants (other than Anchor Investors and RII using UPI Mechanism) should apply through the ASBA process only. RII not using UPI mechanism, should submit their application form directly with SCSB's and not with any designated intermediary.
8. With respect to Applications by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your application;
9. Ensure that you request for and receive a stamped acknowledgement of your application;
10. 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;
11. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process. Retail Individual Investors using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner
12. Submit revised Applications to the same Designated Intermediary, as applicable, through whom the original Application was placed and obtain a revised TRS;
13. Except for Applications (i) on behalf of the central or state governments and the officials appointed by the courts, who, in terms of SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market and (ii) Applications by persons resident in the state of Sikkim, who, in terms of 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 Applicants 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.

14. Ensure that the Demographic Details are updated, true and correct in all respects;
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 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 application, 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;
17. Ensure that the category and sub-category under which the Application is being submitted is clearly specified in the Application Form;
18. Ensure that in case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. If you are resident outside India, ensure that Applications by you are in compliance with applicable foreign and Indian laws;
20. Applicants should note that in case the DP ID, the Client ID, UPI ID (where applicable) and the PAN mentioned in the Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, match with the DP ID, Client ID (where applicable) and PAN available in the Depository database otherwise liable to be rejected; Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
21. Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and this Prospectus;
22. Ensure that you have correctly signed the authorization /undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB 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;
23. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Retail Individual Investors Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. Further, Retail Individual Investors using the UPI Mechanism must also mention their UPI ID and shall use only his/her own bank account which is linked to his/her UPI ID;
24. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

25. Retail Individual Investors Bidding using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. Retail Individual Investors shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

Don'ts:

1. Do not apply for lower than the minimum Application size;
2. Do not apply at a Price different from the Price mentioned herein or in the Application Form;
3. Do not pay the Application Amount in cash, cheque, by money order or by postal order or by stock invest or any mode other than stated herein;
4. Do not send Application / ASBA Forms by post, instead submit the same to the Designated Intermediary only;
5. Do not submit the Application Forms with the Banker(s) to the Issue (assuming that such bank is not a SCSB), our Company, the BRLM or the Registrar to the Issue (assuming that the Registrar to the Issue is not one of the RTAs) or any non-SCSB bank;
6. Do not apply on an Application Form that does not have the stamp of the Designated Intermediary;
7. If you are a Retail Individual Applicant, do not apply for an exceeding ₹ 200,000;
8. Do not fill up the Application Form such that the Equity Shares applied 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 Prospectus;
9. Do not submit the General Index Register number instead of the PAN;
10. As an ASBA Applicant, do not submit the Application without ensuring that funds equivalent to the entire Application Amount are available to be blocked in the relevant ASBA Account and as in the case of Retail Individual Investors using the UPI Mechanism shall ensure that funds equivalent to the entire application amount are available in the UPI linked bank account where funds for making the bids are available.
11. As an ASBA Applicant, do not instruct your respective banks to release the funds blocked in the ASBA Account;
12. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
13. 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;
14. If you are a QIB, do not submit your application after 3.00 pm on the Issue Closing Date for QIBs;
15. If you are a Non-Institutional Applicant or Retail Individual Applicant, do not submit your application after 3.00 pm on the Issue Closing Date;
16. Do not submit an application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

17. Do not submit an application 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 Depositories);
18. If you are a QIB or a Non-Institutional Applicant, 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;
19. Do not submit more than five (5) ASBA Forms per ASBA Account;
20. Do not submit ASBA Forms at a location other than the Specified Locations or to the brokers other than the Registered Brokers at a location other than the Broker Centres; and
21. Do not submit ASBA Forms to a Designated Intermediary at a Collection Centre unless the SCSB where the ASBA Account is maintained, as specified in the ASBA Form, has named at least one (1) branch in the relevant Collection Centre, 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>). The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.
22. Do not submit a Bid cum Application Form with third party UPI ID or using a third-party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism).
23. Do not submit a Bid using UPI ID, if you are not a RIB
24. Do not Bid for Equity Shares more than what is specified by respective Stock Exchange for each category.
25. Do not submit a Application Form with third party ASBA Bank Account or UPI ID (in case of Bids submitted by RIB Bidder using the UPI Mechanism)
26. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIB shall scan revise or withdraw their Bids on or before the Offer Closing Date
27. If you are an RIIs which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID
28. Do not submit the Application Forms to any non-SCSB bank; and
29. Do not Bid if you are an OCB;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Application Form is liable to be rejected if the above instructions, as applicable, are 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 is liable to be rejected.

