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## Draft Prospectus

Dated: January 12, 2023

(This Draft Prospectus will be updated upon filing with the RoC)

Please read Section 26 & 32 of the Companies Act, 2013

Fixed Price Issue



## DEV LABTECH VENTURE LIMITED

(Formerly known as Jay Gems (India) Private Limited)

CIN: U36100GJ1993PLC019374

Registered Office	Contact Person	Email and Telephone	Website
GF/22-23, Pattani Plaza, Dairy Road, Near Nilambaug Circle, Bhavnagar – 364002, Gujarat, India.	Mr. Pratik Ashokbhai Patel, Company Secretary and Compliance Officer.	Tel. No.: +91-0278-2995027 E-mail: <a href="mailto:info@devlabtechventure.com">info@devlabtechventure.com</a>	<a href="http://www.devlabtechventure.com">www.devlabtechventure.com</a>

### PROMOTERS OF THE COMPANY:

MR. JERAMBHAI LAVJIBHAI DONDA, MRS. LABHUBEN JERAMBHAI DONDA AND MR. JAY JERAMBHAI DONDA

### DETAILS OF THE ISSUE

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	22,00,000 Equity Shares of ₹ 51/- each.	Nil	₹1122.00 Lakhs	The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 As Amended

### DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES

### RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs.10/- each and the Issue Price is 5.1 times the face value. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under chapter titled “Basis for Issue Price” beginning on Page No. 80 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to chapter titled “Risk Factors” beginning on Page No. 20 of this Draft Prospectus.


### ISSUER’S ABSOLUTE RESPONSIBILITY

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


### LISTING

The Equity Shares Issued through this Draft Prospectus 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. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited (“BSE”).

### LEAD MANAGER TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 <b>BEELINE CAPITAL ADVISORS PRIVATE LIMITED</b>	Mr. Nikhil Shah	Email: <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a> Tel. No.: +91-79-48405357, 48406357

### REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 <b>LINK INTIME INDIA PRIVATE LIMITED</b>	Mr. Shanti Gopalkrishnan	Email: <a href="mailto:devlabtech.ipo@linkintime.co.in">devlabtech.ipo@linkintime.co.in</a> Tel. No.: +91 810 811 4949

### ISSUE PROGRAMME

ISSUE OPENS ON	ISSUE CLOSSES ON
[•]	[•]



## DEV LABTECH VENTURE LIMITED

(Formerly known as Jay Gems (India) Private Limited)

CIN: U36100GJ1993PLC019374



Our Company was originally incorporated on April 29, 1993 as “Gandhinagar Plastronics Private Limited” under the provisions of the Companies Act, 1956 with the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. The Name of our company changed from “Gandhinagar Plastronics Private Limited” to “Jay Gems (India) Private Limited” and fresh certificate of incorporation dated February 05, 2010 was issued by Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Further the name of our company was changed from “Jay Gems (India) Private Limited” to “Dev Labtech Venture Private Limited” and fresh certificate of incorporation dated June 22, 2022 was issued by Registrar of Companies, Ahmedabad. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Dev Labtech Venture Private Limited” to “Dev Labtech Venture Limited” vide fresh certificate of incorporation dated September 23, 2022 issued by the Registrar of Companies, Ahmedabad. For further details, please refer to chapter titled “History and Corporate Structure” beginning on page 114 of this Draft Prospectus.

**Registered Office:** GF/22-23, Pattani Plaza, Dairy Road, Near Nilambaug Circle, Bhavnagar - 364002, Gujarat, India

**Tel No.:** +91-0278-2995027; **Email:** [info@devlabtechventure.com](mailto:info@devlabtechventure.com); **Website:** [www.devlabtechventure.com](http://www.devlabtechventure.com)

**Contact Person:** Mr. Pratik Ashokbhai Patel, Company Secretary and Compliance Officer.

### OUR PROMOTERS: MR. JERAMBHAI LAVJIBHAI DONDA, MRS. LABHUBEN JERAMBHAI DONDA AND MR. JAY JERAMBHAI DONDA

THE ISSUE	
<p>INITIAL PUBLIC ISSUE OF 22,00,000 EQUITY SHARES OF RS. 10/- EACH (“EQUITY SHARES”) OF DEV LABTECH VENTURE LIMITED (“DLVL” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF RS. 51/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. 41/- PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING TO RS. 1122.00 LAKHS (“THE ISSUE”), OF WHICH UPTO 1,12,000 EQUITY SHARES OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. 51/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. 41/- PER EQUITY SHARE AGGREGATING TO RS. 57.12 LAKH 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 UPTO 20,88,000 EQUITY SHARES OF RS. 10/- EACH INCLUDING A SHARE PREMIUM OF RS 51/- PER EQUITY SHARE AGGREGATING TO RS. 1064.88 LAKH IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.60% AND 25.24%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.</p>	
<p>THIS ISSUE IS BEING IN TERMS OF CHAPTER IX OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AS AMENDED FROM TIME TO TIME.</p>	
<p>For further details see “TERMS OF THE ISSUE” beginning on Page no. 168 of this Draft Prospectus.</p>	
<p>In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, dated November 10, 2015 and the all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self-Certified Syndicate Banks (“SCSBs”) for the same. Further pursuant to SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, for implementation of Phased II for UPI facility, which is effective from July 01, 2019, all potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount (“ASBA”) process providing details of their respective ASBA accounts or UPI ID (in case of RILs), in which the corresponding Application Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable. For details, see “ISSUE PROCEDURE” on Page No. 175 of this Draft Prospectus.</p>	
<p>THE FACE VALUE OF THE EQUITY SHARE IS RS. 10/- AND THE ISSUE PRICE IS RS.51/- THE ISSUE PRICE IS 5.1 TIMES OF THE FACE VALUE.</p>	
<p>RISK IN RELATION TO THE FIRST ISSUE</p>	
<p>This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs.10/- each and the Issue Price is 5.1 times the face value. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under chapter titled “Basis for Issue Price” beginning on Page No. 80 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.</p>	
<p>GENERAL RISKS</p>	
<p>Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to chapter titled “Risk Factors” beginning on Page No. 20 of this Draft Prospectus.</p>	
<p>ISSUER’S ABSOLUTE RESPONSIBILITY</p>	
<p>The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p>	
<p>LISTING</p>	
<p>The Equity Shares offered through this Draft Prospectus are proposed to be listed on 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-Principle Approval letter dated [●] from BSE Limited (“BSE”) for using its name in this offer document for listing our shares on the SME Platform of BSE Limited (“BSE SME”). For the purpose of this Issue, the designated Stock Exchange is the BSE Limited.</p>	
LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 <p><b>BEELINE CAPITAL ADVISORS PRIVATE LIMITED</b> 807, Phoenix Tower, Opp. New Girish Cold drinks, Near Vijay Cross Roads, Navrangpura, Ahmedabad – 380009, Gujarat, India <b>Tel. No.:</b> +91-79-48405357, 48406357 <b>Email:</b> <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a> <b>Website:</b> <a href="http://www.beelinemb.com">www.beelinemb.com</a> <b>Investor Grievance Email:</b> <a href="mailto:ig@beelinemb.com">ig@beelinemb.com</a> <b>Contact Person:</b> Mr. Nikhil Shah <b>SEBI Registration No.:</b> INM000012917</p>	 <p><b>LINK INTIME INDIA PRIVATE LIMITED</b> C-101, 1 Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400083, Maharashtra, India <b>Tel. No.:</b> +91 810 811 4949 <b>Fax No.:</b> +91 22 49186195 <b>Email:</b> <a href="mailto:devlabtech ipo@linkintime.co.in">devlabtech ipo@linkintime.co.in</a> <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> <b>Investor Grievance Email:</b> <a href="mailto:devlabtech ipo@linkintime.co.in">devlabtech ipo@linkintime.co.in</a> <b>Contact Person:</b> Shanti Gopalkrishnan <b>SEBI Registration No.:</b> INR000004058</p>
ISSUE OPENS ON	ISSUE CLOSES ON
[●]	[●]

## **TABLE OF CONTENTS**

<b>SECTION</b>	<b>CONTENTS</b>	<b>PAGE NO.</b>
<b>I</b>	<b>GENERAL</b>	
	DEFINITIONS AND ABBREVIATIONS	01
	CERTAIN CONVENTIONS;PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA	12
	FORWARD LOOKING STATEMENTS	14
<b>II</b>	<b>OFFER DOCUMENT SUMMARY</b>	16
<b>III</b>	<b>RISK FACTORS</b>	20
<b>IV</b>	<b>INTRODUCTION</b>	
	THE ISSUE	38
	SUMMARY OF FINANCIAL INFORMATION	39
<b>V</b>	<b>GENERAL INFORMATION</b>	42
<b>VI</b>	<b>CAPITAL STRUCTURE</b>	50
<b>VII</b>	<b>PARTICULARS OF THE ISSUE</b>	
	OBJECTS OF THE ISSUE	75
	BASIS FOR ISSUE PRICE	80
	STATEMENT OF POSSIBLE TAX BENEFITS	82
<b>VIII</b>	<b>ABOUT THE COMPANY</b>	
	INDUSTRY OVERVIEW	86
	BUSINESS OVERVIEW	96
	KEY REGULATIONS AND POLICIES	108
	HISTORY AND CORPORATE STRUCTURE	114
	OUR MANAGEMENT	118
	OUR PROMOTERS AND PROMOTER GROUP	130
	DIVIDEND POLICY	135
<b>IX</b>	<b>FINANCIAL INFORMATION OF OUR COMPANY</b>	
	RESTATED FINANCIAL STATEMENTS	136
	OTHER FINANCIAL INFORMATION	137
	MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITIONS & RESULTS OF OPERATIONS	140
	CAPITALISATION STATEMENT	147
<b>X</b>	<b>LEGAL AND OTHER INFORMATION</b>	
	OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS	148
	GOVERNMENT AND OTHER APPROVALS	152
<b>XI</b>	<b>INFORMATION WITH RESPECT TO GROUP COMPANIES</b>	155
<b>XII</b>	<b>OTHER REGULATORY AND STATUTORY DISCLOSURES</b>	157
<b>XIII</b>	<b>ISSUE RELATED INFORMATION</b>	
	TERMS OF THE ISSUE	168
	ISSUE STRUCTURE	173
	ISSUE PROCEDURE	175
	RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	219
<b>XIV</b>	<b>DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION</b>	221
<b>XV</b>	<b>OTHER INFORMATION</b>	
	MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	250
	DECLARATION	251



## **SECTION I – GENERAL**

### **DEFINITIONS AND ABBREVIATIONS**

*This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time.*

*The words and expressions used in this Draft Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under. Notwithstanding the foregoing, terms used in of the sections “Industry Overview”, “Key Regulations and Policies”, “Statement of Possible Tax Benefits”, “Restated Financial Statements”, “Basis for Issue Price”, “History and Corporate Structure”, “Other Regulatory and Statutory Disclosures”, “Outstanding Litigations and Material Developments” and “Description of Equity Shares and Terms of the Articles of Association” on pages 86, 108, 82, 136, 80, 114, 157, 148 and 221, respectively, shall have the meaning ascribed to such terms in such sections.*

#### **General Terms**

<b>Term</b>	<b>Description</b>
“DLVL”, “the Company”, “our Company” and Dev Labtech Venture Limited	Dev Labtech Venture Limited (Formerly known as Jay Gems (India) Private Limited), a company incorporated in India under the Companies Act, 1956 having its Registered office GF/22-23, Pattani Plaza, Dairy Road, Near Nilambaug Circle, Bhavnagar – 364002, Gujarat, India
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company
“you”, “your” or “yours”	Prospective investors in this Issue

#### **Company related terms**

<b>Term</b>	<b>Description</b>
AOA / Articles / Articles of Association	Articles of Association of Dev Labtech Venture Limited as amended from time to time.
Audit Committee	The Committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 as amended.
Auditors/ Statutory Auditors/ Peer Review Auditor	The Auditors of Dev Labtech Venture Limited being M/s. V. Dhamsania & Associates, Chartered Accountant.
Bankers to the Company	HDFC Bank Limited
Board of Directors / the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “Our Management” beginning on page 118 of this Draft Prospectus.
Chairman/ Chairperson	The Chairman/ Chairperson of Board of Directors of our Company being Mr. Jerambhai Lavjibhai Donda
CIN	Corporate Identification Number of our Company i.e. U36100GJ1993PLC019374
Chief Financial Officer/CFO	The Chief Financial Officer of our Company being Mr. Jay Jerambhai Donda.
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Mr. Pratik Ashokbhai Patel
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of the Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.
Executive Directors	Executive Directors are the Managing Director & Whole Time Directors of our Company.
Group Companies	Companies with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and also other companies as considered material by our Board of the issuer as disclosed in “Information with Respect to Group Companies” on page 155 of this Draft Prospectus.



Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the Listing Regulations.
ISIN	International Securities Identification Number. In this case being INE0NIJ01017
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled “Our Management” on page 118 of this Draft Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on September 29, 2022, in accordance with the requirements of the SEBI (ICDR) Regulations, 2018.
MD or Managing Director	The Managing Director of our Company being Mr. Jerambhai Lavjibhai Donda
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Dev Labtech Venture Limited as amended from time to time.
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013.
Non-Executive Director	A Director not being an Executive Director or an Independent Director
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation 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.
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.
Promoter(s)	Shall mean promoters of our Company i.e., Mr. Jerambhai Lavjibhai Donda, Mrs. Labhuben Jerambhai Donda and Mr. Jay Jerambhai Donda For further details, please refer to section titled “Our Promoters and Promoter Group” beginning on page 130 of this Draft Prospectus.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as enlisted in the section titled “Our Promoters and Promoter Group” beginning on page 130 of this Draft Prospectus.
Registered Office	GF/22-23, Pattani Plaza, Dairy Road, Near Nilambaug Circle, Bhavnagar – 364002, Gujarat, India
Restated Financial Information	The restated audited financial information of the Company, which comprises of the restated audited balance sheet, the restated audited profit and loss information and restated audited cash flow information, for the stub period ended on September 30, 2022 and for the years ended March 31, 2022, 2021 and 2020 together with the annexure and notes thereto.
RoC/ Registrar of Companies	Registrar of Companies, Ahmedabad.
Shareholders	Shareholders of our Company
Stock Exchange	Unless the context requires otherwise, refers to, BSE Limited
Subscriber to MOA/Initial Promoters	Initial Subscriber to MOA & AOA being Mr. Arunava Raha, Mr. Jerambhai Patel, Mrs. Vimlaben Bhlani and Mrs. Gauriben Bhlani
Stakeholders Relationship Committee	The Stakeholder’s Relationship Committee of our Board constituted in accordance with section 178(5) of the Companies Act, 2013.

## ISSUE RELATED TERMS

Terms	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form
Allotment/Allot/Allotted	Unless the context otherwise requires, the issue and allotment of Equity Shares, pursuant to the Issue to the successful applicants.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges



Terms	Description
Allottee (s)	The successful applicant to whom the Equity Shares are being / have been issued.
Applicant/ Investor	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Draft Prospectus.
Application Form	The form in terms of which the Applicant shall make an Application, including ASBA Form, and which shall be considered as the application for the Allotment pursuant to the terms of this Draft Prospectus.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant(s)/ Applicant	Any prospective investor who makes an Application pursuant to the terms of the draft Prospectus and the Application Form including through UPI mode (as applicable).
ASBA Form	An application form, whether physical or electronic, used by ASBA Applicants, which will be considered as the application for Allotment in terms of the Draft Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bankers to the Issue	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being [●]
Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in “Issue Procedure” on page 175 of this Draft Prospectus.
Broker Centers	Broker centers notified by the Stock Exchanges where investors 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 websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the LM, the Registrar to the Issue and the Stock Exchange.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of this Draft Prospectus.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/</a> Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants.