Instructions for completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker (“broker”) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of Stock Exchange.

Applicant’s Depository Account and Bank Details

Please note that, providing bank account details in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant’s name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as ‘Demographic Details’). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants’ sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Payment by Stock Invest

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Other Instructions

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- i. All applications are electronically strung on first name, address (1st line) and applicant’s status. Further, these applications are electronically matched for common first name and address and if

matched, these are checked manually for age, signature and father/ husband 's name to determine if they are multiple applications.

ii. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.

iii. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made. In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple Applications and are liable to be rejected. The Company, in consultation with the Book Running Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple Applications is given below:

- All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
- For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Our Company/ Registrar to the Issue, Lead Manager can, however, accept the Application(s) which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds. It should be noted that RIIs using third party bank account for the payment in the public issue using UPI facility or using third party UPI ID linked bank account are liable to be rejected.

Grounds for Technical Rejections

Applicants are requested to note that Application may be rejected on the following additional technical grounds.

- a. Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- b. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- c. Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- d. PAN not mentioned in the Application Form;
- e. GIR number furnished instead of PAN;
- f. Applications for lower number of Equity Shares than specified for that category of investors;
- g. Applications at a price other than the Fixed Price of the Issue;
- h. Applications for number of Equity Shares which are not in multiples as stated in the section titled "Issue Structure";
- i. Category not ticked;
- j. Multiple Applications as defined in the Prospectus;
- k. In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- l. Applications accompanied by Stock invest/ money order/ postal order/ cash;
- m. Signature of sole Applicant is missing;
- n. Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- o. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- p. Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- q. Applications by OCBs;
- r. Applications by US persons other than in reliance on Regulations or "qualified institutional buyers" as

defined in Rule 144A under the Securities Act;

- s. Applications not duly signed;
- t. Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- u. Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- v. Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- w. Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- x. Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Issue Closing Date;
- y. Applications not containing the details of Bank Account and/or Depositories Account.
- z. Applications under the UPI Mechanism submitted by Retail Individual Investors 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);
- aa. Application submitted by Retail Individual Investors using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent.

- a) a tripartite agreement dated June 24, 2021 with NSDL, our Company and Registrar to the Issue;
- b) a tripartite agreement dated June 05, 2021 with CDSL, our Company and Registrar to the Issue;
- c) The Company's shares bear an ISIN No: INE010T01010

An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.

- a) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.
- b) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- c) Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- d) If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- e) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.

- f) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- g) The trading of the Equity Shares of our Company would be only in dematerialized form.
- h) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer 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, credit of allotted shares in the respective beneficiary accounts, etc.

VIRTUOSO OPTOELECTRONICS LIMITED Renuka Kulkarni Company Secretary and Compliance Officer Plot No. 7 M.I.D.C. Satpur, Nasik -422007, Maharashtra, India Tel No: 0253 2350461 Email: info@voepl.com Website: www.voepl.com	CAMEO CORPORATE SERVICES LIMITED No.01, Club House Road, Mount Road, Chennai – 600002, India Email: priya@cameoindia.com Investor Grievance Id: investor@cameoindia.com Contact Person: K. Sreepriya Tel No: 044 40020700 Website: www.cameoindia.com SEBI Registration Number: INR000003753

Disposal of Applications

With respect to Investors, our Company shall ensure dispatch of Allotment Advice, refund orders (except for applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account of Depository Participants of the Applicants and submit the documents pertaining to the Allocation to the Stock Exchange(s) on the Investor Bidding Date. In case of Applicants who receive refunds through NECS, NEFT, direct credit or RTGS, the refund instructions will be given to the clearing system within 6 Working Days from the Bid/Offer Closing Date.

Impersonation

Attention of the Applicant is specifically drawn to the provisions of Sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- 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
- 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”.

Without prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one percent of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than three months but which may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud:

Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.

Provided further that where the fraud involves an amount less than ten lakh rupees 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 fifty lakh rupees or with both.