Terms	Description
	The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Intermediaries/Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)
Designated Market Maker	Sunflower 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 Stock Exchange	BSE Limited (SME Platform) ("BSE SME")
DP	Depository Participant
DP ID	Depository Participant's Identity Number
Draft Prospectus	Draft prospectus dated January 12, 2023 issued in accordance with Section 23, 26 and 32 of the Companies Act, 2013 and SEBI ICDR Regulation.
Eligible NRI	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Prospectus will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value Rs. 10.00 each
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Eligible NRI(s)	An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to purchase the equity shares.
Escrow Account	Accounts opened with the Banker to the Issue
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/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
GIR Number	General Index Registry Number.
IPO/ Issue/ Issue Size/ Public Issue	Initial Public Offering
Issue Closing Date	The date after which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a



Terms	Description
	regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Opening Date	The date on which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Price	The Price at which the Equity Shares are being issued by our Company under this Draft Prospectus being Rs. 51.00 per equity share.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.
Issue Size	The Public Issue of 22,00,000 Equity shares of Rs. 10/- each at issue price of Rs. 51.00 per Equity share, including a premium of Rs. 41.00 per equity share aggregating to Rs. 1122.00 Lakhs
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “Objects of the Issue” page 75 of this Draft Prospectus
LM/Lead Manager	Beeline Capital Advisors Private Limited
Market Making Agreement	The Market Making Agreement dated December 17, 2022 Sunflower Broking Private Limited between our Company, Lead Manager and Market Maker.
Market Maker Reservation Portion	The reserved portion of 1,12,000 Equity Shares of Rs. 10 each at an Issue price of Rs. 51.00 each aggregating to Rs. 57.12 Lakhs to be subscribed by Market Maker in this issue.
Memorandum of Understanding / MOU	The Memorandum of Understanding dated December 15, 2022 between our Company and LM.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 20,88,000 equity Shares of Rs. 10 each at a price of Rs. 51.00 per Equity Share (the “Issue Price”), including a share premium of Rs. 41.00 per equity share aggregating to Rs. 1064.88.
Non-Institutional Investors / Applicant	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value 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
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	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.
Prospectus	The prospectus, filed with the RoC in accordance with the provisions of Section 23, 26 and 32 of the Companies Act, 2013.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the ASBA Applicant, on the Designated Date.
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet ‘know your client’ requirements prescribed by SEBI.
Qualified Institutional Buyers/ QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of Rs. 25.00 Crore; a pension fund with minimum corpus of Rs 25.00 Crore; National Investment Fund set up by resolution No. F. No. 2/3/2005 –



Terms	Description
	DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue being Link Intime India Private Limited
Registrar Agreement	The agreement dated December 12, 2022 entered into between our Company, and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs. 2,00,000.
Registered Broker	Individuals or companies registered with SEBI as “Trading Members”(except Syndicate/ Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges ,through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="https://www.bseindia.com/members/MembershipDirectory.aspx">https://www.bseindia.com/members/MembershipDirectory.aspx</a>
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s)
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
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Self-Certified Syndicate Bank(s) / SCSB(s)	Banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services of ASBA, including blocking of bank account, a list of which is available <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
SME Exchange	SME Platform of the BSE Limited i.e. BSE SME
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the applicants, as proof of registration of the Application
Underwriters	The LM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated December 17, 2022 entered between the Underwriters, LM and our Company.
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two person’s bank accounts using a payment address which uniquely identifies a person’s bank Account.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (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 RII to such UPI 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 an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended



Terms	Description
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Working Day	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the city as specified in the Draft Prospectus are open for business: <ol style="list-style-type: none"> <li>1. However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the city as notified in this Prospectus are open for business.</li> <li>2. In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.</li> </ol>

## COMPANY AND INDUSTRY RELATED TERMS

### Technical and Industry Related Terms

Term	Full Form
3D	Three Dimensions
BIS	Bureau of Indian Standards
CAD	Computer Aided Design
CAM	Computer Aided Manufacturing
CAGR	Compound Annual Growth Rate
Carat/ Karat	A measure of purity of Gold
CO <sub>2</sub>	Carbon Dioxide
CPI	Consumer Price Index
CVD	Chemical Vapour Deposition (Commonly known as Lab grown diamond)
FDI	Foreign direct investment
GDP	Gross Domestic Product
GJC	Gem and Jewellery Domestic Council
GJEPC	Gem & Jewellery Export Promotion Council
G & J	Gems and Jewellery
GII	Gemmological Institute of India
GHz	Gigahertz
GM	Gram
GVA	Gross value added
HPHT	High pressure, High temperature
KG	Kilogram
LED	Light-emitting diodes
MG	Milligram
MPCVD	Microwave Plasma Chemical Vapour Disposition
MM	Millimetre
µm	micromole
NM	Nanometer
UV	Ultraviolet
W/m-K	Watts per meter-Kelvin
y-o-y	Year on Year

## ABBREVIATIONS

Abbreviation	Full Form
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount



Abbreviation	Full Form
Amt	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
BBA	Bachelor of Business Administration
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE
Banking Regulation Act	The Banking Regulation Act, 1949
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
Category I Alternate Investment Fund / Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I Foreign Portfolio Investor(s) / Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II Alternate Investment Fund / Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II Foreign Portfolio Investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III Alternate Investment Fund / Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CA	Chartered Accountant
CB	Controlling Branch
CDSL	Central Depository Services (India) Limited
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate social responsibility.
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CENVAT	Central Value Added Tax
CIBIL	Credit Information Bureau (India) Limited
CST	Central Sales Tax
COVID – 19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CWA/ICWA/CMA	Cost and Works Accountant
CMD	Chairman and Managing Director
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 to the extent notified) and/or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification
Depository or Depositories	NSDL and CDSL.
DIN	Director Identification Number



Abbreviation	Full Form
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
Gol/Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GST	Goods and Service Tax
GVA	Gross Value Added
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICAI/ICMAI (Previously known as ICWAI)	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / ₹/ Rupees/Rs.	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
i.e	That is
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
LM	Lead Manager
Ltd.	Limited
MAT	Minimum Alternate Tax



Abbreviation	Full Form
MCA	Ministry of Corporate Affairs, Government of India
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and medium Enterprises
MoA	Memorandum of Association
NA	Not Applicable
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRI	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended from time to time



Abbreviation	Full Form
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI (PFUTP) Regulations/ PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
SPV	Special Purpose Vehicle
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US/United States	United States of America
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds as defined under the SEBI AIF Regulations
VAT	Value Added Tax
w.e.f.	With effect from
WIP	Work in process
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(III) of the SEBI ICDR Regulations
YoY	Year over Year

The words and expressions used but not defined in this Draft Prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “Description of Equity Shares and Terms of the Articles of Association”, “Statement of Possible Tax Benefits”, “Industry Overview”, “Key Regulations and Policies”, “Financial Information of our Company”, “Outstanding Litigations and Material Developments” and “Issue Procedure”, will have the meaning ascribed to such terms in these respective sections.



## **CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

### **Certain Conventions**

All references in the Draft Prospectus to “India” are to the Republic of India. All references in the Draft Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

In this Draft Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Dev Labtech Venture Limited (Formerly known as Jay Gems (India) Private Limited)”, “DLVL”, and, unless the context otherwise indicates or implies, refers to Dev Labtech Venture Limited. In this Draft Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Ten Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Draft Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

### **Use of Financial Data**

Unless stated otherwise, throughout this Draft Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Draft Prospectus is derived from our financial statements prepared and restated for the stub period ended on September 30, 2022 and for the financial years ended on March 31, 2022, 2021 and 2020 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 and the rules framed thereunder, including any amendment, modification, variation or re-enactment made thereof time to time, included under Section titled “Financial Information of our Company” beginning on page 136 of this Draft Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31<sup>st</sup> of every next year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited. 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 “Risk Factors”, “Business Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in the Draft Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements 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 Review Auditor, set out in section titled “Financial Information of our Company” beginning on page 136 of this Draft Prospectus.

For additional definitions used in this Draft Prospectus, see the section “Definitions and Abbreviations” on page 01 of this Draft Prospectus. In the section titled “Description of Equity Shares and Terms of the Articles of Association”, on page 221 of the Draft Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

### **Currency and Units of Presentation**

All references to:

- “Rupees” or “INR” or “Rs.” or “₹” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” are to United States Dollar, the official currency of the United States.

Our Company has presented certain numerical information in this Draft Prospectus in “Lakhs” units. One Lakh represents 1,00,000. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal place.

### **Use of Industry & Market Data**

Unless stated otherwise, industry and market data and forecast used throughout the Draft prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data



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

Although, we believe industry and market data used in the Draft Prospectus is reliable, it has not been independently verified by us or the LM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. 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 market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled “Basis for Issue Price” on page 80 of the Draft 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.



## **FORWARD LOOKING STATEMENTS**

All statements contained in this Draft Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Prospectus regarding matters that are not historical facts. We have included statements in the Draft Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward-looking statements.

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:

1. Disruption in our business process.
2. Our ability to successfully implement our strategy, our growth and expansion, technological changes.
3. Fail to attract, retain and manage the transition of our management team and other skilled & unskilled employees;
4. Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
5. Ability to respond to technological changes;
6. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
7. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
8. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
9. Recession in the market;
10. Changes in laws and regulations relating to the industries in which we operate;
11. Effect of lack of infrastructure facilities on our business;
12. Our ability to meet our capital expenditure requirements;
13. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
14. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
15. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
16. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
17. Conflicts of interest with affiliated companies, the promoter group and other related parties;
18. The performance of the financial markets in India and globally;
19. Any adverse outcome in the legal proceedings in which we are involved;
20. Our ability to expand our geographical area of operation;
21. Concentration of ownership among our Promoters.

For further discussion of factors that could cause our actual results to differ, see the Section titled “Risk Factors”; “Business Overview” & “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 20, 96 & 140 respectively of the Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors 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.

Neither our Company, our Directors, our Officers, Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company, and the Lead Manager will ensure that investors in India are informed of material developments



until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.



## **SECTION II: OFFER DOCUMENT SUMMARY**

### **A. PRIMARY DETAIL OF BUSINESS AND INDUSTRY**

#### **Summary of Business**

Our Company is in business of manufacturing, marketing and sourcing of diamonds – natural and lab grown having wide application in Jewellery. We are equipped with all facilities to execute all types of manufacturing activities from rough natural stone to finished polished diamonds and from Seed to finished lab grown diamonds with various sizes, shapes, clarity and colours.

For further details, please refer chapter titled “Business Overview” beginning on Page no. 96 of this Draft Prospectus.

#### **Summary of Industry**

India’s gold and diamond trade contributed ~7.5% to India’s Gross Domestic Product (GDP) and 14% to India’s total merchandise exports. The gems and jewellery sector is likely to employ ~8.23 million persons by 2022, from ~5 million in 2020.

Based on its potential for growth and value addition, the Government declared gems and jewellery sector as a focus area for export promotion. The Government has undertaken various measures recently to promote investment and upgrade technology and skills to promote ‘Brand India’ in the international market.

The Government has permitted 100% FDI in the sector under the automatic route, wherein the foreign investor or the Indian company do not require any prior approval from the Reserve Bank or the Government of India.

For further details, please refer chapter titled “Industry Overview” beginning on Page no. 86 of this Draft Prospectus.

### **B. OUR PROMOTERS**

Our company is promoted by Mr. Jerambhai Lavjibhai Donda, Mr. Jay Jerambhai Donda and Mrs. Labhubhen Jerambhai Donda.

### **C. SIZE OF THE ISSUE**

Public Issue of 22,00,000 Equity Shares of Face Value of ₹10/- each of Dev Labtech Venture Limited (“DLVL” or “Our Company”) for Cash at a Price of ₹ 51.00 Per Equity Share (Including a Share Premium of ₹ 41.00 per Equity Share) (“Issue Price”) aggregating to ₹ 1122.00 Lakhs, of which 1,12,000 Equity Shares of Face Value of ₹ 10/- each at a price of ₹ 51.00 aggregating to ₹ 57.12 Lakhs will be reserved for subscription by Market Maker (“Market Maker Reservation Portion”) and Net Issue to Public of 20,88,000 Equity Shares of Face Value of ₹10/- each at a price of ₹ 51.00 aggregating to ₹1064.88 Lakhs (hereinafter referred to as the “Net Issue”) The Issue and the Net Issue will constitute 26.60% and 25.24% respectively of the Post Issue paid up Equity Share Capital of Our Company.

### **D. OBJECT OF THE ISSUE**

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

S. No	Particulars	Amt. (₹ in Lakhs)	% of Total Issue Size
1.	To Meet Capital Expenditure	154.00	13.73
2.	To Meet Working Capital Requirement	750.00	66.84
3.	General Corporate Expenses	178.00	15.86
4.	Public Issue Expenses	40.00	3.57
<b>Gross Issue Proceeds</b>		<b>1122.00</b>	<b>100.00</b>
<b>Less: Issue Expenses</b>		<b>40.00</b>	
<b>Net Issue Proceeds</b>		<b>1082.00</b>	

### **E. PRE-ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE COMPANY**



S. No	Names	Pre-Issue		Post Issue	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	<b>Promoter</b>				
1.	Mr. Jerambhai Lavjibhai Donda	21,68,990	35.73	21,68,990	26.22
2.	Mrs. Labhuben Jermabhai Donda	19,97,628	32.90	19,97,628	24.15
3.	Mr. Jay Jerambhai Donda	13,28,978	21.89	13,28,978	16.07
	<b>TOTAL (A)</b>	<b>54,95,596</b>	<b>90.52</b>	<b>54,95,596</b>	<b>66.44</b>
	<b>Promoter Group</b>				
1.	Mrs. Dimple Jay Donda	8,125	0.13	8,125	<b>0.10</b>
2.	Mrs. Nidhi J. Donda	3,750	0.06	3,750	<b>0.05</b>
3.	Jerambhai L. Donda HUF	1,14,188	1.88	1,14,188	1.38
4.	Mrs. Bhavitaben D Kalathiya	1,250	0.02	1,250	0.02
5.	Mrs. Heenaben S Vaghasiya	1,250	0.02	1,250	0.02
6.	Mrs. Vanani Rinaben Chetanbhai	1,250	0.02	1,250	0.02
	<b>TOTAL (B)</b>	<b>1,29,813</b>	<b>2.14</b>	<b>1,29,813</b>	<b>1.57</b>
	<b>GRAND TOTAL (A+B)</b>	<b>56,25,409</b>	<b>92.66</b>	<b>56,25,409</b>	<b>68.01</b>

For further details, refer chapter titled “Capital Structure” beginning on page no. 50 of this Draft Prospectus.

## F. SUMMARY OF RESTATED FINANCIAL STATEMENT

### Restated Financials

(Rs. in Lakhs)

Particulars	For the Stub Period ended on September 30, 2022	For the year ended March 31,		
		2022	2021	2020
Share Capital	485.69	125.72	20.95	20.95
Net Worth	717.86	192.07	148.45	144.80
Total Revenue	966.43	2698.01	1228.11	1178.85
Profit after Tax	64.12	43.62	3.65	0.04
Earnings Per Share	1.42	3.47	1.74	0.02
Net Asset Value Per Share (₹)	14.78	15.28	70.85	69.11
Total Borrowings	114.52	122.58	177.53	154.05

G. There are no material Auditor’s Qualifications in any of the Financial Statements of the Company.

## H. SUMMARY OF OUTSTANDING LITIGATION ARE AS FOLLOWS:

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
<b>Litigation filed by and against Company and Directors/Promoters</b>		
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Tax Proceedings	--	--
Other Litigation	--	--

For further information, please refer chapter titled “Outstanding Litigations and Material Developments” on page no. 148 of this Draft Prospectus.

I. Investors should read chapter titled “Risk Factors” beginning on page no. 20 of this Draft Prospectus to get a more informed view before making any investment decisions.

## J. SUMMARY OF CONTINGENT LIABILITIES

Particulars	For the Stub Period ended on September 30, 2022	As at		
		31.03.2022	31.03.2021	31.03.2020



<b>Contingent liabilities in respect of:</b>				
Claims against the company not acknowledged as debts	Nil	Nil	Nil	Nil
Bank Guarantee issued by bank	Nil	Nil	Nil	Nil
Bills discounted from bank	Nil	Nil	Nil	Nil
Letter of credit outstanding	Nil	Nil	Nil	Nil
<b>Total</b>	Nil	Nil	Nil	Nil

For further information, please refer chapter titled “Financial Information of our Company” on page no. 136 of this Draft Prospectus.

#### K. SUMMARY OF RELATED PARTY TRANSACTIONS

(Amount in Lakhs)

Name	Relation	Nature of Transaction	As At 30.09.2022	As At 31.03.2022	As At 31.03.2021	As At 31.03.2020
Jay Jerambhai Donda	Director	Director's Remuneration	3.00	4.20	3.85	3.79
		Re-imbursement of Exp.	0.44	0.23	0.00	0.00
		Loan Received	0.00	11.80	14.05	0.00
		Loan Paid	0.00	11.80	14.05	0.00
		Closing balance-Salary	1.33	4.98	1.60	0.50
Labhuben Jerambhai Donda	Director	Director's Remuneration	0.00	4.44	4.07	4.08
		Loan Received	24.00	2.30	16.90	0.00
		Loan Paid	24.00	19.20	0.00	0.00
		Closing balance-Loan a/c	0.00	0.00	16.90	0.00
		Closing balance-Salary	0.21	1.71	3.02	3.60
Jay Gems	Significant Interest held by Director	Re-imbursement of Exp.	0.00	0.36	0.00	1.40
		Labour Charges	5.52	0.00	0.00	0.00
		Rent Expense	0.00	1.27	1.27	1.35
		Closing balance-Trade Payable	0.00	2.96	1.43	0.43
Sealand Shipping & Exports Private Limited	Significant Interest held by Director	Closing balance-Trade Payable	8.74	8.74	8.74	8.74
UG Diam	Significant Interest held by Director	Purchase	85.90	17.62	0.00	0.00
		Rent Income	0.00	0.42	0.28	0.00
		Closing balance-Rent Receivable	0.00	0.42	0.28	0.00
		Closing balance-Trade Payable	0.06	-10.88	0.00	0.00
Dimple J Donda	Director's Wife	Advance Money Refunded	0.00	1.70	0.00	0.00
		Salary Paid	0.00	0.00	0.00	3.77
		Loan Paid	0.00	0.00	3.75	0.00
		Closing balance-Salary	0.00	0.00	0.00	2.05
		Closing balance-Loan a/c	0.00	0.00	-1.70	0.00



For details of Restated related party transaction, under chapter titled “Restated Financial Statements” beginning on page no. 136 of this Draft Prospectus.

- L.** There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of 6 (six) months immediately preceding the date of this Draft Prospectus.
- M.** The weighted average price of acquisition of Equity Shares by our Promoters in last one year is:

Our Promoters has not acquired Equity Shares in last year. For further details, refer chapter titled “Capital Structure” beginning on page no. 50 of this Draft Prospectus.

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

Name of the Promoters	No. of Shares held	Average Cost of Acquisition per Share (In Rs.)*
Mr. Jerambhai Lavjibhai Donda	21,68,990	6.58
Mrs. Labhubhen Jerambhai Donda	19,97,628	4.86
Mr. Jay Jerambhai Donda	13,28,978	6.20

\*Average cost of acquisition is calculated on the basis of face value of equity shares of Rs. 10/- each.

- O.** Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Prospectus till the listing of the Equity Shares.
- P.** Except as disclosed in this Draft Prospectus, our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Prospectus
- Q.** Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Prospectus.
- R.** As on date of the Draft Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI



### **SECTION III - RISK FACTORS**

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a better understanding, you should read this section together with "Business Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 96 and 140, respectively, as well as the other financial and statistical information contained in this Draft Prospectus. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.*

*If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our cash flows, business, financial condition and results of operations could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the impact is not quantifiable and hence the same has not been disclosed in such risk factors. Investment 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 Issue. Before making an investment decision, investors must rely on their own examination of the Issue and us.*

*This Draft Prospectus 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 Draft Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. 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 our Equity Shares.*

*In this Draft Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in "Risk Factors" on page 20 and "Management Discussion and Analysis of Financial Condition and Results of Operations" on page 140 respectively of this Draft Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the "Financial Information of our Company" prepared in accordance with the Indian Accounting Standards.*

#### **Materiality**

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

1. Some events may have material impact quantitatively;
2. Some events may have material impact qualitatively instead of quantitatively;
3. Some events may not be material individually but may be found material collectively;
4. Some events may not be material at present but may be having material impact in future.

#### **INTERNAL RISK FACTORS**

- 1. Our Company has recently started manufacturing of lab grown diamonds and thus we have limited operating history in manufacturing which may make it difficult for investors to evaluate our historical performance or future prospects.**

Our Company was in business of processing of Natural Diamonds such as polishing and cutting. In the year 2022, we have started the manufacturing of lab grown diamonds. We have very limited operating history in manufacturing of lab grown diamonds from which one can evaluate our business, future prospects and viability. Our future revenues and profitability are difficult to estimate and could fluctuate significantly.