Section 447 of Companies Act, 2013 deals with ‘Fraud’ and prescribed a punishment of “imprisonment for a term which shall not be less than 6 (six) months but which may extend to 10 (ten) years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to 3 (three) times the amount involved in the fraud”.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchange, along with the Lead Manager and the Registrar, 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.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than 2000 equity shares the allotment will be made as follows:
 - a. Each successful applicant shall be allotted 2000 equity shares; and
 - b. The successful applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 2000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 2000 equity shares subject to a minimum allotment of 2000 equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted

against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 2000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 10% of the size of the offer specified under the Capital Structure mentioned in the Prospectus.

6. Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
 - a. A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.
 - b. The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
 - c. The unsubscribed portion of the net to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

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

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled 'Basis of Allotment' of this Prospectus.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000/- Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the Stock Exchange.

BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size as specified shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

As per the RBI regulations, OCBs are not permitted to participate in the Issue.

There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

AT PAR FACILITY

Letters of Allotment or refund orders or instructions to Self-Certified Syndicate Banks in Application Supported by Blocked Amount process. The issuer shall ensure that "at par" facility is provided for encashment of refund orders for applications other than Application Supported by Blocked Amount process.

Grounds for Refund

Non-Receipt of Listing Permission

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of this Prospectus.

In the event that the listing of the Equity Shares does not occur in the manner described in this Prospectus, the Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If such money is not repaid within four days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of four days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in this Prospectus.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If, as prescribed, minimum subscription in the issue shall be 90% of the fresh issue portion the issuer does not receive the minimum subscription of ninety per cent. of the offer through offer document (except in case of an offer for sale of specified securities) on the date of closure of the issue, or withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the stock exchanges for the securities so offered under the offer document, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond four working days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen per cent per annum

Minimum Number of Allottees

The Issuer may ensure that the number of Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

Mode of Refunds

- a) **In case of ASBA Bids:** Within 4(four) Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid, for any excess amount blocked on Application, for any ASBA Bids withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer
- b) In the case of Applicant from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

- c) In case of Investors: Within four Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Offer may obtain from the depositories, the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay

Mode of making refunds for Applicants other than ASBA Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

- (i) **NECS** - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder as obtained from the Depository;
- (ii) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (iii) **Direct Credit** - Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (iv) **RTGS** - Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the bidder, DP ID and beneficiary account number provided by them in the Application Form, the Registrar to the Offer will obtain from the Depository the demographic details including address, Applicant's account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the LM or the Registrar to the Offer or the Escrow Collection Banks nor the Company shall have any responsibility and undertake any liability for the same; and
- (v) Please note that refunds, on account of our Company not receiving the minimum subscription of 90% of the Offer, shall be credited only to the bank account from which the Applicant Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Applicants may refer to Prospectus.

INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

In case of a Fixed Price Issue, a statement that the issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum if the allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within Four Working Days from the date of the closure of the issue. However, applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

Completion of Formalities for listing & Commencement of Trading

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit of Equity Shares to the beneficiary account with DPs, and dispatch the allotment Advise within 4 (four) Working Days of the Issue Closing Date.

Undertaking by our Company

Our Company undertakes the following:

1. That the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;
3. that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc. other than as disclosed in accordance with Regulation 56.
6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
7. That if our Company does not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice which will be issued by our Company within two (2) days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. Stock Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. The Equity Shares proposed to be issued by it in the Issue shall be allotted and credited to the successful applicants within the specified time in accordance with the instruction of the Registrar to the Issue;
9. If the Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within four (4) days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants at the rate of 15% per annum for the delayed period

10. That if our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh prospectus with Stock Exchange/ RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;
11. That the Promoters' contribution in full, if required, shall be brought in advance before the Issue opens for subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on Applicants in accordance with applicable provisions under SEBI ICDR Regulations;
12. That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
13. That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of Allotment; and
14. That it shall comply with such disclosure and account norms specified by SEBI from time to time

Utilization of Issue Proceeds

Our Board certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a 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 shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

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 Foreign Exchange Management Act, 1999 ("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, 1991 unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DIPP, has issued consolidated FDI Policy DPIIT File Number 5(2)/2020-FDI Policy Dated the October 15, 2020 ("FDI Policy 2020"), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI policy issued by the DIPP that were in force. The Government of India proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

FDI for items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Foreign Investment is allowed up to 100% under automatic route in our Company subject to certain conditions. For further details, please see the section titled "Key Industry Regulations & Policies" beginning on page 142 of this Prospectus.