Further our business prospects must be considered in light of the risks and uncertainties in respect of manufacturing of Lab grown diamonds. We may not be able to increase revenue or maintain profitability on a quarterly or an annual basis. If this occurs, our results of operations and financial condition will be adversely affected. Our growth exposes us to a wide range of increased risks. It will also place significant demands on our management, financial and other resources and will require us to continuously develop and improve our operational, financial and internal controls.



There can be no assurance that we will be able to successfully pursue our growth strategies, or that pursuing these strategies will provide us the anticipated benefits in terms of growth and profitability. Further, we may be unable to develop adequate systems, infrastructure and technologies, devote sufficient financial resources or develop and attract talent to manage our growth. Our inability to pursue our growth strategies successfully or at all, or an inability to manage our growth, may adversely affect our prospects.

For details regarding of our Business please refer chapter titled “Business Overview” beginning on page no. 96 of this Draft Prospectus.

- 2. We generally do business with our customers on purchase order basis & retail basis and do not enter into long term contracts with them. Our inability to maintain relationships with our customers could have an adverse effect on our business, prospects, results of operations and financial condition.***

Our business is dependent on our continuing relationships with our customers. Our Company neither has any long-term contract with any of customers nor has any marketing tie up for our products. Any change in the buying pattern of our customers can adversely affect the business of our Company. 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.

Our business depends on the continuity of our relationship with our customers. There can be no assurance that we will be successful in maintaining such relationships or increasing the number of such relationships. If we are not able to maintain existing relationships with our current customers or if we are not able to develop new relationships, including if we are not able to provide products on a timely basis that meet the needs of the customers, the number of customers could decline in the future and as a result, our business, prospects, results of operations and financial condition could be adversely affected in the future.

For details regarding of our Business please refer chapter titled “Business Overview” beginning on page no. 96 of this Draft Prospectus.

- 3. Our Diamonds are used for Jewellery and often perceived as luxury purchases. Any factor negatively impacting discretionary spending by consumers may adversely affect our business, results of operations, financial condition and prospects.***

Diamonds Jewellery purchases are typically high-value, luxury purchases and depend on consumers' discretionary spending power. Various factors affect discretionary consumer spending, including economic conditions, perceptions of such conditions by consumers, economic outlook, employment, the level of consumers' disposable income, the savings ratio, business conditions, inflation levels, interest rates, consumer debt and asset values, availability of credit and levels of taxation, among others. Additionally, diamond Jewellery is not perceived to be a necessity which may result in a significant fall in demand in the case of adverse economic conditions as opposed to demand for those goods that are perceived as a necessity. Any such fall in demand or a decline in the general economic conditions in India or our international markets or conditions which may bring discretionary spending by consumers under pressure could adversely affect our business, financial condition and results of operations.

- 4. We require certain approvals and licenses in the ordinary course of business and the failure to successfully obtain such registrations would adversely affect our operations, results of operations and financial condition.***

We are governed by various laws and regulations for our business and operations. The lab grown diamond business are the new emerging business in India and the applicable regulations & guidelines of the Gems & Jewellery Council are not clear as on date. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us 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 need to update pursuant to change in name and conversion of company from private to public Company.

While we have obtained a significant number of approvals, licenses, registrations and permits from the relevant authorities. Further our company has applied for Shop & Establishment Registration and yet to apply for ESI, PF, Professional Tax for our Company and Shop & Establishment for one of branch. There can be no assurance that the relevant authority will issue an approval or renew expired approvals within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could result in cost and time overrun or which could affect our related operations.



Furthermore, under such circumstances, the relevant authorities may initiate penal action against us, restrain our operations, impose fines/penalties or initiate legal proceedings for our inability to renew/obtain approvals in a timely manner or at all.

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavour to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, which have not been obtained by our Company or are, pending renewal, see “Government and Other Approvals” on page 152 of this Draft Prospectus.

**5. *The property used by the Company for the purpose of its operations is not owned by us. Any termination of the relevant lease agreement or rent agreement in connection with such property or our failure to renew the same could adversely affect our operations.***

Our marketing office located at Flat No. D/403, 4th floor, Green wood, Andheri Kurla Road, Chakala, Andheri (East), Zone 3, Mumbai – 400059, Maharashtra, India, our branch and manufacturing unit situated at Plot No 53-54, 1st Floor, Thakordwar Society, Mini Bazaar, Varachha, Surat – 395006, Gujarat, India and Ground Floor, Bunglow No. 21, Ambika Society, R. S. no. 136, 193, Part of village Kulpada, Surat City, Katargam -395006, Gujarat, India is not owned by us. Any termination of the lease in connection with this property or our failure to renew the same, in a timely manner or at all could adversely affect our operations. If we are required to vacate the current premises, we would be required to make alternative arrangements for our business activities and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

For details regarding properties taken on lease refer the chapter titled —Properties – “Business Overview” beginning on page no. 96 of this Draft Prospectus.

**6. *We may be unable to respond to changes in consumer demands and market trends in a timely manner.***

Our success depends on our ability to identify, originate and define product and market trends, as well as to anticipate, gauge and react to rapidly changing consumer demands in a timely manner. Our products must also appeal to a broad range of customers whose preferences may vary significantly across regions and cannot be predicted with certainty. We cannot assure you that the demand for our products with end-consumers will continue to grow or that we will be able to continue to develop appealing product or meet rapidly changing consumer demands in the future. If we misjudge the market for our products or fail to anticipate a shift in consumer preferences, we may be faced with a reduction in revenues. If we are unable to attract sufficient demand for our diamonds, our business may suffer.

For details regarding of our Business please refer chapter titled “Business Overview” beginning on page no. 96 of this Draft Prospectus.

**7. *We are using unregistered Logo of our Company and we have not yet applied for the same. Such failure to protect our intellectual property rights could adversely affect our competitive position, business, financial condition and profitability.***

We are yet to file application for registration of our trademark. The registration of any intellectual property right is a time-consuming process, and there can be no assurance that any such registration will be granted. For details, please refer to the chapter “Government and other Approvals” on page 152 of this Draft Prospectus.

In the absence of such registration, competitors or other companies may challenge the validity or scope of our intellectual property. Unless our trademarks are registered, we may only get passing off relief for our Trademarks, if used by others, which could materially and adversely affect our business. Similarly, in case our trademark is rejected or objected, this could adversely affect our competitive position, business, financial condition and profitability.



- 8. *The Company is yet to place orders for 100% of the plant & machineries for our proposed object, as specified in the Objects of the Issue. Any delay in placing orders, procurement of plant & machineries may delay our implementation schedule and may also lead to increase in price of these plant & machineries, further affecting our revenue and profitability.***

Although we have identified the type of plant and machineries required to be bought however, we are yet to place orders for 100% of the plant & machinery worth Rs 154.00 lakhs as detailed in the “Objects of the Issue” beginning on page 75 of this Draft Prospectus. These are based on our estimates and on third-party quotations, which are subject to a number of variables, including possible cost overruns, changes in management’s views of the desirability of current plans, change in supplier of plant & machineries, Equipments among others, which may have an adverse effect on our business and results of operations.

Further, we cannot assure that we would be able to procure these plant and machineries, or procure the same within budgeted costs and timelines. Delays in acquisition of the same could result in the cost and time overrun, which would have a material adverse effect on our business, results of operations and financial condition. For further details, please refer to the chapter titled “Objects of the Issue” beginning on page 75 of this Draft Prospectus.

- 9. *Our Promoter Group Entities operate in the similar line of business as us, which may lead to competition with such Entities.***

Our Promoter Group Entities i.e., Jay Gems, Eco Grown Diam / Suchi Powers and Eco Friendly Diam / Shri Man Powers are involved in line of business that may potentially compete with our Company or are authorized to carry out business, similar to that of our Company. We may hence have to compete with our Promoter Group Entities for business, which may impact our business, financial condition and results of operations. The interests of our Promoters or Promoter Groups may also conflict in material aspects with our interests or the interests of our shareholders. For further details, please refer “Our Promoter and Promoter Group” beginning on page no. 130 of this Draft Prospectus. Further, our Promoters may become involved in ventures that may potentially compete with our Company. The interests of our Promoters or Promoter Groups may conflict with the interests of our other Shareholders and our Promoters may, for business considerations or otherwise, cause our Company to take actions, or refrain from taking actions, in order to benefit themselves instead of our Company's interests or the interests of its other Shareholders and which may be harmful to our Company's interests or the interests of our other Shareholders, which may impact our business, financial condition and results of operations.

We have not entered into any non-compete agreement with our Promoters and/or Promoter Groups and/or our Promoter Group Entities. We cannot assure you that our Promoters and/or our Promoter Group Entities and/or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition.

- 10. *Any change in our consumer’s likes, preferences or a change in their perception regarding the quality of our products may negatively affect the image and our reputation and in turn affect our revenues and profitability.***

The industry in which we operate is highly competitive and where goodwill and reputation are of huge significance. Although we have been in the business of trading rough and polished diamonds, any change in consumer’s likes, preferences or a change in their demands regarding the quality and authenticity of our products, may negatively affect the image and reputation of our products and consequently that our Company. Further, such incidences may expose our Company to liabilities and claims, adversely affect our reputation, growth and profitability.

- 11. *The price, at which we are able to obtain the Raw Material for manufacture of our finished products depend largely on prevailing market prices. Increase in costs of our raw materials could have a material adverse effect on our Company’s sales, profitability and results of operations.***

Our Company is dependent on third party suppliers for procuring raw materials. We are exposed to fluctuations in the prices of these raw materials as well as its unavailability, particularly as we typically do not enter into any longterm supply agreements with our suppliers and our major requirement is met in the spot market. We may be unable to control the factors affecting the price at which we procure the materials. We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers. Upward fluctuations in the prices of raw material may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial condition and results of operations. Though we enjoy favourable terms from the suppliers both in prices as well as in supplies, our inability to obtain high quality materials in a timely and cost-effective manner would cause delays in our production and delivery schedules, which may result in the loss of our customers and revenues.



**12. *Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.***

Modernization and technology upgradation is essential to reduce costs and increase the output specifically in our Lab grown diamond manufacturing industry. Our technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions. In case of a new-found technology in the manufacturing facilities, we may be required to implement new technology or upgrade the machineries and other equipment's employed by us. Further, the costs in upgrading our technology and modernizing the plant and machineries are significant which could substantially affect our finances and operations.

**13. *We have a substantial amount of outstanding indebtedness, which requires significant cash flows to service and are subject to certain conditions and restrictions in terms of our financing arrangements, which restricts our ability to conduct our business and operations in the manner we desire.***

As of September 30, 2022, our long-term borrowings were ₹ 110.39 Lakhs & short-term borrowings were 4.13 Lakhs and we will continue to incur additional indebtedness in the future. Our level of indebtedness has important consequences to us, such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our ability to borrow additional amounts in the future;
- affecting our capital adequacy requirements; and
- Increasing our finance costs.

In the event we breach any financial or other covenants contained in any of our financing arrangements or in the event we had breached any terms in the past which is noticed in the future, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. If the lenders of a material amount of the outstanding loans declare an event of default simultaneously, our Company may be unable to pay its debts when they fall due. Also, our company has not yet received NOC from its lender bank i.e. Axis Bank Limited for Initial Public offer. For further details of our Company's borrowings, see "Financial Information of our Company" on page 136 of this Draft Prospectus.

**14. *Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an effect on our business, results of operations and financial condition.***

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy involves focusing on Optimal Utilization of Resources and to developed relationships with customer. For further details, see the section titled "Business Overview" on page 96 of this Draft Prospectus. Our success in implementing our growth strategies may be affected by:

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

There can be no assurance that we will be able to execute our strategy on time and within our estimated budget, or that our expansion and development plans will increase our profitability. Any of these factors could impact our results of operations. We cannot assure you that we will not face any time or cost overruns in respect of implementation of our strategies in the future. Further, we expect our growth strategy to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and implement our growth strategy could have effect on our business, financial condition and profitability.

**15. *Continued operations of our manufacturing facilities are critical to our business and any disruption in the operation of our manufacturing facilities may have a material adverse effect on our business, results of operations and financial condition.***

Our manufacturing facilities are subject to operating risks, such as break- down, obsolescence or failure of machinery, disruption in power supply or processes, performance below expected levels of efficiency, labour disputes, natural disasters, industrial accidents and statutory and regulatory restrictions. In the event of a breakdown or failure of such machinery and such machinery may have to be sent for repairs or servicing. This may lead to delay and disruption in our production process that could have an adverse impact on our sales, results of operations, business growth and prospects.



**16. Our success is dependent on our Promoter, management team and skilled manpower. Our inability to attract and retain key personnel or the loss of services of our Promoter or Managing Director and Whole Time Director may have an adverse effect on our business prospects.**

Our Promoter, Managing Director, Whole Time Director and management team have significantly contributed to the growth of our business, and our future success is dependent on the continued services of our management team. Our Managing Director Mr. Jerambhai Lavjibhai Donda and whole-time Director Mr. Jay Jerambhai Donda are having experience of 41 years and 9 years respectively in Diamond Industry which turn out beneficial for the Company. An inability to retain any key managerial personnel may have an adverse effect on our operations. We might face challenges in recruiting suitably 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, our directors 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.

For further details of our Promoters and Management, please refer chapter titled “Our Promoters and Promoter Group” and “Our Management” beginning on Page 130 & 118 of this Draft Prospectus.

**17. Some of our corporate records and forms filed with the Registrar of Companies are not traceable.**

Our Company is unable to trace certain corporate and other documents in relation to our company including forms filed with Registrar of Companies prior to the year 2006. Due to Change in methods of records keeping on account of technological advancement and computerization, over the years, certain forms file with ROC prior to the year 2006 like Return of Allotment pertaining to year 1994, Registration of charges and modification of charges, annual return etc. could not be traced by our company. Further online filing of Roc Documents was initiated in the year 2006 and all forms prior to the said year were physically filed, hence certain of these forms could not be retrieved from Ministry of Corporate Affairs (MCA) portal. Our Company had carried limited purpose search for the physical copies of the untraceable forms at the RoC Ahmedabad but the forms are not available at the office of Registrar of Companies as well. As such under the circumstances elaborated above, Our Company cannot assure you that the filings were made in a timely manner or the information gathered through other available documents of the company are correct. Also our Company may not in position to attend to and / or respond appropriately to any legal matter due to lack of lost/ destroyed records and to that extend the same could adversely affect our business operation.

**18. Our top ten customers contribute majority of our revenues from operations of natural diamond business. Any loss of business from one or more of them may adversely affect our revenues and profitability.**

Our top ten customers have contributed 72.64%, 50.70%, 58.19% and 54.63% of our revenues for the period ended September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 based on Restated Financial Statements in respect of the natural diamond business. However, our top customers may vary from period to period depending on the demand and thus the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. Since our business is concentrated among few significant customers, we could experience a reduction in our results of operations, cash flows and liquidity if we lose one or more of these customers or the amount of business we obtain from them is reduced for any reason, including but not limited on account of any dispute or disqualification.

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

**19. Our top ten suppliers contribute majority of our purchases for natural diamond business. Any loss of business with one or more of them may adversely affect our business operations and profitability.**

Our top ten suppliers contributed in respect of the natural diamond business approximately 97.88%, 47.54%, 82.11% and 100.00% of our total purchases for the period ended September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 based on Restated Financial Statements. However, our top suppliers may vary from period to period depending on the demand-supply mechanism and thus the supply process from these suppliers might change as we continue to seek more cost effective suppliers in normal course of business. Since our business is concentrated among relatively few significant suppliers, we could experience a reduction in our purchases and business operations if we lose one or more of these suppliers, including but not limited on account of any dispute or disqualification.



While we believe we have maintained good and long term relationships with our other suppliers too, there can be no assurance that we will continue to have such long term relationship with them. We cannot assure that we shall do the same quantum of business, or any business at all, with these customers, and loss of business with one or more of them may adversely affect our purchases and business operations.

***20. The success of our Company mainly depends upon the quality of diamonds sell to our customer and our ability to retain the present number of customers and attract newer customers. Any failure in retaining or attracting customers on year on year basis and any decline in quality of our diamonds will impact the business and the revenues earned by the Company.***

Since, Natural and Lab grown diamonds are the products we sell to our customers, the quality and authenticity of rough and polished diamonds delivered, the ability to timely procure them at the competitive price, would assist the company in earning trust, goodwill, popularity and visibility amongst its customers. In case the Company fails to maintain and enhance its current market position, the quality and authenticity of Natural and Lab grown diamonds sold and the failure to attract current and newer customers; the revenues earned by the company may be affected.

For details regarding of our Business please refer chapter titled “Business Overview” beginning on page no. 96 of this Draft Prospectus.

***21. There are certain discrepancies and non-compliances noticed in some of our corporate records relating to forms filed with the Registrar of Companies.***

In the past, our company has filed forms in RoC with some clerical mistakes. Further we have at several instances, delayed in filing our GST returns mainly due to timely non-available of populated data in the portal as a result of which, we have been required to pay the late filing fees along with interest on delayed deposit of due taxes. Although the late filing fees levied are small but if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows. Also our Company has not complied for AS-15 in Audited Financial Statements with regard to gratuity provision but the same is complied in Restated Financial Statement of the Company.

Further no-show cause notice has been issued against our Company till date, in respect of above, in the event of any cognizance being taken by the concerned authorities in respect of above, actions may be taken against our Company and its directors, in which event the financials of our Company and our directors may be affected. Further we cannot assure that we may not do delay filings in future and not be subjected to penalty or interest.

Further with the expansion of our operations there can be no assurance that deficiencies in our internal controls and compliances will not arise, 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, in a timely manner or at all.

***22. Our inability to manage inventory in an effective manner could affect our business.***

Our business model requires us to maintain a certain level of inventory of diamonds, to meet the present and future orders. If we underestimate the orders that we may receive we may experience inventory shortages and a loss of opportunity. Similarly, an over estimation of orders may result in over stocking leading to increased holding costs. Additionally, any over run in holding of such goods may lead to their decay. Therefore, any mismanagement on our part to determine the optimum inventory levels may impact our operations and cause us to incur losses.

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

We may encounter predicaments in executing the orders placed by our customer or executing it on a timely basis. Moreover, there are factors which may be beyond our control or in the control of our customers, including delays or due to difficulties or obstructions, which may result in the postponement of executing or delivering of the necessary product(s) or cause its cancellation. Further, even though we execute orders as placed by our customers, the order could be cancelled or there could be any changes in delivery of the products. Accordingly, it is difficult to predict with certainty if, when and to what extent the delivery of the orders placed will be made. Failure to deliver our orders on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our revenue, cost of operation and thereby our business functioning.



**24. *We face competition in our business from organized and unorganized players, which may adversely affect our business operation and financial condition.***

The market in which our Company is doing business is highly competitive on account of both the organized and unorganized players. Players in this industry generally compete with each other on key attributes. Some of our competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Moreover, the unorganized sector offers their products at highly competitive prices which may not be matched by us and consequently affect our volume of sales and growth prospects. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

**25. *Any failure to comply with financial and other restrictive covenants imposed on us under our financing agreements may affect our operational flexibility, business, results of operations and prospects.***

As on September 30, 2022, our total secured borrowings amounted to Rs. 114.52 Lakhs from Banks. Our leverage has several important consequences, including the following:

- A portion of our cash flow will be used towards repayment of debt, which will reduce the availability of cash to fund working capital requirements, capital expenditures and other general corporate purposes;
- Our borrowing cost and the existence of encumbrances on a significant portion of our immovable properties may constrain. In the event of enforcement of an event of default in connection with such secured borrowings (which is not waived or cured), our ability to continue to operate our business at such locations may be restricted;
- Fluctuations in interest rates may affect our cost of borrowing, as all or a substantial part of our borrowings is at floating rates of interest;

The termination of, or declaration or enforcement of default under, any current or future financing agreement (if not waived or cured) may affect our ability to raise additional funds or renew maturing borrowings to finance our existing operations and pursue our growth initiatives and, therefore, have an effect on our business, results of operations and prospects.

For further details of our loans, please refer chapter titled “Financial Information of our Company” beginning on Page 136 of this Draft Prospectus.

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

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could adversely affect the overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our customers and suppliers, which could adversely affect our business, financial condition and results of operations. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines and lockdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. There is currently substantial medical uncertainty regarding COVID-19. In case there is a rapid increase in severe cases of infections leading to deaths, where the measures taken by governments are not successful or are any bans imposed by the government in this regard are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts.

**27. *We have entered into and may enter into related party transactions in the future also.***

Our Company in the past has entered into Related Party Transactions and may continue to do so in future also, which may affect our competitive edge. Our Company had entered into various transactions with our Promoter, Promoter Group, Directors and their Relatives and Group Entities. These transactions, inter-alia includes salary, remuneration, loans and advances, interest and purchase and sales etc. Our Company entered into such transactions at arm's length price and due to easy proximity & quick execution.

While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we may not have achieved more favorable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects,



results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

**28. *We have significant ongoing funding requirements and may not be able to raise additional capital in the future. As a result, we may not be able to respond to business opportunities, challenges or unforeseen circumstances.***

Our major fund based financial assistance has been sanctioned by the bank, i.e., the Axis bank Limited on the security of assets of our Promoters. Any default under such arrangement with such lender may create problem for operation of the Company, which may affect the financial stability of the Company. At the same time this may result into difficulty in arranging for funds for re-payment and may also affect the financial position of the Company. If we are unable in the future to generate sufficient cash flow from operations or borrow the necessary capital to fund our future capital expenditures, we will be forced to limit our growth. In addition, we may not be able to service our existing customers or to acquire new customers. The inability to raise additional capital on acceptable terms could have an effect on our business, results of operations and financial condition.

For further details of our loans, please refer chapter titled “Financial Information of our Company” beginning on Page 136 of this Draft Prospectus.

**29. *If there is a change in policies related to tax, duties or other such levies applicable to us, it may affect our results of operations.***

We benefit from certain general tax regulations and incentives that accord favorable treatment to certain of our operations as well as for our activities. These tax benefits include income tax deductions and other taxes. For details regarding income tax deductions, please refer to the chapter “Statement of Possible Tax Benefits” on page 82 of this Draft Prospectus.

New or revised accounting policies or policies related to tax, duties or other such levies promulgated from time to time by the relevant authorities may significantly affect our results of operations. We cannot assure you that we would continue to be eligible for such lower tax rates or any other benefits. The reduction or termination of our tax incentives, or non-compliance with the conditions under which such tax incentives are made available, will increase our tax liability and affect our business, prospects, results of operations and financial condition.

**30. *Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.***

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past, and there can be no assurance that our Company will declare dividends in the future also. For further details, please refer to the chapter titled “Dividend Policy” on page 135 of this Draft Prospectus.

**31. *We have experienced negative cash flows in the past. Any such negative cash flows in the future could affect our business, results of operations and prospects.***

Our Company had reported certain negative cash flows from Operating, investing activities and financing activities in the previous years as per the Restated Financial Statements and the same are summarized as under:

(Rs. in Lakhs)

Particulars	For the period ended	For the year ended March 31,		
	30.09.2022	31.03.2022	31.03.2021	31.03.2020
Cash flow from Operating Activities	(69.31)	35.64	(7.87)	29.61
Cash flow from Investing Activities	(384.18)	36.32	(0.91)	(1.81)
Cash flow from Financing Activities	448.63	(68.14)	7.81	(26.00)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may affect our business and financial operations. For further please refer chapter titled “Financial Information of our company” beginning on Page 136 of this Draft Prospectus.



***32. Any customer dispute regarding our performance or workmanship may amount in delay or withholding of payment to us.***

Our Company believes to provide the product to our customer according to their requirement. In case our products do not fulfill the requirements of our customer which may leads to dissatisfaction and further consequence including customer dispute regarding our performance or workmanship and the customer may delay or withhold payment to us, which may result in affecting our business.

***33. Our Promoter and Executive Directors hold Equity Shares in our Company and are therefore interested in the Company's performance in addition to their remuneration and reimbursement of expenses.***

Our Promoter and Directors 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. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders. For further information on the interest of our Promoters and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see "Our Management" and "Our Promoters and Promoter Group" on pages 118 and 130 respectively of this Draft Prospectus.

***34. We are subject to the risk of failure of, or a material weakness in, our internal control systems.***

We are exposed to risks arising from the inadequacy or failure of internal systems or processes, and any actions we may take to mitigate these risks may not be sufficient to ensure an effective internal control environment. Given our high volume of transactions, errors may be repeated or compounded before they are discovered and rectified. Our management information systems and internal control procedures may not be able to identify non-compliance or suspicious transactions in a timely manner, or at all. Where internal control weaknesses are identified, our actions may not be sufficient to fully correct such weaknesses. In addition, several of our collection related processes are yet to be fully automated, which may increase the risk that human error, tampering or manipulation will result in losses that may be difficult to detect. As a result, we may incur expenses or suffer monetary losses, which may not be covered by our insurance policies and may result in a material effect on our business, financial condition and results of operations.

***35. Major fraud, lapses of internal control or system failures could adversely impact the company's business.***

Our Company is vulnerable to risk arising from the failure of employees to adhere to approved procedures, system controls, fraud, system failures, information system disruptions, communication systems failure and interception during transmission through external communication channels or networks. Failure to protect fraud or breach in security may adversely affect our Company's operations and financial performance. Our reputation could also be adversely affected by significant fraud committed by our employees, agents, customers or third parties as our product is very expensive.

***36. Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition.***

While we maintain insurance coverage, in amounts which we believe are commercially appropriate, including related to our movable assets provide appropriate coverage in relation to theft, fire, explosions, floods, inundations, earthquakes, landslides. we may not have sufficient insurance coverage to cover all possible economic losses, including when the loss suffered is not easily quantifiable and in the event of severe damage to our business. Even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an effect on our business, results of operations, financial condition and cash flows.

In addition, in the future, we may not be able to maintain insurance of the types or at levels which we deem necessary or adequate or at rates which we consider reasonable. The occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an effect on our business, results of operations, financial condition and cash flows.



**37. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.**

Our Company is incorporated in India, and our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters
- prevailing regional or global economic conditions, including in India's principal export markets; and
- Other significant regulatory or economic developments in or affecting India or our industry.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition and the price of the Equity Shares.

**38. Our Promoters have provided personal properties for loans availed by our Company. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the invocation of all or any personal properties provided by our Promoters.**

Our Promoters have provided personal properties to secure a significant portion of our existing borrowings, and may post listing continue to provide such guarantees and other security. In case of a default under our loan agreements, any of the personal properties provided by our Promoters may be invoked, which could negatively impact the reputation of our Company. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation.

For further details regarding loans availed by our Company, please refer "Financial Information of our Company" on page 136 of this Prospectus.

**39. The future operating results are difficult to predict and may fluctuate or adversely vary from the past performance.**

The company's operating results may fluctuate or adversely vary from past performances in the future due to a number of factors, many of which are beyond the company's control. The results of operations during any financial year or from period to period may differ from one another or from the expected results operation. Its business, results of operations and financial condition may be adversely affected by, inter alia, a decrease in the growth and demand for the products and services offered by the us or any strategic alliances which may subsequently become a liability or non-profitable. Due to various reasons including the above, the future performance may fluctuate or adversely vary from our past performances and may not be predictable as our Company has recently started manufacturing of Lab grown diamonds. For further details of our operating results, section titled "Financial Information of our Company" beginning on Page 136 of this Draft Prospectus.

**40. We have not independently verified certain data in this Draft Prospectus.**

We have not independently verified data from the Industry and related data contained in this Draft Prospectus and although we believe the sources mentioned in the report to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the industries in which we operate that is included herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to incorrect or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.



**41. *We are susceptible to risks relating to unionization of our workers employed by us.***

None of our workers are currently represented by a recognized collective bargaining agreement. We cannot assure you that our workers will not unionize, or attempt to unionize in the future, that they will not otherwise seek higher wages and enhanced employee benefits. We also cannot assure you that we will not experience disruptions in our work due to disputes or other problems with our workforce. If not resolved in a timely manner, these risks could limit our ability to provide our products to our clients, cause clients to limit their use of our products or result in an increase in our cost of employee benefits and other expenses. If any of these risks materialize, our business, results of operations and financial condition could be affected.

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

Our Company is mainly engaged in business of Manufacturer and sales of Natural and Lab grown diamonds which attracts tax liability such as Income tax & Goods and Service Tax and other applicable provision of the Acts. However, the Company has been depositing the return under above applicable acts but any demand or penalty raise by concerned authority in future for any previous year and current year will affect the financial position of the Company. For detail, please refer “Outstanding Litigations and Material Development” beginning on page 148 of this Draft Prospectus. Any such penalty arising in future may lead to financial loss to our Company.

**43. *We have not identified any alternate source of raising the capital expenditure and working capital mentioned as our ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

Our Company has not identified any alternate source of funding for our capital expenditure, working capital requirement and for general corporate purposes and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of working capital or may require our Company to borrow funds on unfavorable terms, both of which scenarios may affect the business operation and financial performance of the Company.

For further details of our Object for the Issue, please refer chapter titled “Object for the Issue” beginning on Page 75 of this Draft Prospectus.

**44. *Our funds requirements are based on internal management estimates, wherever possible, and have not been appraised by any bank or financial institution. Any increase in the actual deployment of funds may cause an additional burden on our finance plans. We have not entered into definitive agreements to utilize our Issue proceeds.***

The fund requirement mentioned as a part of the Objects of the Issue is based on internal management estimates, wherever possible, and has not been appraised by any bank or financial institution or any external agency. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy, etc. With increase in costs, our actual deployment of funds may exceed our estimates and may cause us an additional burden on our finance plans. As on the date of the Draft Prospectus, we have not entered into any definitive agreements for implementing the Objects of the Issue.

For more information, please refer to “Objects of the Issue” on page 75. of the Draft Prospectus.

**45. *Our Company’s management will have flexibility in utilizing the Net Proceeds from the Issue. The deployment of the Net Proceeds from the Issue is not subject to any monitoring by any independent agency.***

Our Company intends to primarily use the Net Proceeds towards capital expenditure, working capital requirement and for general corporate purposes as described in “Objects of the Issue” on page 75 of this Draft Prospectus. In terms of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Issue size is not in excess of ₹100 crores. The management of our Company will have discretion to use the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company’s management regarding the application of the Net Proceeds from the Issue. Our Company may have to revise its management estimates from time to time and consequently its requirements may change.

Accordingly, prospective investors in the Issue will need to rely upon our management’s judgment with respect to the use of Net Proceeds. If we are unable to enter into arrangements for utilization of Net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Issue and our business and financial results may suffer.



***46. Any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.***

We propose to utilize the Net Proceeds for raising funds for capital expenditure and working capital Requirement. For further details of the proposed objects of the Issue, please refer the chapter titled “Objects of the Issue” beginning on Page No. 75 of this Draft Prospectus. At this juncture, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations.

Further, our Promoter or controlling shareholders would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoter or controlling shareholders to provide an exit opportunity to such dissenting shareholders of our Company may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity.

In light of these factors, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

***47. Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute 15.86% of the Issue Proceed. As on date we have not identified the use of such funds.***

Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute 15.86% of the Issue Proceed. We have not identified the general corporate purposes for which these funds may be utilized. The deployment of such funds is entirely at the discretion of our management in accordance with policies established by our Board of Directors from time to time and subject to compliance with the necessary provisions of the Companies Act. For details please refer the chapter titled “Objects of the Issue” beginning on Page No. 75 of this Draft Prospectus.

***48. The average cost of acquisition of Equity Shares by our Promoters could be lower than the Issue Price.***

Our Promoters average cost of acquisition of Equity Shares in our Company is lower than the Issue Price decided by the Company in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoter in our Company, please refer to the chapters “Capital Structure” beginning on pages 50 of this Draft Prospectus.

***49. We will continue to be controlled by our Promoter and Promoter Group after the completion of the Issue, which will allow them to influence the outcome of matters submitted for approval of our shareholders.***

As on the date of this Draft Prospectus, our Promoter and Promoter Group hold 92.66% of the issued and outstanding paid-up share capital of our Company. Following the completion of the Issue, our Promoter and Promoter Group will continue to hold together 68.01% of our post-Issue Equity Share capital. As a result, they will have the ability to influence matters requiring shareholders’ approval, including the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders’ meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association, and any other business decisions. We cannot assure you that our Promoters and Promoter Group will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

For further details regarding our shareholding, please refer to chapter titled “Capital Structure” beginning on Page 50 of this Draft Prospectus.



**50. *Our Equity Shares have never been publicly traded and may experience price and volume fluctuations following the completion of the Issue, an active trading market for the Equity Shares may not develop, the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Issue Price or at all.***

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for our Equity Shares will develop or, if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is determined considering various financial factors of the Company and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Issue could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Draft Prospectus. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

**51. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities may differ from those that would apply to a company in another jurisdiction. Investors may have more difficulty in asserting their rights as shareholders in an Indian company than as shareholder of a corporation in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other jurisdictions. Under the Companies Act, prior to issuance of any new equity shares, a public limited company incorporated under Indian law must offer its equity shareholders pre-emptive rights to subscribe to a proportionate number of equity shares to maintain existing ownership, unless such pre-emptive rights are waived by a special resolution by a three-fourths majority of the equity shareholders voting on such resolution. If you are a foreign investor and the law of the foreign jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such foreign jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file an offering document or 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 interest in our Company would decline.

**52. *The Issue Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the Issue Price and you may not be able to sell your Equity Shares at or above the Issue Price.***

The Issue Price of our Equity Shares has been determined on the basis of the Fixed Price Issue. This price is based on numerous factors. For further information, see "Basis for Issue Price" beginning on page 80 of this Draft Prospectus and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price are:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

**53. *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 us. Under the takeover regulations in India, 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 Indian takeover regulations.



**54. *The requirements of being a listed company may strain our resources and distract management.***

We have no experience as a listed company and have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public that is associated with being a listed company. As a listed company, we will incur additional legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing agreements with the Stock Exchanges and compliances of SEBI Listing Regulation, 2015 which would require us to file audited annual and unaudited semi-annual and limited review reports with respect to our business and financial condition. If we delay making such filings, 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 as timely as other listed companies.

As a listed company, we will need 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 to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

**55. *We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.***

Our growth is dependent on having a balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**EXTERNAL RISK FACTORS**

**56. *The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business.



Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

***57. Our business and activities may be further regulated by the Competition Act and any adverse application or interpretation of the Competition Act could materially and adversely affect our business, financial condition and results of operations.***

The Competition Act seeks to prevent business practices that have or are likely to have an appreciable adverse effect on competition in India and has established the Competition Commission of India (the “CCI”). Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which has or is likely to have an appreciable adverse effect on competition is void and attracts substantial penalties. Any agreement among competitors which, directly or indirectly, determines purchase or sale prices, results in bid rigging or collusive bidding, limits or controls the production, supply or distribution of goods and services, or shares the market or source of production or providing of services by way of allocation of geographical area or type of goods or services or number of customers in the relevant market or in any other similar way, is presumed to have an appreciable adverse effect on competition and shall be void.

Further, the Competition Act prohibits the abuse of a dominant position by any enterprise. If it is proven that a breach of the Competition Act committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the breach themselves and may be punished as an individual. If we, or any of our employees are penalized under the Competition Act, our business may be adversely affected. Further, the Competition Act also regulates combinations and requires approval of the CCI for effecting any acquisition of shares, voting rights, assets or control or mergers or amalgamations above the prescribed asset and turnover based thresholds.

On March 4, 2011, the Government of India notified and brought into force new provisions under the Competition Act in relation to combined entities (the “Combination Regulation Provisions”), which came into effect from June 1, 2011. The Combination Regulation Provisions require that any acquisition of shares, voting rights, assets or control or mergers or amalgamations, which cross the prescribed asset and turnover based thresholds, must be notified to and preapproved by the CCI. In addition, on May 11, 2011, the CCI issued the final Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 (as amended). These regulations, as amended, set out the mechanism for the implementation of the Combination Regulation Provisions under the Competition Act.

***58. The Indian tax regime is currently undergoing substantial changes which could adversely affect our business.***

The goods and service tax (“GST”) that has been implemented with effect from July 1, 2017 combines taxes and levies by the GoI and state governments into a unified rate structure, and replaces indirect taxes on goods and services such as central excise duty, service tax, customs duty, central sales tax, state VAT, cess and surcharge and excise that were being collected by the GoI and state governments.