RBI also issues Master Directions - Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by the RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the applicable pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including the filing of Form FC-GPR

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2020 has to be obtained by the company.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/ RBI, from time to time. Such conditions include:

- (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained, and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.;
- (ii) where the transfer of shares attracts SEBI (SAST) Regulations subject to the adherence to the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time
- (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that:
 - a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of

sectoral caps, conditionality's (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FCTRS to be filed with the AD bank; and iv) where the investee company is in the financial sector provided that: a) Any 'fit and proper/due diligence' requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionality's (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from the conversion of any debt instrument under any arrangement shall be reckoned as a foreign investment under the composite cap.

Portfolio Investment to aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in the transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance with sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity, will not exceed the sectoral/statutory cap.

Subject to the provisions of the FDI policy, foreign investment in 'manufacturing' sector is under the automatic route. Further, a manufacturer is permitted to sell its products manufactured in India through wholesale and/or retail, including through e-commerce, without Government approval.

Investment by FPIs under Portfolio Investment Scheme (PIS):

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% 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 FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company

concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

Investment by NRI or OCI on repatriation basis

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 that is:

The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent 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 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2020, Schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase / sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 20003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.

The Offer includes offers within India, to Indian institutional, non-institutional and retail investors in offshore transactions as defined in, and made in reliance upon exemptions from the registration requirements under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) including Regulation S (“Regulation S”). 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 Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Application for do not exceed the applicable limits under laws or regulations

SECTION IX – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013
(COMPANY LIMITED BY SHARES)

*ARTICLES OF ASSOCIATION

OF

VIRTUOSO OPTOELECTRONICS LIMITED

*The Articles of Association of the company were previously altered vide special resolution at the Extra Ordinary General Meeting of the members dt: March 27, 2020 and March 24, 2021.

In supersession of all earlier alterations the company has adopted the new set of Articles at their Extra Ordinary General Meeting dt: August 25, 2021

Sr. No	Particulars	
1.	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	Table F Applicable.
	Interpretation Clause	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	"The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	Act
	"These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	Articles
	"Auditors" means and includes those persons appointed as such for the time being of the Company.	Auditors
	"Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	Capital
	*"The Company" shall mean VIRTUOSO OPTOELECTRONICS LIMITED	
	"Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	Executor or Administrator
	"Legal Representative" means a person who in law represents the estate of a deceased Member.	Legal Representative
	Words importing the masculine gender also include the feminine gender.	Gender
	"In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	In Writing and Written
	The marginal notes hereto shall not affect the construction thereof.	Marginal notes

Sr. No	Particulars	
	"Meeting" or "General Meeting" means a meeting of members.	Meeting or General Meeting
	"Month" means a calendar month.	Month
	"Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	Annual General Meeting
	"Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	Extra-Ordinary General Meeting
	"National Holiday" means and includes a day declared as National Holiday by the Central Government.	National Holiday
	"Non-retiring Directors" means a director not subject to retirement by rotation.	Non-retiring Directors
	"Office" means the registered Office for the time being of the Company.	Office
	"Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	Ordinary and Special Resolution
	"Person" shall be deemed to include corporations and firms as well as individuals.	Person
	"Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	Proxy
	"The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	Register of Members
	"Seal" means the common seal for the time being of the Company.	Seal
	Words importing the Singular number include where the context admits or requires the plural number and vice versa.	Singular number
	"The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	Statutes
	"These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	These presents
	"Variation" shall include abrogation; and "vary" shall include abrogate.	Variation
	"Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	Year and Financial Year
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	Expressions in the Act to bear the same meaning in Articles
	CAPITAL	
3.	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	Authorized Capital.
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in	Increase of capital by the Company how carried into effect

Sr. No	Particulars	
	particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	New Capital same as existing capital
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	Non-Voting Shares
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	Redeemable Preference Shares
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	Voting rights of preference shares
9.	On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect: No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; No such Shares shall be redeemed unless they are fully paid; Subject to section 55(2)(d)(i) 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 security premium account, before the Shares are redeemed; Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms	Provisions to apply on issue of Redeemable Preference Shares

Sr. No	Particulars	
	and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital	
10.	The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.	Reduction of capital
11.	Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.	Debentures
12.	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.	Issue of Sweat Equity Shares
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	ESOP
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	Buy Back of shares
15.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which 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.	Consolidation, Sub-Division And Cancellation
16.	Subject to compliance with applicable provision of the Act and rules framed	Issue of Depository

Sr. No	Particulars	
	thereunder the company shall have power to issue depository receipts in any foreign country.	Receipts
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	Issue of Securities
	MODIFICATION OF CLASS RIGHTS	
18.	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	Modification of rights
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	New Issue of Shares not to affect rights attached to existing shares of that class.
19.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	Shares at the disposal of the Directors.
20.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	Power to issue shares on preferential basis.
21.	The shares in the capital shall be numbered progressively according to their	Shares should be

Sr. No	Particulars	
	several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	Numbered progressively and no share to be subdivided.
22.	An 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 shall for the purposes of these Articles, be a Member.	Acceptance of Shares.
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	Directors may allot shares as full paid-up
24.	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 become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	Deposit and call etc.to be a debt payable immediately.
25.	Every Member, or his heirs, executors, administrators, or legal representatives, 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 Company's regulations, require on date fixed for the payment thereof.	Liability of Members.
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	Registration of Shares.
	RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT	
27.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	CERTIFICATES	
28.	(a) Every member 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 provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as	Share Certificates.

Sr. No	Particulars	
	the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that 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 one of several joint holders shall be sufficient delivery to all such holder. Such certificate 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 coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. 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. (b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act. (c) 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.	
29.	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 lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem 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 Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates 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	Issue of new certificates in place of those defaced, lost or destroyed.

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	comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.	
30.	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	The first named joint holder deemed Sole holder.
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	Maximum number of joint holders.
31.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	Company not bound to recognise any interest in share other than that of registered holders.
32.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	Installment on shares to be duly paid.
	UNDERWRITING AND BROKERAGE	
33.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	Commission
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	Brokerage
	CALLS	
35.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the	Directors may make calls

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	moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.	
36.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	Notice of Calls
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	Calls to date from resolution.
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	Calls on uniform basis.
39.	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 members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	Directors may extend time.
40.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	Calls to carry interest.
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	Sums deemed to be calls.
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in	Proof on trial of suit for money due on shares.

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	pursuance of these Articles: and that 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 was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	
43.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	Judgment, decree, partial payment motto proceed for forfeiture.
44.	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, 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 on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits. (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.	Payments in Anticipation of calls may carry interest
	LIEN	
45.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.	Company to have Lien on shares.
46.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be	As to enforcing lien by sale.

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	made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	
47.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to 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.	Application of proceeds of sale.
	FORFEITURE AND SURRENDER OF SHARES	
48.	If any Member fails to pay the whole or any part of any call or installment or any moneys 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, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	If call or installment not paid, notice may be given.
49.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	Terms of notice.
50.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments,	On default of payment, shares to be forfeited.

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	interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	
51.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	Notice of forfeiture to a Member
52.	Any shares 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 in their absolute discretion shall think fit.	Forfeited shares to be property of the Company and may be sold etc.
53.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses 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 the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	Members still liable to pay money owing at time of forfeiture and interest.
54.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	Effect of forfeiture.
55.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have 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.	Evidence of Forfeiture.
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	Title of purchaser and allottee of Forfeited shares.
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	Cancellation of share certificate in respect of forfeited shares.
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of	Forfeiture may be remitted.

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	grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	
59.	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 purchasers 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.	Validity of sale
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	Surrender of shares.
	TRANSFER AND TRANSMISSION OF SHARES	
61.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	Execution of the instrument of shares.
62.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;	Transfer Form.
63.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been	Transfer not to be registered except on production of instrument of transfer.

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	transmitted by operation of law.	
64.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— any transfer of shares on which the company has a lien. That registration of transfer shall however 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;	Directors may refuse to register transfer.
65.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	Notice of refusal to be given to transferor and transferee.
66.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	No fee on transfer.
67.	The Board of Directors shall have power on giving not less than seven days pervious notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	Closure of Register of Members or debenture holder or other security holders.
68.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	Custody of transfer Deeds.
69.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	Application for transfer of partly paid shares.
70.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	Notice to transferee.
71.	(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares. (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or	Recognition of legal representative.

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	Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.	
72.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.	Titles of Shares of deceased Member
73.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	Notice of application when to be given
74.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they 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 this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	Registration of persons entitled to share otherwise than by transfer. (transmission clause).
75.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee	Refusal to register nominee.