As regards the General Anti-Avoidance Rules (“GAAR”), The general anti avoidance rules (“GAAR”) provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18. The GAAR provisions intend to declare an arrangement as an “impermissible avoidance arrangement”, if the main purpose or one of the main purposes of such arrangement is to obtain a tax benefit, and satisfies at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm’s length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, that is not ordinarily engaged for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wider powers, including denial of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. As the taxation regime in India is undergoing a significant overhaul, its consequent effects on economy cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the Equity Shares.

***59. You may be restricted in your ability to exercise pre-emptive rights under Indian law and may be adversely affected by future dilution of your ownership position.***

Under the Companies Act, a company incorporated in India must offer its shareholders pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the shares who have voted on the resolution, or unless the company has obtained approval from the Government of India to issue without such special resolution, subject to votes being cast in favour of the proposal exceeding the votes cast against such proposal.



However, if the law of the jurisdiction you are in does not permit you to exercise your pre-emptive rights without our Company filing an offering document or a registration statement with the applicable authority in the jurisdiction you are in, you will be unable to exercise your pre-emptive rights unless our Company makes such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interest in our Company would be reduced.

***60. Companies in India are required to prepare financial statements under the new Indian Accounting Standards. In addition, all income-tax assessee in India will be required to follow the Income Computation and Disclosure Standards.***

The Ministry of Corporate Affairs (“MCA”), Government of India, has through notification dated February 16, 2015 issued the Indian Accounting Standards Rules, 2015 (“Ind AS”) which have come into effect from April 1, 2015 and are applicable to companies which fulfill certain conditions. Further, there can be no assurance that the adoption of Ind AS will not affect our reported results of operations or financial condition. Any of these factors relating to the use of Ind AS may adversely affect our financial condition and results of operations.

Further, the Ministry of Finance, Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards (“ICDS”), thereby creating a new framework for computation of taxable income. The ICDS shall apply from the assessment year 2017-2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

***61. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.***

Our Company is incorporated in India, and the majority of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- Any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- Prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges;
- changes in India’s tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India’s various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India’s principal export markets;
- other significant regulatory or economic developments in or affecting India or its ER&D sector;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;

***62. Financial instability, economic developments and volatility in securities markets in other countries may also cause the price of the Equity Shares to decline.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging Asian market countries. Financial turmoil in Europe and elsewhere in the world in recent years has affected the Indian economy. In recent times, the Indian financial markets had been negatively affected by the volatility in global financial market, including on account of certain European nations’ debt troubles and move to break away by the United Kingdom from the European Union. Although, economic conditions are different in each country, investors’ reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Currencies of a few Asian countries have in the past suffered depreciation against the U.S. Dollar owing to, amongst other, the announcements by the U.S. government that it may consider reducing its quantitative easing measures. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur and could harm our business, future financial performance and the prices of the Equity Shares.



The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. Liquidity and credit concerns and volatility in the global credit and financial markets have increased significantly with the bankruptcy or acquisition of, and government assistance extended to, several major U.S. and European financial institutions. These and other related events, such as the European sovereign debt crisis, have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in global credit and financial markets. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets.

However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current difficult conditions in the global credit markets continue or if there is any significant financial disruption, such conditions could have an adverse effect on our business, future financial performance and the trading price of the Equity Shares.

***63. A significant change in the Government of India's economic liberalization and deregulation policies could adversely affect our business and the price of our Equity Shares.***

The Government of India has traditionally exercised, and continues to exercise, a dominant influence over many aspects of the economy. Unfavorable government policies including those relating to the internet and e-commerce, consumer protection and data-privacy, could adversely affect business and economic conditions in India, and could also affect our ability to implement our strategy and our future financial performance. Since 1991, successive governments, including coalition governments, have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector and encouraging the development of the Indian financial sector. However, the members of the Government of India and the composition of the coalition in power are subject to change. As a result, it is difficult to predict the economic policies that will be pursued by the Government of India. For example, there may be an increasing number of laws and regulations pertaining to the internet and ecommerce, which may relate to liability for information retrieved from or transmitted over the internet or mobile networks, user privacy, content restrictions and the quality of services and products sold or provided through the internet. The rate of economic liberalization could change and specific laws and policies affecting the financial services industry, foreign investment, currency exchange and other matters affecting investment in our securities could change as well.

Any significant change in India's economic liberalization and deregulation policies could adversely affect business and economic conditions in India generally and our business in particular.



## **SECTION IV – INTRODUCTION**

### **THE ISSUE**

<b>PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS</b>	
<b>Equity Shares Issued:</b> Public Issue of Equity Shares by our Company	22,00,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 51.00 per share aggregating to ₹ 1122.00 Lakhs
<i>of which</i>	
<b>Issue Reserved for the Market Makers</b>	1,12,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 51.00 per share aggregating ₹ 57.12 Lakhs
<b>Net Issue to the Public*</b>	20,88,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 51.00 per share aggregating ₹ 1064.88 Lakhs
	<b>of which</b>
	10,44,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 51.00 per share (including a premium of ₹ 41.00 per Equity Share) will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lakhs
	10,44,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 51.00 per share (including a premium of ₹ 41.00 per Equity Share) will be available for allocation for allotment to Other Investors of above ₹ 2.00 Lakhs
<b>Equity Shares outstanding prior to the Issue</b>	60,71,139 Equity Shares of face value of ₹10 each
<b>Equity Shares outstanding after the Issue</b>	82,71,139 Equity Shares of face value of ₹10 each
<b>Objects of the Issue/ Use of Issue Proceeds</b>	Please see the chapter titled “Objects of the Issue” on page 75 of this Draft Prospectus

*Fresh Issue in terms of Draft Prospectus has been authorized pursuant to a resolution passed by our Board of Directors dated September 24, 2022. and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of the members held on September 28, 2022.*

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please see the section titled “Issue Related Information” beginning on page 168 of this Draft Prospectus

\*As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, the present issue is a fixed price issue ‘the allocation’ is the net issue to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to
  - i. Individual applicants other than retail individual investors; and
  - ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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

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

For further details, please refer to the chapter titled “Issue Structure” beginning on page 173 of this Draft prospectus.



## SUMMARY OF FINANCIAL INFORMATION

### RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Amount in Lakhs)

Particulars	As At 30th Sept, 2022	As At 31st March, 2022	As At 31st March, 2021	As At 31st March, 2020
<b>I. Equity and Liabilities</b>				
<b>(1) Shareholders' Funds</b>				
(a) Share Capital	485.69	125.72	20.95	20.95
(b) Reserve & Surplus	232.17	66.35	127.50	123.84
(c) Money received against share warrants	0.00	0.00	0.00	0.00
<b>(2) Share application money pending allotment</b>	0.00	0.00	0.00	0.00
<b>(3) Non-current Liabilities</b>				
(a) Long term borrowings	110.39	114.22	138.39	116.92
(b) Deferred tax liabilities (Net)	0.00	0.00	0.00	0.00
(c) Other long term liabilities	0.00	0.00	0.00	0.00
(d) Long term provisions	3.68	5.84	3.74	2.81
<b>(4) Current Liabilities</b>				
(a) Short term borrowings	4.13	8.36	39.14	37.13
(b) Trade payables				
(A) Total outstanding dues of micro and small enterprises	0.00	0.00	0.00	0.00
(B) Total outstanding dues of creditors other than micro and small enterprise	303.86	547.49	373.79	351.08
(c) Other current liabilities	11.35	11.14	9.16	57.61
(d) Short term provisions	15.37	9.13	1.05	0.89
<b>Total</b>	<b>1,166.65</b>	<b>888.24</b>	<b>713.73</b>	<b>711.23</b>
<b>II. Assets</b>				
<b>(1) Non-current Assets</b>				
(a) Property, Plant and Equipment and Intangible assets				
(i) Property, Plant and Equipment	410.89	37.43	70.99	80.75
(ii) Intangible assets	0.00	0.00	0.00	0.00
(iii) Capital WIP	0.00	0.00	0.00	0.00
(iv) Intangible assets under development	0.00	0.00	0.00	0.00
(b) Non-current investments	0.00	0.00	0.00	0.00
(c) Deferred tax assets (net)	9.80	19.25	23.76	24.71
(d) Long term loans and advances	0.00	0.00	0.00	0.00
(e) Other non-current assets	1.41	1.36	4.02	4.02
<b>(2) Current Assets</b>				
(a) Current investments	0.00	0.00	0.00	0.00
(b) Inventories	325.57	307.69	288.48	347.70
(c) Trade receivables	262.15	407.62	298.71	227.30
(d) Cash and cash equivalents	1.82	6.69	2.86	3.82
(e) Short-term loans and advances	71.27	96.71	15.51	8.44
(f) Other current assets	83.73	11.49	9.41	14.48
<b>Total</b>	<b>1,166.65</b>	<b>888.24</b>	<b>713.73</b>	<b>711.23</b>



## RESTATED STATEMENT OF PROFIT AND LOSS

(Amount in Lakhs)

Particulars	2022-23 (Upto 30/09/2022)	2021-22	2020-21	2019-20
I. Revenue from operations:	940.12	2,685.13	1,223.85	1,178.85
II. Other income:	26.31	12.88	4.26	0.00
<b>III. Total Income (I + II)</b>	<b>966.43</b>	<b>2,698.01</b>	<b>1,228.11</b>	<b>1,178.85</b>
<b>IV. Expenses:</b>				
Cost of material consumed	341.30	2,486.30	326.58	566.59
Purchases of Stock-in-Trade	192.01	0.00	502.35	10.06
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	132.51	-156.66	22.87	88.10
Employee benefit expense	61.50	130.17	109.88	114.76
Finance Costs	5.02	13.94	15.90	18.06
Depreciation and Amortization Expense	26.67	8.63	10.69	15.04
Other Expenses	136.21	170.00	234.38	361.58
<b>Total Expenses (IV)</b>	<b>895.21</b>	<b>2,652.38</b>	<b>1,222.65</b>	<b>1,174.19</b>
V. Profit before exceptional and extraordinary items and tax	<b>71.22</b>	<b>45.64</b>	<b>5.46</b>	<b>4.66</b>
VI. Exceptional Items	0.00	0.00	0.00	0.00
VII. Profit before extraordinary items and tax	<b>71.22</b>	<b>45.64</b>	<b>5.46</b>	<b>4.66</b>
VIII. Extraordinary Items	-15.95	-11.38	0.00	0.00
IX. Profit before tax	<b>87.17</b>	<b>57.02</b>	<b>5.46</b>	<b>4.66</b>
X. Tax Expense:				
(1) Current Tax	13.60	8.89	0.85	0.73
(2) Deferred Tax	9.45	4.50	0.96	3.89
XI. Profit(Loss) from the period from continuing operations	<b>64.12</b>	<b>43.62</b>	<b>3.65</b>	<b>0.04</b>
XII. Profit/(Loss) from discontinuing operations	0.00	0.00	0.00	0.00
XIII. Tax expense of discontinuing operations	0.00	0.00	0.00	0.00
XIV. Profit/(Loss) from discontinuing operations after tax	0.00	0.00	0.00	0.00
XV. Profit/(Loss) for the period	<b>64.12</b>	<b>43.62</b>	<b>3.65</b>	<b>0.04</b>
XVI. Earning Per Equity Share:				
(1) Basic	<b>1.42</b>	<b>3.47</b>	<b>1.74</b>	<b>0.02</b>
(2) Diluted	<b>1.42</b>	<b>3.47</b>	<b>1.74</b>	<b>0.02</b>



## RESTATED STATEMENT OF CASH FLOW

(Amount in Lakhs)

Particulars	As At 30th Sept, 2022	As At 31st March, 2022	As At 31st March, 2021	As At 31st March, 2020
<b>(A) Cash Flow from Operating Activities</b>				
<b>Restated Net Profit Before Tax and Extraordinary items</b>	71.22	45.64	5.46	4.66
<b>Adjustments For:</b>				
Gratuity Provision	0.00	2.14	0.97	2.97
(Interest Received)	0.00	-0.01	-0.02	0.00
Income-tax/Prior Year Adjustment	0.00	0.00	0.00	0.00
(Profit on sale of fixed assets)	-15.95	-11.38	0.00	0.00
Interest and Finance Charges Paid	4.99	13.18	15.67	16.09
Depreciation	26.67	8.63	10.69	15.04
<b>Operating profit before working capital changes</b>	86.93	58.20	32.77	38.76
<b>Changes in Working Capital</b>				
(Increase)/Decrease in Trade Receivables	145.47	-108.92	-71.40	-147.87
(Increase)/Decrease in Inventories	-17.88	-19.22	59.23	-29.15
(Increase)/Decrease in Short Term Loans and Advances	25.44	-81.20	-7.07	1.52
(Increase)/Decrease in Long Term Loans and Advances	0.00	0.00	0.00	0.00
(Increase)/Decrease in Other Current Assets	-71.69	-1.84	5.26	-1.68
(Increase)/Decrease in Other Non-current Assets	-0.05	2.66	0.00	0.00
Increase/(Decrease) in Long Term Provisions	-2.17	2.11	0.93	2.81
Increase/(Decrease) in Trade Payables	-243.62	173.69	22.71	197.50
Increase/(Decrease) in other Current liabilities	0.21	1.98	-48.44	-29.75
Increase/(Decrease) in Short Term Provisions	1.54	-2.11	-0.93	-2.81
<b>Cash Generated from / (used in) operating activities</b>	-75.81	25.35	-6.95	29.33
<b>Less : Income Tax paid</b>	-9.45	-1.09	-0.92	0.28
<b>Cash Flow before extraordinary items</b>	-85.26	24.26	-7.87	29.61
<b>Extraordinary items</b>	15.95	11.38	0.00	0.00
<b>Net cash generated from / (used in) Operating Activities.....A</b>	<b>-69.31</b>	<b>35.64</b>	<b>-7.87</b>	<b>29.61</b>
<b>(B) Cash Flow from Investing Activities</b>				
(Increase)/Decrease in Non-Current Investment	0.00	0.00	0.00	0.00
Interest Received	0.00	0.01	0.02	0.00
(Purchase) of Tangible Fixed Assets	-405.73	-1.70	-0.93	-1.81
Sale of Tangible Fixed Assets	21.54	38.01	0.00	0.00
<b>Net cash generated from / (used in) Investing Activities.....B</b>	<b>-384.18</b>	<b>36.32</b>	<b>-0.91</b>	<b>-1.81</b>
<b>(C) Cash Flow from financing Activities</b>				
Proceeds from issue of Share Capital	461.67	0.00	0.00	0.00
Increase/(Decrease) in Short Term Borrowings	-4.23	-30.78	2.01	-9.91
Increase/(Decrease) in Long Term Borrowings	-3.83	-24.17	21.47	0.00
Interest and Finance Charges Paid	-4.99	-13.18	-15.67	-16.09
Dividend & tax thereon	0.00	0.00	0.00	0.00
Increase/(Decrease) in Share Application Money	0.00	0.00	0.00	0.00
<b>Net cash generated from / (used in) Financing Activities.....C</b>	<b>448.63</b>	<b>-68.14</b>	<b>7.81</b>	<b>-26.00</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>-4.87</b>	<b>3.82</b>	<b>-0.96</b>	<b>1.79</b>
<b>Cash and cash equivalents at the beginning</b>	<b>6.69</b>	<b>2.86</b>	<b>3.82</b>	<b>2.03</b>
<b>Cash and cash equivalents at the end</b>	<b>1.82</b>	<b>6.69</b>	<b>2.86</b>	<b>3.82</b>



## **SECTION – V - GENERAL INFORMATION**

Our Company was originally incorporated on April 29, 1993 as “Gandhinagar Plastronics Private Limited” under the provisions of the Companies Act, 1956 with the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. The Name of our company changed from “Gandhinagar Plastronics Private Limited” to “Jay Gems (India) Private Limited” and fresh certificate of incorporation dated February 05, 2010 was issued by Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Further the name of our company was changed from “Jay Gems (India) Private Limited” to “Dev Labtech Venture Private Limited” and fresh certificate of incorporation dated June 22, 2022 was issued by Registrar of Companies, Ahmedabad. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Dev Labtech Venture Private Limited” to “Dev Labtech Venture Limited” vide fresh certificate of incorporation dated September 23, 2022 issued by the Registrar of Companies, Ahmedabad.

For further details, please refer to chapter titled “History and Corporate Structure” beginning on page 114 of this Draft Prospectus.

### **Registered Office of our Company**

#### **Dev Labtech Venture Limited**

GF/22-23, Pattani Plaza, Dairy Road,  
Near Nilambaug Circle, Bhavnagar - 364002, Gujarat, India.

**Tel. No.:** +91-0278-2995027

**E-mail:** [info@devlabtechventure.com](mailto:info@devlabtechventure.com)

**Website:** [www.devlabtechventure.com](http://www.devlabtechventure.com)

**Corporate Identification Number:** U36100GJ1993PLC019374

**Reg. No.:** 019374

For details relating to changes to the address of our Registered Office, please see “History and Corporate Structure - Changes to the address of the Registered Office of our Company” on page 114 of this Draft Prospectus.

### **Address of Registrar of Companies**

#### **Registrar of Companies, Ahmedabad**

ROC Bhavan, Opp Rupal Park Society,  
Behind Ankur Bus Stop, Naranpura,  
Ahmedabad-380013, Gujarat, India

**Tel No.** +91-079-27438531

**Fax No.:** +91- 079-27438371

**Email:** [roc.ahmedabad@mca.gov.in](mailto:roc.ahmedabad@mca.gov.in)

**Website:** <http://www.mca.gov.in>

### **Designated Stock Exchange**

#### **BSE Limited**

25th Floor, P. J. Towers, Dalal Street,  
Fort, Mumbai – 400001, Maharashtra, India

**Website –** [www.bseindia.com](http://www.bseindia.com)

### **Board of Directors of our Company**

The Board of Directors of our Company consists of:

<b>Name</b>	<b>Designation</b>	<b>Address</b>	<b>DIN</b>
Mr. Jerambhai Lavjibhai Donda	Chairman cum Managing Director	D-403, Green Woods, Andheri Kurla Road, Andheri East, Mumbai, J B Nagar Maharashtra-400059, India	00484152
Mr. Jay Jerambhai Donda	Whole-Time Director & CFO	D-403, Greenwood Society, Andheri Kurla Road, Opp. Chintamani Plaza, Chakala Andheri East, MIDC, Mumbai, Maharashtra-400093, India	03496627



Mrs. Dimple Jay Donda	Non Executive Director	D-403, Greenwood Society, Andheri Kurla Road, Opp. Chintamani Plaza, Andheri East, Mumbai, Mumbai Suburban, Maharashtra-400093, India	09630193
Mr. Vivekbhai Tulsibhai Mavani	Independent Director	A-902, Silver Stone Villa, Cancer Hospital Road, Dabholi, Katargam, Surat, Gujarat-395004 India.	09099074
Mr. Brijeshkumar Maheshbhai Pathak	Independent Director	73, Kothivado, Chikni Sheri, Nari Bhavnagar, Gujarat-364004 India.	09730412

For further details of the Directors of our Company, please refer to the chapter titled “Our Management” on page 118 of this Draft Prospectus.

#### Company Secretary and Compliance Officer

##### Mr. Pratik Ashokbhai Patel

GF/22-23, Pattani Plaza, Dairy Road,  
Near Nilambaug Circle, Bhavnagar, Gujarat-364002 India

**Tel. No.:** +91-0278-2995027

**E-mail:** [cs@devlabtechventure.com](mailto:cs@devlabtechventure.com)

**Website:** [www.devlabtechventure.com](http://www.devlabtechventure.com)

#### Chief Financial Officer

##### Mr. Jay Jerambhai Donda

GF/22-23, Pattani Plaza, Dairy Road,  
Near Nilambaug Circle, Bhavnagar, Gujarat-364002 India

**Tel. No.:** +91-0278-2995027

**E-mail:** [cfo@devlabtechventure.com](mailto:cfo@devlabtechventure.com)

**Website:** [www.devlabtechventure.com](http://www.devlabtechventure.com)

Investors may contact our Company Secretary and Compliance Officer and/ or the Registrar to the Issue and/ or the Lead Manager, in case of any pre-Issue or post-Issue related problems such as non-receipt of Intimation for Allotment, credit of allotted Equity Shares in the respective beneficiary account.

All grievances relating to the ASBA process including UPI may be addressed to the Registrar to the Issue, with a copy to the Designated Intermediary with whom the ASBA Form was submitted, giving full name of the sole or First Applicant, ASBA Form number, Applicant's DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of Application Form, address of Applicant, the name and address of the relevant Designated Intermediary, where the Application Form was submitted by the Applicant, ASBA Account number (for Applicants other than RIIs bidding through the UPI mechanism) in which the amount equivalent to the Application Amount was blocked or UPI ID in case of RIIs bidding through the UPI mechanism. Further, the Applicant shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

For all Issue related queries, and for Redressal of complaints, applicant may also write to the Lead Manager and Company. All complaints, queries or comments received by Stock Exchange shall be forwarded to the Lead Manager, who shall respond to the same

#### Details of Key Intermediaries pertaining to this Issue and Our Company:

#### LEAD MANAGER OF THE ISSUE

##### BEELINE CAPITAL ADVISORS PRIVATE LIMITED

807, Phoenix Tower, Opp. New Girish Cold drinks,  
Near Vijay Cross Roads, Navrangpura

Ahmedabad – 380009, Gujarat, India

**Tel. No.:** +91-79-48405357, 48406357

**Email:** [mb@beelinemb.com](mailto:mb@beelinemb.com)

**Website:** [www.beelinemb.com](http://www.beelinemb.com)



**Investor Grievance Email:** [ig@beelinemb.com](mailto:ig@beelinemb.com)

**Contact Person:** Mr. Nikhil Shah

**SEBI Registration No.:** INM000012917

#### LEGAL ADVISOR TO THE ISSUE

##### ANA ADVISORS

118 Shila Vihar, Gokulpura, Kalwar Road

Jhotwara, Jaipur-302012

**Email Id:** [anaadvisors22@gmail.com](mailto:anaadvisors22@gmail.com)

**Tel No.:** +91-9887906529

**Contact Person:** Kamlesh Kumar Goyal

#### REGISTRAR TO THE ISSUE

##### LINK INTIME INDIA PRIVATE LIMITED

C-101, 1 Floor, 247 Park, L.B.S. Marg, Vikhroli (West),

Mumbai- 400083, Maharashtra, India

**Tel. No.:** +91 810 811 4949

**Fax No.:** +91 22 49186195

**Email:** [devlabtech.ipo@linkintime.co.in](mailto:devlabtech.ipo@linkintime.co.in)

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)

**Investor Grievance Email:** [devlabtech.ipo@linkintime.co.in](mailto:devlabtech.ipo@linkintime.co.in)

**Contact Person:** Shanti Gopalkrishnan

**SEBI Registration No.:** INR000004058

#### BANKERS TO THE COMPANY

##### HDFC Bank Limited

Ground Floor, ½ Sterling Point, Waghawadi Road,

Bhavnagar – 364001

**Tel No. –** 0278-2560402

**Email Id –** [sagarb.mehta@hdfcbank.com](mailto:sagarb.mehta@hdfcbank.com)

**Website –** [www.hdfcbank.com](http://www.hdfcbank.com)

**Contact Person –** Sagar Mehta

#### STATUTORY AUDITORS OF THE COMPANY

**M/S. V. DHAMSANIA & ASSOCIATES**, Chartered Accountants

320, Imperial Arc, Opp. University Gate,

Waghawadi Road, Bhavnagar, Gujarat-364002, India

**Tel No.:** +91-9898027172

**Mobile No.:** +91-9898027172

**Email:** [vipuldhamsania@gmail.com](mailto:vipuldhamsania@gmail.com)

**Contact Person:** Vipul V. Dhamsania

**Membership No.:** 140836

**Firm Registration No.:** 132499W

**Peer Review Registration No.:** 011546

M/s V. Dhamsania & Associates, Chartered Accountants hold a peer review certificate dated February 11, 2019 valid till February 10, 2023, issued by the Institute of Chartered Accountants of India.

#### BANKERS TO THE ISSUE AND REFUND BANKER/SPONSOR BANK

[•]



## **STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES**

Since Beeline Capital Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Managers is not required.

## **SELF CERTIFIED SYNDICATE BANKS (“SCSBS”) AND SYNDICATE SCSB BRANCHES**

The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is provided on [www.sebi.gov.in/pmd/scsb.pdf](http://www.sebi.gov.in/pmd/scsb.pdf). For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

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

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

## **REGISTERED BROKERS**

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE Limited at [www.bseindia.com](http://www.bseindia.com), as updated from time to time.

## **REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS**

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange at [www.bseindia.com](http://www.bseindia.com), as updated from time to time and on SEBI website at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>

## **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept application forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchange at [www.bseindia.com](http://www.bseindia.com), as updated from time to time and SEBI website at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18>; <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=4>

## **BROKERS TO THE ISSUE**

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

## **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, there is no requirement of appointing an IPO Grading agency.

## **DEBENTURE TRUSTEES**

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

## **TRUSTEES**

As the Issue is of Equity Shares, the appointment of Trustees is not mandatory.



## **MONITORING AGENCY**

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10000.00 Lakhs.

Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Prospectus.

## **APPRAISING ENTITY**

No appraising entity has been appointed in respect of any objects of this Issue

## **FILING OF OFFER DOCUMENT**

The Draft Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

The Draft Prospectus/ Prospectus are being filed with BSE Limited, 25th Floor, P. J. Towers, Dalal Street, Fort, Mumbai – 400001, Maharashtra, India.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat India.

## **EXPERTS OPINION**

Except for the reports in the section “Financial Information of our Company” and “Statement of Possible Tax Benefits” on page 136 and page 82 of this Draft Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. We have received written consent from the Statutory Auditor for inclusion of their name. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

## **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the LM, reserve the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraw the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-issue advertisements have appeared and the Stock Exchange will also be informed promptly. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraw the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.



## UNDERWRITING

The Company and the Lead Manager to the issue hereby confirm that the issue is 100% Underwritten by Beeline Capital Advisors Private Limited in the capacity of Underwriter to the issue.

Pursuant to the terms of the Underwriting Agreement dated December 17, 2022 entered into by Company and Underwriter – Beeline Capital Advisors Private Limited, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of Total Issue Size Underwritten
<b>BEELINE CAPITAL ADVISORS PRIVATE LIMITED</b> SEBI Registration Number: INM000012917 Address: 807, Phoenix, Opp. Girish Cold Drinks, Near Vijay Cross Roads, Navrangpura, Ahmedabad -380009, Gujarat. Telephone Number: +91 79 4840 5357 Email Id: <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a> Investors Grievance Id: ig@beelinemb.com Website: <a href="http://www.beelinemb.com">www.beelinemb.com</a> Contact Person: Mr. Nikhil Shah CIN: U67190GJ2020PTC114322	22,00,000 Equity Shares of ₹ 10/- being Issued at ₹ 51.00 each*	₹ 1122.00 Lakhs	100.00

\*Includes 1,12,000 Equity shares of Rs.10.00 each for cash of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.

As per Regulation 260(2) of SEBI (ICDR) Regulations, the Lead Manager has agreed to underwrite to a minimum extent of Issue out of its own account.

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

## CHANGES IN AUDITORS DURING LAST THREE YEARS

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

S.No.	Date	From	To	Reason for Change
1.	Resignation Date - March 14, 2022 Appointment Date – March 25, 2022	<b>M/s. P. M. Bhayani &amp; Co.</b> 106, Anmol, Opp. Sahkari Haat, Waghawadi Road, Bhavnagar Gujarat- 364002, India <b>Tel No.</b> - +91 9426914123 <b>Email</b> – <a href="mailto:capmbhayani@gmail.com">capmbhayani@gmail.com</a> <b>Firm Reg. No.</b> – 140584W	<b>M/s. V. Dhamsania &amp; Associates,</b> 320, Imperial Arc, Opp. University Gate, Waghawadi Road, Bhavnagar, Gujarat-364002, India <b>Tel No.</b> – 0278-2570300 <b>Email</b> – <a href="mailto:vipuldhamsania@gmail.com">vipuldhamsania@gmail.com</a> <b>Firm Reg. No.</b> – 132499W	Resignation due to pre-occupation in other assignment

## DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

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

<b>Name</b>	Sunflower Broking Private Limited
<b>Correspondence Address:</b>	Sunflower House, 5 <sup>th</sup> Floor, 80 feet Road, Near Bhaktinagar Circle, Rajkot, Gujarat, India
<b>Tel No.:</b>	0281-2361935
<b>E-mail:</b>	info@sunflowerbroking.com



<b>Website:</b>	www.sunflowerbroking.com
<b>Contact Person:</b>	Mr. Bhavik Vora
<b>SEBI Registration No.:</b>	INZ000195131

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the BSE Limited 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(s) (individually or jointly) 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(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
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 SME Platform of BSE Limited (BSE SME) and SEBI from time to time
3. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is 2000 equity shares; however, the same may be changed by the SME Platform of BSE Limited from time to time).
5. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
6. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform of BSE Limited i.e. BSE SME from time to time.
7. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE Limited may intimate the same to SEBI after due verification.
8. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
9. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
10. 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.
11. The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
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(s) shall have the right to terminate said arrangement by giving a three months' notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.

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 the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.

14. Risk containment measures and monitoring for Market Makers: BSE Limited SME Exchange will have all margins, which are applicable on the BSE Limited main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE Limited can impose any other margins as deemed necessary from time-to-time.
15. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by exchange from time to time.
16. **Punitive Action in case of default by Market Makers:** BSE Limited SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

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

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
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 Stock Exchange from time to time.



## **SECTION VI – CAPITAL STRUCTURE**

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

Amount (Rs. in Lakhs, except share data)			
<b>Sr. No.</b>	<b>Particulars</b>	<b>Aggregate nominal Value</b>	<b>Aggregate Value at Issue Price</b>
<b>A</b>	<b>Authorized Share Capital</b> 99,99,999 Equity Shares having Face Value of Rs 10/- each	999.99	-
<b>B</b>	<b>Issued, Subscribed &amp; Paid-up Share Capital before the Issue</b> 60,71,139 Equity Shares having Face Value of Rs.10/- each fully paid up before the Issue.	607.11	-
<b>C</b>	<b>Present Issue in terms of the Draft Prospectus</b> Issue of 22,00,000 Equity Shares having Face Value of Rs.10/- each at a price of Rs. 51/- per Equity Share.	220.00	1122.00
	<b>Which Comprises</b>		
<b>I.</b>	<b>Reservation for Market Maker portion</b> 1,12,000 Equity Shares of Rs. 10/- each at a price of Rs. 51/- per Equity Share reserved as Market Maker Portion	11.20	57.12
<b>II.</b>	<b>Net Issue to the Public</b> Net Issue to Public of 20,88,000 Equity Shares of Rs. 10/- each at a price of Rs. 51/- per Equity Share to the Public	208.80	1064.88
	<b>of which<sup>(2)</sup></b>		
	10,44,000 Equity Shares of Rs. 10/- each at a price of Rs. 51/- per Equity Share will be available for allocation for Investors of up to Rs. 2.00 lakhs	104.40	532.44
	10,44,000 Equity Shares of Rs. 10/- each at a price of Rs. 51/- per Equity Share will be available for allocation for Investors of above Rs. 2.00 lakhs	104.40	532.44
<b>D</b>	<b>Issued, Subscribed and Paid-up Equity Share capital after the Issue</b> 82,71,139 Equity Shares of Rs. 10/- each	827.11	-
<b>E</b>	<b>Securities Premium Account</b> Before the Issue After the Issue	28.67 902.00*	

<sup>(1)</sup> The Present Issue in terms of Draft Prospectus has been authorized pursuant to a resolution of our Board of Directors dated September 24, 2022. and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of the members held on September 28, 2022.

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

\*The amount disclosed is prior to deduction of Issue expenses.

### **Class of Shares**

As on the date of Draft Prospectus Our Company has only one class of share capital i.e. Equity Shares of Rs.10/- each only. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of the Draft Prospectus.

### **Details of changes in Authorized Share Capital of our Company:**

Since the incorporation of our Company, the authorized share capital of our Company has been altered in the manner set forth below:

- a) The initial Authorised share capital of our Company was ₹10.00 Lakh (Rupees Ten Lakh) divided into 1,00,000 (One Lakh) Equity Shares of ₹10/- each. This Authorised capital was increased to ₹15.00 Lakh (Fifteen Lakh) divided into



1,50,000 (One Lakh Fifty Thousand) Equity Shares of ₹10/- each pursuant to a resolution passed by our Shareholders in Meeting held on April 24, 1996.

- b) The Authorised share capital of ₹15.00 Lakh (Fifteen Lakh) divided into 1,50,000 (One Lakh Fifty Thousand) Equity Shares of ₹10/- each was increased to ₹25.00 Lakh (Twenty-five Lakh) divided into 2,50,000 (Two Lakh Fifty Thousand) Equity Shares of ₹10/- each pursuant to a resolution passed by our Shareholders in their Meeting held on February 18, 2010.
- c) This Authorised capital was increased from ₹25.00 Lakh (Twenty-five Lakh) divided into 2,50,000 (Two Lakh Fifty Thousand) Equity Shares of ₹10/- each to ₹3.00 Crore (Three Crore) divided into 30,00,000 (Thirty Lakh) Equity Shares of ₹10/- each pursuant to a resolution passed by our Shareholders in their Meeting held on March 19, 2022.
- d) The Authorised share capital of ₹3.00 Crore (Three Crore) divided into 30,00,000 (Thirty Lakh) Equity Shares of ₹10/- each was increased to ₹7.00 Crore (Seven Crore) divided into 70,00,000 (Seventy Lakh) Equity Shares of ₹10/- each pursuant to a resolution passed by our Shareholders in their Meeting held on June 11, 2022.
- e) The Authorised share capital of ₹7.00 Crore (Seven Crore) divided into 70,00,000 (Seventy Lakh) Equity Shares of ₹10/- each was increased to ₹9.99 Crore (Rupees Nine Crores Ninety-Nine Lacs Ninety-Nine Thousands Nine Hundred and Ninety Only) divided into 99,99,999 (Ninety-Nine Lacs Ninety-Nine Thousands Nine Hundred and Ninety-Nine) Equity Shares of ₹10/- each pursuant to a resolution passed by our Shareholders in their Meeting held on September 28, 2022.

## Notes to Capital Structure

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

- (a) The history of the equity share capital and the securities premium account of our company are set out in the following table:-

Date of Allotment / Date of Fully Paid Up	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-Up Share Capital (Rs.)	Cumulative Securities Premium (Rs.)
On Incorporation *	400	10	10	Cash	Subscription to MOA <sup>(i)</sup>	400	4000	Nil
January 28, 1994	99,600	10	10	Cash	Further Allotment <sup>(ii)</sup>	1,00,000	10,00,000	Nil
May 08, 1996	17,700	10	10	Cash	Further allotment <sup>(iii)</sup>	1,17,700	11,77,000	Nil
March 30, 2010	67,390	10	100	Cash	Further Allotment <sup>(iv)</sup>	1,85,090	18,50,900	60,65,100
March 29, 2014	24,440	10	45	Cash	Further Allotment <sup>(v)</sup>	2,09,530	20,95,300	69,20,500
March 30, 2022 <sup>#</sup>	10,47,650	10	-	Other than Cash	Bonus Issue <sup>(vi)</sup>	12,57,180	1,25,71,800	Nil
May 09, 2022	2,78,601	10	51	Cash	Right Issue <sup>(vii)</sup>	15,35,781	1,53,57,810	1,14,22,641
May 24, 2022	2,60,550	10	51	Cash	Right Issue <sup>(viii)</sup>	17,96,331	1,79,63,310	2,21,05,191
July 01, 2022 <sup>\$</sup>	26,94,497	10	-	Other than Cash	Bonus Issue <sup>(ix)</sup>	44,90,828	4,49,08,280	Nil
July 18, 2022	3,66,083	10	51	Cash	Right Issue <sup>(x)</sup>	48,56,911	4,85,69,110	1,50,09,403
December 17, 2022 <sup>^</sup>	12,14,228	10	-	Other than Cash	Bonus Issue <sup>(xi)</sup>	60,71,139	6,07,11,390	28,67,123

\*Shares were subscribed to Initial Subscriber to Memorandum of Association on April 29, 1993.

<sup>#</sup>Bonus issue of 10,47,650 equity shares in the ratio of 5:1 (five Shares for one share held) dated March 30, 2022 has been issued by Capitalization of Reserve & Surplus of the Company.

<sup>\$</sup>Bonus issue of 26,94,497 equity shares in the ratio of 3:2 (three shares for two share held) dated July 01, 2022 has been issued by Capitalization of Reserve & Surplus of the Company.