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	named in an ordinary transfer presented for registration.	
76.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	Board may require evidence of transmission.
77.	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 or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had 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 require to regard or attend or give effect to any notice which may be given to them 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 Directors shall so think fit.	Company not liable for disregard of a notice prohibiting registration of transfer.
78.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	Form of transfer Outside India.
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	No transfer to insolvent etc.
	NOMINATION	
80.	i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination. ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination. iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.	Nomination

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81.	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either- to be registered himself as holder of the security, as the case may be; or to make such transfer of the security, as the case may be, as the deceased security holder, could have made; if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be; a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.	Transmission of Securities by nominee
	DEMATERIALIZATION OF SHARES	
82.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	Dematerialisation of Securities
	JOINT HOLDER	
83.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	Joint Holders
84.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	Joint and several liabilities for all payments in respect of shares.
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	Title of survivors.
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	Receipts of one sufficient.
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company	Delivery of certificate and giving of notices to

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	and any such document served on or sent to such person shall deemed to be service on all the holders.	first named holders.
	SHARE WARRANTS	
85.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon 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 persons 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.	Power to issue share warrants
86.	(a) 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 call in 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 deposit warrant. (b) Not more than one person shall be recognized as depositor of the Share warrant. (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.	Deposit of share warrants
87.	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall 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 notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.	Privileges and disabilities of the holders of share warrant
88.	The Board may, from time to time, make bye-laws as to 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 destruction.	Issue of new share warrant coupons
	CONVERSION OF SHARES INTO STOCK	
89.	The Company may, by ordinary resolution in General Meeting. convert any fully paid-up shares into stock; and re-convert any stock into fully paid-up shares of any denomination.	Conversion of shares into stock or reconversion.
90.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from	Transfer of stock.

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	which the stock arose.	
91.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	Rights of stock holders.
92.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	Regulations.
	BORROWING POWERS	
93.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	Power to borrow.
94.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	Issue of discount etc. or with special privileges.
95.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	Securing payment or repayment of Moneys borrowed.

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96.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	Bonds, Debentures etc. to be under the control of the Directors.
97.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	Mortgage of uncalled Capital.
98.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	Indemnity may be given.
	MEETINGS OF MEMBERS	
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	Distinction between AGM & EGM.
100.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	Extra-Ordinary General Meeting by Board and by requisition
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	When a Director or any two Members may call an Extra Ordinary General Meeting
101.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	Meeting not to transact business not mentioned in notice.
102.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not 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 Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the	Chairman of General Meeting

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	Members present shall elect one of the members to be the Chairman of the meeting.	
103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	Business confined to election of Chairman whilst chair is vacant.
104.	The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. 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.	Chairman with consent may adjourn meeting.
105.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	Chairman's casting vote.
106.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	In what case poll taken without adjournment.
107.	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.	Demand for poll not to prevent transaction of other business.
	VOTES OF MEMBERS	
108.	No Member 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, upon a poll or electronically, or be reckoned in a quorum in respect of any shares 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 or lien.	Members in arrears not to vote.
109.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section	Number of votes each member entitled.

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	47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	
110.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	Casting of votes by a member entitled to more than one vote.
111.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	Vote of member of unsound mind and of minor
112.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	Postal Ballot
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	E-Voting
114.	In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Votes of joint members.
115.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	Votes may be given by proxy or by representative
116.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	Representation of a body corporate.
117.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been	Members paying money in advance.

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	called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	Members not prohibited if share not held for any specified period.
118.	Any person entitled under Article 73 (transmission clause) to transfer any share 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 at least forty-eight hours 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 Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members.
119.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	No votes by proxy on show of hands.
120.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	Appointment of a Proxy.
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	Form of proxy.
122.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	Validity of votes given by proxy notwithstanding death of a member.
123.	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.	Time for objections to votes.
124.	Any such objection raised to the qualification of any voter in due time shall	Chairperson of the

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	be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	Meeting to be the judge of validity of any vote.
	DIRECTORS	
125.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	Number of Directors
126.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	Qualification shares.
127.	(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, 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 (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled. (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board. (d) The Nominee Director/s shall, notwithstanding anything to the contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.	Nominee Directors.
128.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for 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 Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	Appointment of alternate Director.
129.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of	Additional Director

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	the next Annual General Meeting.	
130.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	Directors power to fill casual vacancies.
131.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	Sitting Fees.
132.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	Travelling expenses Incurred by Director on Company's business.
	PROCEEDING OF THE BOARD OF DIRECTORS	
133.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	Meetings of Directors.
134.	The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	Chairperson
135.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	Chairman to have casting vote
136.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	No of directors Reduced below Quorum
137.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee 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	Directors may appoint committee.

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	the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	
138.	The Meetings and proceedings of any such Committee of the Board consisting of two or 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 regulations made by the Directors under the last preceding Article.	Committee Meetings how to be governed
139.	A committee may elect a Chairperson of its meetings. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	Chairperson of Committee Meetings
140.	A committee may meet and adjourn as it thinks fit. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	Meetings of the Committee
141.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall 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.	Acts of Board or Committee shall be valid notwithstanding defect in appointment.
	RETIREMENT AND ROTATION OF DIRECTORS	
142.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	Power to fill casual vacancy
	POWERS OF THE BOARD	
143.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However, 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.	Powers of the Board
144.	Without prejudice to the general powers conferred by the Articles 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 Articles, it is hereby, declared that the Directors shall have	Certain powers of the Board

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	the following powers, that is to say	
	Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person, firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	To acquire any property , rights etc.
	Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	To take on Lease.
	To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	To erect & construct.
	At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures 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.	To pay for property.
	To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	To insure properties of the Company.
	To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	To open Bank accounts.
	To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	To secure contracts by way of mortgage.
	To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	To accept surrender of shares.
	To appoint any person to accept and hold in trust, for the Company property	To appoint

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	belonging to the Company, or in which it is interested or for any other purposes and to execute and to 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.	trustees for the Company.
	To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	To conduct legal proceedings.
	To act on behalf of the Company in all matters relating to bankruptcy insolvency.	Bankruptcy & Insolvency
	To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	To issue receipts & give discharge.
	Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the 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 187 of the Act, all investments shall be made and held in the Company's own name.	To invest and deal with money of the Company.
	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 as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	To give Security by way of indemnity.
	To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	To determine signing powers.
	To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	Commission or share in profits.
	To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	Bonus etc. to employees.
	To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including	Transfer to Reserve Funds.

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	the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power 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.	
	To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, 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 to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts 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 manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	To appoint and remove officers and other employees.
	At any time and from time to time by power of attorney 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 their 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 such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager 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 powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to	To appoint Attorneys.

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	sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	
	Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose 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.	To enter into contracts.
	From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	To make rules.
	To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	To effect contracts etc.
	To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	To apply & obtain concessions licenses etc.
	To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	To pay commissions or interest.
	To redeem preference shares.	To redeem preference shares.
	To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	To assist charitable or benevolent institutions.
	To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.	Preliminary expenses
	To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	Capital account
	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 dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable,	Welfare of Directors and their families

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	benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.	Acquire or obtain license for Trademark, patent, etc
	To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.	Sell any machine, plant
	From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.	Extend the business and undertaking
	To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.	Payment of rents and the performance of the covenants, conditions and agreements
	To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.	
	To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.	
	Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.	
	To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.	
	MANAGING AND WHOLE-TIME DIRECTORS	
145.	Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any	Powers to appoint Managing/ Wholetime Directors.

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	contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.	
146.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	Remuneration of Managing or Wholetime Director.
147.	(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board. (2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers. (3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles. (4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit. (5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time	Powers and duties of Managing Director or Whole-time Director.

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	be agreed between him and the Directors of the Company.	
	Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer	
148.	Subject to the provisions of the Act,— A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.	Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer
	THE SEAL	
149.	(a) The Board shall provide a Common 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 the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. (b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.	The seal, its custody and use.
150.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those 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.	Deeds how executed.
	Dividend and Reserves	
151.	(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares. (2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. (3) 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 share is issued on terms providing that it shall rank for dividend as from a	Division of profits.

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	particular date such share shall rank for dividend accordingly.	
152.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	The company in General Meeting may declare Dividends.
153.	The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	Transfer to reserves
154.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	Interim Dividend.
155.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	Debts may be deducted.
156.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	Capital paid up in advance not to earn dividend.
157.	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 share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	Dividends in proportion to amount paid-up.
158.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	Retention of dividends until completion of transfer under Articles.
159.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.