^ Bonus issue of 12,14,228 equity shares in the ratio of 1:4 dated December 17, 2022 has been issued by Capitalization of Reserve & Surplus of the Company

All the above-mentioned shares are fully paid up since the date of allotment.

**Notes:**

- (i) Initial Subscribers to the Memorandum of Association subscribed 400 Equity Shares of Face Value of Rs. 10/- each, details of which are given below:

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Arunava Raha	100
2.	Mr. Jerambhai Lavjibhai Donda	100
3.	Mrs. Vimlabhen Bhlani	100
4.	Mrs. Gauribhen Bhlani	100
	<b>Total</b>	<b>400</b>

- (ii) Further Allotment of 99,600 Equity Shares of Face Value of Rs. 10/- each fully paid. The details of which are as under:

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Arunava Raha	16,900
2.	Mr. Jerambhai Lavjibhai Donda	30,900
3.	Mrs. Vimlabhen Bhlani	25,900
4.	Mrs. Gauribhen Bhlani	25,900
	<b>Total</b>	<b>99,600</b>

- (iii) Further Allotment of 17,700 Equity Shares of Face Value of Rs. 10/- each fully paid. The details of which is as under:

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Arunava Raha	3,010
2.	Mr. Jeerambhai Patel	5,490
3.	Mrs. Vimlabhen Bhlani	4,600
4.	Mrs. Gauribhen Bhlani	4,600
	<b>Total</b>	<b>17,700</b>

- (iv) Further Allotment of 67,390 Equity Shares of Face Value of Rs. 10/- each fully paid. The details of which is as under:

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Kuberbhai V. Patel	1500
2.	Mr. Kuvarjibhai V. Patel	1500
3.	Mr. Karshanbhai K. Viradiya	750
4.	Mr. Mohanbhai G. Navadiya	750
5.	Mr. Natubhai J. Patel	1000
6.	Mr. Premjibhai Vaghajibhai Chudasama	1500
7.	Mr. Danabhai Jivrajibhai Chudasama	1500
8.	Mr. Balabhai B. Asodariya	1500
9.	Mr. Popatbhai B. Asodariya	1500
10.	Mr. Chaganbhai P. Asodariya	1500
11.	Mr. Himmatbhai G. Sutariya	2500
12.	Mr. Mohanbhai Ravjibhai Devani	970
13.	Mr. Karamshibhai Muljibhai	970
14.	Mr. Veljibhai Ravjibhai Devani	970
15.	Mr. Bhagwanbhai Ravjibhai Devani	970
16.	Mr. Ganeshbhai Ravjibhai Devani	970
17.	Mr. Kalubhai H. Sutariya	1500
18.	Mr. Rajubhai B. Italiya	990
19.	Mr. Ramjibhai Naranbhai Chohan	970
20.	Mr. Amarshibhai Jatubhai Rathod	970
21.	Mr. Odhabhai Ukabhai	980



22.	Mr. Maganbhai Tekabhai Chohan	980
23.	Mr. Lavjibhai Pragjibhai Nakrani	980
24.	Mr. Odhabhai Bhawanbhai	1430
25.	Mr. Dhirubhai J Kajavadra	3800
26.	M/s Sealand Shipping & Exports Pvt. Ltd.	30450
27.	Mr. Labhubhai Ravjibhai Devani	500
28.	Mr. Babubhai Savjibhai Koshiya	490
29.	Mr. Jitubhai Jadavbhai Sonani	1500
30.	Mr. Kurjibhai K Sonani	1500
	<b>Total</b>	<b>67,390</b>

(v) Further Allotment of 24,440 Equity Shares of Face Value of Rs. 10/- each fully paid. The details of which is as under:

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Jay Jerambhai Donda	24,440
	<b>Total</b>	<b>24,440</b>

(vi) Bonus allotment of 10,47,650 Equity Shares of Face Value of Rs. 10/- each fully paid in the ratio of 5:1 i.e., 5 Bonus Equity Shares for each equity share held:

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Jerambhai Lavjibhai Donda	3,50,800
2.	Mrs. Labhuben Jermabhai Donda	4,06,395
3.	Mr. Jay Jerambhai Donda	2,59,005
4.	Mrs. Nidhi J Donda	1,000
5.	Jerambhai L. Donda HUF	30,450
	<b>Total</b>	<b>10,47,650</b>

(vii) Rights Issue of 2,78,601 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 51/- per equity share is as under:

S.No.	Names of Person	Number of Shares Allotted
1.	Mr. Jerambhai Lavjibhai Donda	98,617
2.	Mrs. Labhuben Jermabhai Donda	98,617
3.	Mr. Jay Jerambhai Donda	81,367
	<b>Total</b>	<b>2,78,601</b>

(viii) Rights Issue of 2,60,550 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 51/- per equity share is as under:

S.No.	Names of Person	Number of Shares Allotted
1.	Mr. Jerambhai Lavjibhai Donda	1,74,500
2.	Mrs. Labhuben Jermabhai Donda	52,950
3.	Mr. Jay Jerambhai Donda	33,100
	<b>Total</b>	<b>2,60,550</b>

(ix) Bonus allotment of 26,94,497 Equity Shares of Face Value of Rs. 10/- each fully paid in the ratio of 3:2 i.e., 3 Bonus Equity Shares for 2 equity share held:

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Jerambhai Lavjibhai Donda	10,41,115
2.	Mrs. Labhuben Jermabhai Donda	9,58,862
3.	Mr. Jay Jerambhai Donda	6,37,910
4.	Mrs. Nidhi J Donda	1,800
5.	Jerambhai L. Donda HUF	54,810
	<b>Total</b>	<b>26,94,497</b>



(x) **Rights Issue of 3,66,083 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 51/- per equity share is as under:**

S. No.	Names of Person	Number of Shares Allotted
1.	Rekhaben Patel	54000
2.	Sandip Batukbhai Dhameliya	36000
3.	Donda Gordhanbhai Gilabhai	20000
4.	Bhavitaben D Kalathiya	1000
5.	Heenaben S Vaghasiya	1000
6.	Vanani Rinaben Chetanbhai	1000
7.	Abha Kamlesh Sharma	20000
8.	Prabhavati Kamlesh Sharma	30000
9.	Kamlesh Ichchhashankar Sharma	30000
10.	Sheetal Pravinbhai Sharma	20000
11.	Pooja Baldwa	20000
12.	Asmitaben Pravin Bhayani	10000
13.	Rameshbhai Goswami	24900
14.	Gitaben Gosai	22150
15.	Nilam Imranbhai Laxmidhar	4000
16.	Gitaben Zalavadia	41631
17.	Dhruvik Navneetbhai Virani	4902
18.	Rameshbhai Vitthalbhai Donda	1000
19.	Nikunj P Vanani	2000
20.	Varsha Pravin Chheta	4000
21.	Ramesh H Chheta	4000
22.	Dimple Jerambhai Donda	6500
23.	Bhumi Harshabhai Shah	4000
24.	Vidya Hareshbhai Shah	4000
	<b>Total</b>	<b>366083</b>

(xi) **Bonus allotment of 12,14,228 Equity Shares of Face Value of Rs. 10/- each fully paid in the ratio of 1:4 i.e., 1 Bonus Equity Shares for 4 equity share held:**

S. No.	Names of Person	Number of Shares Allotted
1.	Jerambhai Lavjibhai Donda	4,33,798
2.	Labhuben Jermabhai Donda	3,99,525
3.	Jay Jerambhai Donda	2,65,795
4.	Nidhi J Donda	750
5.	Jerambhai L. Donda HUF	22,838
6.	Rekhaben Patel	13,500
7.	Sandip Batukbhai Dhameliya	9,000
8.	Donda Gordhanbhai Gilabhai	5,000
9.	Bhavitaben D Kalathiya	250
10.	Heenaben S Vaghasiya	250
11.	Vanani Rinaben Chetanbhai	250
12.	Abha Kamlesh Sharma	5,000
13.	Prabhavati Kamlesh Sharma	7,500
14.	Kamlesh Ichchhashankar Sharma	7,500
15.	Sheetal Pravinbhai Sharma	5,000
16.	Pooja Baldwa	5,000
17.	Asmitaben Pravin Bhayani	2,500
18.	Rameshbhai Goswami	6,225
19.	Gitaben Gosai	5,538
20.	Nilam Imranbhai Laxmidhar	1,000
21.	Gitaben Zalavadia	10,408
22.	Dhruvik Navneetbhai Virani	1226
23.	Rameshbhai Vitthalbhai Donda	250
24.	Nikunj P Vanani	500



25.	Varsha Pravin Chheta	1000
26.	Ramesh H Chheta	1000
27.	Dimple Jay Donda	1625
28.	Bhumi Harshabhai Shah	1000
29.	Vidya Hareshbhai Shah	1000
<b>Total</b>		<b>12,14,228</b>

b) As on the date of the Draft Prospectus, our Company does not have any preference share capital.

## 2. Issue of Equity Shares for consideration other than cash

Except as disclosed below, we have not issued any Equity Shares for consideration other than cash.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
March 30, 2022	10,47,650	10.00	--	Other than Cash – Bonus Issue	Capitalization of Reserves	Mr. Jerambhai Lavjibhai Donda	3,50,800
						Mrs. Labhuben Jermabhai Donda	4,06,395
						Mr. Jay Jerambhai Donda	2,59,005
						Mrs. Nidhi J Donda	1,000
						Jerambhai L. Donda HUF	30,450
July 01, 2022	26,94,497	10.00	--	Other than Cash – Bonus Issue	Capitalization of Reserves	Mr. Jerambhai Lavjibhai Donda	10,41,115
						Mrs. Labhuben Jermabhai Donda	9,58,862
						Mr. Jay Jerambhai Donda	6,37,910
						Mrs. Nidhi J Donda	1800
						Jerambhai L. Donda HUF	54,810
December 17, 2022	12,14,228	10.00	--	Other than Cash – Bonus Issue	Capitalization of Reserves	Jerambhai Lavjibhai Donda	4,33,798
						Labhuben Jermabhai Donda	3,99,525
						Jay Jerambhai Donda	2,65,795
						Nidhi J Donda	750
						Jerambhai L. Donda HUF	22,838
						Rekhaben Patel	13,500
						Sandip Batukbhai Dhameliya	9,000
						Donda Gordhanbhai Gilabhai	5,000
						Bhavitaben D Kalathiya	250
						Heenaben S Vaghasiya	250
						Vanani Rinaben Chetanbhai	250
						Abha Kamlesh Sharma	5,000
						Prabhavati Kamlesh Sharma	7,500
						Kamlesh Ichchhashankar Sharma	7,500
						Sheetal Pravinbhai Sharma	5,000
						Pooja Baldwa	5,000
						Asmitaben Pravin Bhayani	2,500
						Rameshbhai Goswami	6,225
						Gitaben Gosai	5,538



Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
						Nilam Imranbhai Laxmidhar	1,000
						Gitaben Zalavadia	10,408
						Dhruvik Navneetbhai Virani	1226
						Rameshbhai Vitthalbhai Donda	250
						Nikunj P Vanani	500
						Varsha Pravin Chheta	1000
						Ramesh H Chheta	1000
						Dimple Jay Donda	1625
						Bhumi Harshabhai Shah	1000
						Vidya Hareshbhai Shah	1000

3. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
4. No Equity Shares have been allotted pursuant to any scheme approved under section of 230-234 of Companies Act 2013.
5. As on the date of the Draft Prospectus, Our Company has not issued any equity shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.
6. The Issue Price shall be decided by our Company in consultation with the Lead Manager, except as disclosed below, we have not issued any Equity Shares at price below issue price within last one year from the date of this Draft Prospectus.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons of Allotment	Whether part of Promoter Group	Allottees	No. of Shares Allotted
March 30, 2022	10,47,650	10.00	--	Bonus Issue	Yes	Mr. Jerambhai Lavjibhai Donda	3,50,800
					Yes	Mrs. Labhuben Jermabhai Donda	4,06,395
					Yes	Mr. Jay Jerambhai Donda	2,59,005
					Yes	Mrs. Nidhi J Donda	1,000
					Yes	Jerambhai L. Donda HUF	30,450
July 01, 2022	26,94,497	10.00	--	Bonus Issue	Yes	Mr. Jerambhai Lavjibhai Donda	10,41,115
					Yes	Mrs. Labhuben Jermabhai Donda	9,58,862
					Yes	Mr. Jay Jerambhai Donda	6,37,910
					Yes	Mrs. Nidhi J Donda	1800
					Yes	Jerambhai L. Donda HUF	54,810
December 17, 2022	12,14,228	10.00	--	Bonus Issue	Yes	Jerambhai Lavjibhai Donda	4,33,798
					Yes	Labhuben Jermabhai Donda	3,99,525
					Yes	Jay Jerambhai Donda	2,65,795
					Yes	Nidhi J Donda	750
					Yes	Jerambhai L. Donda HUF	22,838



Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons of Allotment	Whether part of Promoter Group	Allottees	No. of Shares Allotted
					No	Rekhaben Patel	13,500
					No	Sandip Batukbhai Dhameliya	9,000
					No	Donda Gordhanbhai Gilabhai	5,000
					Yes	Bhavitaben D Kalathiya	250
					Yes	Heenaben S Vaghasiya	250
					Yes	Vanani Rinaben Chetanbhai	250
					No	Abha Kamlesh Sharma	5,000
					No	Prabhavati Kamlesh Sharma	7,500
					No	Kamlesh Ichchhashankar Sharma	7,500
					No	Sheetal Pravinbhai Sharma	5,000
					No	Pooja Baldwa	5,000
					No	Asmitaben Pravin Bhayani	2,500
					No	Rameshbhai Goswami	6,225
					No	Gitaben Gosai	5,538
					No	Nilam Imranbhai Laxmidhar	1,000
					No	Gitaben Zalavadia	10,408
					No	Dhruvik Navneetbhai Virani	1226
					No	Rameshbhai Vitthalbhai Donda	250
					No	Nikunj P Vanani	500
					No	Varsha Pravin Chheta	1000
					No	Ramesh H Chheta	1000
					Yes	Dimple Jay Donda	1625
					No	Bhumi Harshabhai Shah	1000
					No	Vidya Hareshbhai Shah	1000



## 7. Our Shareholding Pattern

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

### I – Summary of Shareholding Pattern:-

Category	Category of shareholder	Nos. of share holders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
								No of Voting Rights		Total as a % of (A+B+ C)			No. (a)	As a % of total Shares held (b)		
								Classes Equity	Total I							
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX			X	XI=VII+X	XII		XIII	XIV
(A)	Promoter & Promoter Group	9	56,25,409	-	-	56,25,409	92.66	56,25,409	56,25,409	92.66	-	92.66	-	-	-	56,25,409
(B)	Public	20	4,45,730	-	-	4,45,730	7.34	4,45,730	4,45,730	7.34	-	7.34	-	-	-	4,45,730
I	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	29	60,71,139	-	-	60,71,139	100.00	60,71,139	60,71,139	100.00	-	100.00	-	-	-	60,71,139

\*As on date of this Draft Prospectus 1 Equity share holds 1 vote.

^ We have only one class of Equity Shares of face value of Rs. 10/- each.



**Table II - Statement showing shareholding pattern of the Promoters and Promoters' Group**

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)*		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form
								No of Voting (XIV) Rights			Total as a % of (A+B+C)			No.	As a % of total shares held	No.	As a % of total shares held	
Class eg: X	Class eg: Y	Total																
(1)	Indian																	
(a)	Individuals/Hindu undivided Family																	
Promoters																		
1.	Mr. Jerambhai Lavjibhai Donda	1	21,68,990	-	-	21,68,990	35.73	21,68,990	-	21,68,990	35.73	-	35.73	-	-	-	-	21,68,990
2.	Mrs. Labhuben Jermabhai Donda	1	19,97,628	-	-	19,97,628	32.90	19,97,628	-	19,97,628	32.90	-	32.90	-	-	-	-	19,97,628
3.	Mr. Jay Jerambhai Donda	1	13,28,978	-	-	13,28,978	21.89	13,28,978	-	13,28,978	21.89	-	21.89	-	-	-	-	13,28,978
Promoter Group																		
4.	Mrs. Nidhi J Donda	1	3,750	-	-	3,750	0.06	3,750	-	3,750	0.06	-	0.06	-	-	-	-	3,750
5.	Jerambhai L. Donda HUF	1	1,14,188	-	-	1,14,188	1.88	1,14,188	-	1,14,188	1.88	-	1.88	-	-	-	-	1,14,188



6.	Mrs. Bhavitaben D Kalathiya	1	1,250			1,250	0.02	1,250	-	1,250	0.02	-	0.02	-	-	-	-	1,250
7.	Mrs. Heenaben S Vaghasiya	1	1,250			1,250	0.02	1,250	-	1,250	0.02	-	0.02	-	-	-	-	1,250
8.	Mrs. Vanani Rinaben Chetanbhai	1	1,250			1,250	0.02	1,250	-	1,250	0.02	-	0.02	-	-	-	-	1,250
9.	Mrs. Dimple Jay Donda	1	8,125			8,125	0.13	8,125	-	8,125	0.13	-	0.13	-	-	-	-	8,125
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other – Body Corporate M/s Reliable Data Services Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(1)</b>	9	5625409	-	-	5625409	92.66	5625409	-	5625409	92.66	-	92.66	-	-	-	-	5625409
(2)	Foreign	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individuals (Non Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



	<b>Sub-Total (A)(2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Shareholding of Promoters and Promoters' Group (A)=(A)(1)+(A) (2)</b>	<b>9</b>	<b>5625409</b>	<b>-</b>	<b>-</b>	<b>5625409</b>	<b>92.66</b>	<b>5625409</b>	<b>-</b>	<b>5625409</b>	<b>92.66</b>	<b>-</b>	<b>92.66</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5625409</b>
	<b>Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. - N.A</b>																	



**Table III - Statement showing shareholding pattern of the Public shareholder**

Sr. No . (I)	Category of shareholder (II)	No s. Of sha reh old ers (III )	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underly ing Deposit ory Receipt s (VI)	Total nos. shares held (VII) = (IV)+(V) + (VI)	Sharehol ding as a % of total no. of shares (calculat ed as per SCRR, 1957) (VIII) As a % of (A+B+C 2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlyin g Outstandi ng convertibl e securities (Including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)*		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in demateri alized form
								No of Voting (XIV) Rights			Total as a % of (A+B+ C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total share s held (b)	
								Class eg: X	Cl as s eg :y	Total								
(1)	Institutions																	
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Central Government/ State Government(s)/ President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