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160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	Effect of transfer of shares.
161.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	Dividend to joint holders.
162.	Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	Dividends how remitted.
163.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	Notice of dividend.
164.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	No interest on Dividends.
	CAPITALIZATION	
165.	(1) 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 Profit and Loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards: (i) paying up any amounts for the time being unpaid on any shares held by such members respectively; (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii). (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares. (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.	
166.	(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —	Fractional Certificates.

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	(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and (b) generally to do all acts and things required to give effect thereto. (2) The Board shall have full power - (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares. (3) Any agreement made under such authority shall be effective and binding on all such members. (4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.	
167.	The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges. Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.	Inspection of Minutes Books of General Meetings.
168.	The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.	Inspection of Accounts
	FOREIGN REGISTER	
169.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	Foreign Register

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	DOCUMENTS AND SERVICE OF NOTICES	
170.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	Signing of documents & notices to be served or given
171.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	Authentication of documents and proceedings.
	WINDING UP	
172.	Subject to the provisions of Chapter XX of the Act and rules made thereunder— (i) 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 members, 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. (ii) 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 members or different classes of members. (iii) 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.	
	INDEMNITY	
173.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	Directors' and others right to indemnity.
174.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or	Not responsible for acts of others

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	other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	
	SECRECY	
175.	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	Secrecy
	No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	Access to property information etc.

SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered into 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 Prospectus) which are or may be deemed material will be attached to the copy of this Prospectus which will be delivered to the ROC for registration. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Plot No. 7 M.I.D.C. Satpur, Nasik - 422007, Maharashtra, India between 10 a.m. and 5 p.m. (IST) on all Working Days from the date of this Prospectus until the Issue Closing Date. Any of the contracts or documents mentioned in this 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 for the Issue

1. Issue Agreement dated January 20, 2022 between our Company and the Lead Manager.
2. Registrar Agreement dated September 21, 2021 between our Company and Registrar to the Issue.
3. Underwriting Agreement dated August 17, 2022 amongst our Company, the Underwriter and the Lead Manager.
4. Market Making Agreement dated August 17, 2022 amongst our Company, Market Maker and the Lead Manager.
5. Bankers to the Issue Agreement dated January 31, 2022 amongst our Company, the Lead Manager, Banker(s) to the Issue and the Registrar to the Issue.
6. Tripartite Agreement dated June 05, 2021 amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue
7. Tripartite Agreement dated June 24, 2021 amongst our Company, National Securities Depository Limited and Registrar to the Issue.

B) Material documents for the Issue

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated August 02, 2021 in relation to the Issue and other related matters.
3. Shareholders' resolution dated August 25, 2021 in relation to the Issue and other related matters.
4. Resolution of the Board of Directors dated August 24, 2022, approving this Prospectus
5. Consents of our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Statutory Auditor, Peer Reviewed Auditor, Lead Manager, Legal Advisor to the Issue, the Registrar to the Issue, Underwriters to the Issue, Bankers to our Company, Market Maker and Banker to the Issue to include their names in this Prospectus and to act in their respective capacities.

6. Peer Review Auditors Report dated July 28, 2022 on Restated Financial Statements of our Company for the financial years ended March 31, 2021, 2020 and 2019 and for the three months period ended on June 30, 2022.
7. Report issued by the Statutory Auditors on the Statement of possible Tax Benefits dated August 24, 2022 included in Prospectus
8. Copy of approval in-form BSE vide letter dated August 24, 2022 to use the name of BSE SME in this Prospectus for listing of Equity Shares on BSE SME.
9. Due diligence certificate date March 01, 2022 shall be submitted to SEBI by Lead Manager to the Issue.

Any of the contracts or documents mentioned in this 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 Equity Shareholders, subject to compliance with applicable law.

DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, the Securities Contracts (Regulation) Act, 1956 as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Names	DIN	Signatures
Sukrit Bharati DIN: 03638084	Managing Director	Sd/-
Vishrut Bharati DIN: 06818457	Non-Executive Director	Sd/-
Abhinav DIN: 06926238	Independent Director	Sd/-
Komal Kotecha DIN: 09141355	Independent Director	Sd/-

SIGNED BY THE CHIEF FINANCIAL OFFICER & COMPANY SECRETARY & Compliance officer OF OUR COMPANY

Sajid Shaikh	Chief Financial Officer	Sd/-
Renuka Kulkarni	Company Secretary & Compliance Officer	Sd/-

Date: August 24, 2022

Place: Nashik