	<b>Sub-Total (B)(2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	<b>Non-institutions</b>																
(a(i))	Individuals - i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.	9	47378	-	-	47378	0.78	47378	-	47378	0.78	-	0.78	-	-	-	47378
(a(ii))	Individuals - ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs.	11	398352	-	-	398352	6.56	398352	-	398352	6.56	-	6.56	-	-	-	398352
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(3)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)</b>	<b>20</b>	<b>4,45,730</b>	<b>-</b>	<b>-</b>	<b>4,45,730</b>	<b>7.34</b>	<b>4,45,730</b>	<b>-</b>	<b>4,45,730</b>	<b>7.34</b>	<b>-</b>	<b>7.34</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,45,730</b>
<b>Details of the shareholders acting as persons in Concert including their Shareholding (No. and %): - N.A</b>																	
<b>Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. - N.A.</b>																	



**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form
								No of Voting (XIV) Rights			Total as a % of (A+B+C)			No.	As a % of total shares held (b)	No.	As a % of total shares held (b)	
								Class eg: X	Class eg: y	Total								
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Non-Promoter- Non Public Shareholding (C)=(C)(1)+(C)(2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



**8. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Draft Prospectus are:**

S. No.	Name	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Mr. Jerambhai Lavjibhai Donda	21,68,990	35.73
2.	Mrs. Labhuben Jermabhai Donda	19,97,628	32.90
3.	Mr. Jay Jerambhai Donda	13,28,978	21.89
4.	Jerambhai L. Donda HUF	1,14,188	1.88
5.	Rekhaben Patel	67,500	1.11
	<b>Total</b>	<b>56,77,284</b>	<b>93.51</b>

**9. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company two year prior as on the date of this Draft Prospectus are:**

S. No.	Name	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Mr. Jerambhai Lavjibhai Donda	62,160	29.67
2.	Mrs. Labhuben Jermabhai Donda	71,679	34.21
3.	Mr. Prashnat L. Donda	8,000	3.82
4.	Mr. Jay Jerambhai Donda	51,801	24.72
5.	Mrs. Nidhi J. Donda	9,800	4.68
6.	Jerambhai L. Donda HUF	6,090	2.91
	<b>Total</b>	<b>2,09,530</b>	<b>100.00</b>

**10. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company one year prior as on the date of this Draft Prospectus are:**

S. No.	Name	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Mr. Jerambhai Lavjibhai Donda	62,160	29.67
2.	Mrs. Labhuben Jermabhai Donda	71,679	34.21
3.	Mr. Prashnat L. Donda	8,000	3.82
4.	Mr. Jay Jerambhai Donda	51,801	24.72
5.	Mrs. Nidhi J. Donda	9,800	4.68
6.	Jerambhai L. Donda HUF	6,090	2.91
	<b>Total</b>	<b>2,09,530</b>	<b>100.00</b>

**11. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company ten days prior as on the date of this Draft Prospectus are:**

S. No.	Name	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Mr. Jerambhai Lavjibhai Donda	21,68,990	35.73
2.	Mrs. Labhuben Jermabhai Donda	19,97,628	32.90
3.	Mr. Jay Jerambhai Donda	13,28,978	21.89
4.	Jerambhai L. Donda HUF	1,14,188	1.88
5.	Rekhaben Patel	67,500	1.11
	<b>Total</b>	<b>56,77,284</b>	<b>93.51</b>

**12. Except as disclosed below, no subscription to or sale or purchase of the securities of our Company within three years preceding the date of filing of the Draft Prospectus by our Promoters or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre- issue share capital of our Company.**

S. No.	Name of Shareholders	Date of Transaction	Promoter/ Promoter Group/ Director	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold	Subscribed/ Acquired/ Transferred
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1.	Mr. Jerambhai Lavjibhai Donda	30.03.2022	Promoter & Managing Director	3,50,800	--	Bonus Issue
2.	Mrs. Labhuben Jermabhai Donda		Promoter	4,06,395	--	Bonus Issue
3.	Mr. Jay Jerambhai Donda		Promoter & Whole-time Director	2,59,005	--	Bonus Issue
4.	Jerambhai L. Donda HUF		Promoter Group	30,450	--	Bonus Issue
5.	Mr. Jerambhai Lavjibhai Donda	09.05.2022	Promoter & Managing Director	98,617	--	Subscribed
6.	Mrs. Labhuben Jermabhai Donda		Promoter	98,617	--	Subscribed
7.	Mr. Jay Jerambhai Donda		Promoter & Whole-time Director	81,367	--	Subscribed
8.	Mr. Jerambhai Lavjibhai Donda	24.05.2022	Promoter & Managing Director	1,74,500	--	Subscribed
9.	Mrs. Labhuben Jermabhai Donda		Promoter	52,950	--	Subscribed
10.	Mr. Jay Jerambhai Donda		Promoter & Whole-time Director	33,100	--	Subscribed
11.	Mr. Jerambhai Lavjibhai Donda	01.07.2022	Promoter & Managing Director	10,41,115	--	Bonus Issue
12.	Mrs. Labhuben Jermabhai Donda		Promoter	9,58,862	--	Bonus Issue
13.	Mr. Jay Jerambhai Donda		Promoter & Whole-time Director	6,37,910	--	Bonus Issue
14.	Jerambhai L. Donda HUF		Promoter Group	54,810	--	Bonus Issue
15.	Mr. Jerambhai Lavjibhai Donda	17.12.2022	Promoter & Managing Director	4,33,798	--	Bonus Issue
16.	Mrs. Labhuben Jermabhai Donda		Promoter	3,99,525	--	Bonus Issue
17.	Mr. Jay Jerambhai Donda		Promoter & Whole-time Director	2,65,795	--	Bonus Issue
18.	Jerambhai L. Donda HUF		Promoter Group	22,838	--	Bonus Issue

13. None of our Directors or Key Managerial Personnel hold any Equity Shares other than as set out below:

Name	Designation	No. of Equity Shares held
Mr. Jerambhai Lavjibhai Donda	Chairman cum Managing Director	21,68,990
Mr. Jay Jerambhai Donda	Whole-time Director & CFO	13,28,978
Mrs. Dimple Jay Donda	Director	8,125

#### 14. Capital Build up in respect of shareholding of our Promoters:

As on date of the Draft Prospectus, our promoter Mr. Jerambhai Lavjibhai Donda, Mrs. Labhuben Jermabhai Donda and Mr. Jay Jerambhai Donda holds 54,95,596 Equity Shares constituting 90.52% of the issued, subscribed and paid-up Equity Share capital of our Company. None of the Equity Shares held by our Promoter are subject to any pledge.

Date of Allotment and made fully paid up /transfer	Nature of Issue	No. of Equity Shares	Face Value Per Share (₹)	Issue /Acquisition/ Transfer Price per Share (₹)	Pre-Issue Shareholding %	Post-Issue Shareholding %
<b>Mr. Jerambhai Lavjibhai Donda</b>						
April 29, 1993	On Incorporation	100	10.00	10.00	0.00	0.00
January 28, 1994	Further Allotment	30900	10.00	10.00	0.51	0.37



May 08, 1996	Further Allotment	5490	10.00	10.00	0.09	0.07
March 31, 2008	Acquired through Transfer <sup>(i)</sup>	31200	10.00	1.00	0.51	0.38
December 28, 2008	Transfer <sup>(ii)</sup>	(14900)	10.00	10.00	-0.25	-0.18
January 09, 2013	Acquired through Transfer <sup>(iii)</sup>	3000	10.00	1.00	0.05	0.04
May 24, 2013	Acquired through Transfer <sup>(iv)</sup>	5870	10.00	10.00	0.10	0.07
December 10, 2014	Acquired through Transfer <sup>(v)</sup>	500	10.00	50.00	0.01	0.01
March 14, 2022	Acquired through Transfer <sup>(vi)</sup>	8000	10.00	0.00	0.13	0.10
March 30, 2022	Bonus Issue	350800	10.00	--	5.78	4.24
May 05, 2022	Right Issue	98617	10.00	51.00	1.62	1.19
May 24, 2022	Right Issue	174500	10.00	51.00	2.87	2.11
July 01, 2022	Bonus Issue	1041115	10.00	--	17.15	12.59
December 17, 2022	Bonus Issue	4,33,798	10.00	--	7.15	5.24
<b>Total A</b>		<b>21,68,990</b>			<b>35.73</b>	<b>26.22</b>
<b>Mrs. Labhuben Jerambhai Donda</b>						
February 26, 2007	Acquired through Transfer <sup>(vii)</sup>	17000	10.00	10.00	0.28	0.21
March 17, 2007	Acquired through Transfer <sup>(viii)</sup>	13000	10.00	10.00	0.21	0.16
May 24, 2013	Acquired through Transfer <sup>(ix)</sup>	15500	10.00	1.00	0.26	0.19
June 10, 2016	Acquired through Transfer <sup>(x)</sup>	13239	10.00	100.00	0.22	0.16
February 03, 2017	Acquired through Transfer <sup>(xi)</sup>	8010	10.00	20.77	0.13	0.10
March 23, 2017	Acquired through Transfer <sup>(xii)</sup>	1430	10.00	50.00	0.02	0.02
March 30, 2018	Acquired through Transfer <sup>(xiii)</sup>	3500	10.00	31.60	0.06	0.04
March 14, 2022	Acquired through Transfer <sup>(xiv)</sup>	9600	10.00	0.00	0.16	0.12
March 30, 2022	Bonus Issue	406395	10.00	--	6.69	4.91
May 05, 2022	Right Issue	98617	10.00	51.00	1.62	1.19
May 24, 2022	Right Issue	52950	10.00	51.00	0.87	0.64
July 01, 2022	Bonus Issue	958862	10.00	--	15.79	11.59
December 17, 2022	Bonus Issue	3,99,525	10.00	--	6.58	4.83
<b>Total B</b>		<b>19,97,628</b>			<b>32.90</b>	<b>24.15</b>
<b>Mr. Jay Jerambhai Donda</b>						
May 24, 2013	Acquired through Transfer <sup>(xv)</sup>	6350	10.00	1.00	0.10	0.08
March 29, 2014	Further Allotment	24440	10.00	45.00	0.40	0.30
March 16, 2016	Acquired through Transfer <sup>(xvi)</sup>	9800	10.00	50.00	0.16	0.12
February 02, 2020	Acquired through Transfer <sup>(xvii)</sup>	11211	10.00	72.00	0.18	0.14
March 30, 2022	Bonus Issue	259005	10.00	--	4.27	3.13
May 05, 2022	Right Issue	81367	10.00	51.00	1.34	0.98
May 24, 2022	Right Issue	33100	10.00	51.00	0.55	0.40
July 01, 2022	Bonus Issue	637910	10.00	--	10.51	7.71
December 17, 2022	Bonus Issue	2,65,795	10.00	--	4.38	3.21
<b>Total C</b>		<b>13,28,978</b>			<b>21.89</b>	<b>16.07</b>
<b>Grand Total (A+B+C)</b>		<b>54,95,596</b>			<b>90.52</b>	<b>66.44</b>

(i) Details of Share acquired by Mr. Jerambhai Lavjibhai Donda dated March 31, 2008:

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	March 31, 2008	Atubhai B. Kosiya	7,500	Mr. Jerambhai Lavjibhai Donda
		Madhavjibhai N. Navadia	13,600	
		Chandubhaim. Navaida	10,100	
<b>Total</b>			<b>31,200</b>	



(ii) Details of Share transfer by Mr. Jerambhai Lavjibhai Donda dated December 28, 2008:

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	December 28, 2008	Mr. Jerambhai Lavjibhai Donda	10000	Babaubhai S. Kosiya
			4900	Labhubhai R. Devani
<b>Total</b>			<b>14,900</b>	

(iii) Details of Share acquired by Mr. Jerambhai Lavjibhai Donda dated January 09, 2013:

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	January 09, 2013	Jitubhai Jadavbhai Sonani	1500	Mr. Jerambhai Lavjibhai Donda
		Kurjibhai K Sonani	1500	
<b>Total</b>			<b>3000</b>	

(iv) Details of Share acquired by Mr. Jerambhai Lavjibhai Donda dated May 24, 2013:

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	May 24, 2013	Rajubhai B. Italiya	990	Mr. Jerambhai Lavjibhai Donda
		Ramjibhai Naranbhai Chohan	970	
		Amarshibhai Jatubhai Rathod	970	
		Odhabhai Ukabhai	980	
		Maganbhai Tekabhai Chohan	980	
		Lavjibhai Pragjibhai Nakrani	980	
<b>Total</b>			<b>5870</b>	

(v) Details of Share acquired by Mr. Jerambhai Lavjibhai Donda dated December 10, 2014:

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	December 10, 2014	Mr. Arunava Raha	500	Mr. Jerambhai Lavjibhai Donda
<b>Total</b>			<b>500</b>	

(vi) Details of Share acquired by Mr. Jerambhai Lavjibhai Donda dated March 14, 2022:

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	March 14, 2022	Mr. Prashant L. Donda	8000	Mr. Jerambhai Lavjibhai Donda
<b>Total</b>			<b>8000</b>	

(vii) Details of Share acquired by Mrs. Labhuben Jerambhai Donda dated February 26, 2007:

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	February 26, 2007	Mrs. Vimlabhen Bhlani	17000	Mrs. Labhuben Jerambhai Donda
<b>Total</b>			<b>17000</b>	

(viii) Details of Share acquired by Mrs. Labhuben Jerambhai Donda dated March 17, 2007:

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	March 17, 2007	Mrs. Gauribhen Bhlani	13000	Mrs. Labhuben Jerambhai Donda
<b>Total</b>			<b>13000</b>	



(ix) Details of Share acquired by Mrs. Labhuben Jerambhai Donda dated May 24, 2013:

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	May 24, 2013	Kuberbhai V. Patel	1500	Mrs. Labhuben Jerambhai Donda
		Kuvarjibhai V. Patel	1500	
		Karshanbhai K. Viradiya	750	
		Mohanbhai G. Navadiya	750	
		Natubhai J. Patel	1000	
		Premjibhai Vaghajibhai Chudasama	1500	
		Danabhai Jivrajibhai Chudasama	1500	
		Balabhai B. Asodariya	1500	
		Popatbhai B. Asodariya	1500	
		Chaganbhai P. Asodariya	1500	
		Himmatbhai G. Sutariya	2500	
Total			15500	

(x) Details of Share acquired by Mrs. Labhuben Jerambhai Donda dated August 07, 2015:

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	August 07, 2015	M/s Sealand Shipping & Exports Pvt. Ltd	13239	Mrs. Labhuben Jerambhai Donda
<b>Total</b>			<b>13239</b>	

(xi) Details of Share acquired by Mrs. Labhuben Jerambhai Donda dated February 03, 2017:

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	February 03, 2017	Mr. Arunava Raha	8010	Mrs. Labhuben Jerambhai Donda
<b>Total</b>			<b>8010</b>	

(xii) Details of Share acquired by Mrs. Labhuben Jerambhai Donda dated March 23, 2017:

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	March 23, 2017	Mr. Odhabhai Bhawanbhai	1430	Mrs. Labhuben Jerambhai Donda
<b>Total</b>			<b>1430</b>	

(xiii) Details of Share acquired by Mrs. Labhuben Jerambhai Donda dated March 30, 2018:

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	March 30, 2018	Mr. Arunava Raha	3500	Mrs. Labhuben Jerambhai Donda
<b>Total</b>			<b>3500</b>	

(xiv) Details of Share acquired by Mrs. Labhuben Jerambhai Donda dated March 14, 2022:

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	March 14, 2022	Mrs. Nidhi Jerambhai Donda	9600	Mrs. Labhuben Jerambhai Donda
<b>Total</b>			<b>9600</b>	

(xv) Details of Share acquired by Mr. Jay Jerambhai Donda dated May 24, 2013:

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
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1.	May 24, 2013	Mohanbhai Ravjibhai Devani	970	Mr. Jay Jerambhai Donda
		Karamshibhai Muljibhai	970	
		Veljibhai Ravjibhai Devani	970	
		Bhagwanbhai Ravjibhai Devani	970	
		Ganeshbhai Ravjibhai Devani	970	
		Kalubhai H Sutariya	1500	
Total			6350	

(xvi) Details of Share acquired by Mr. Jay Jerambhai Donda dated March 16, 2016:

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	March 16, 2016	Mr. Babaubhai S. Kosiya	4400	Mr. Jay Jerambhai Donda
2.		Mr. Labhubhai R. Devani	5400	
Total			9800	

(xvii) Details of Share acquired by Mr. Jay Jerambhai Donda dated February 27, 2020:

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	February 27, 2020	M/s Sealand Shipping & Exports Pvt. Ltd	11211	Mr. Jay Jerambhai Donda
<b>Total</b>			<b>11211</b>	

15. The average cost of acquisition of or subscription to Equity Shares by our Promoter is set forth in the table below:

Name of the Promoter	No. of Shares held	Average Cost of Acquisition per Share (In Rs.)*
Mr. Jerambhai Lavjibhai Donda	21,68,990	6.58
Mrs. Labhuben Jermabhai Donda	19,97,628	4.86
Mr. Jay Jerambhai Donda	13,28,978	6.20

\*Average cost of acquisition is calculated on the basis of face value of equity shares of Rs. 10/- each.

16. Except as provided below there are no Equity Shares purchased/acquired or sold by our Promoters, Promoter Group and/or by our Directors and their immediate relatives within six months immediately preceding the date of filing of the Draft Prospectus.

Date of Transaction	Number of Equity Shares Allotted/ Acquired/ Sold	Face Value (Rs.)	Issue Price/ Acquired Price (Rs.)*	Nature	Nature of Consideration	Name of the Allottees/ Transferor/transferee	Category
July 01, 2022	1041115	10	-	Bonus Issue	Other than Cash	Mr. Jerambhai Lavjibhai Donda	Promoter & Managing Director
	958862					Mrs. Labhuben Jermabhai Donda	Promoter
	637910					Mr. Jay Jerambhai Donda	Promoter & Whole time Director
	1800					Mrs. Nidhi J. Donda	Promoter Group
	54810					Jerambhai L. Donda HUF	Promoter Group
	433798	10	-	Bonus Issue	Other than Cash	Mr. Jerambhai Lavjibhai Donda	Promoter & Managing Director



December 17, 2022	399525					Mrs. Labhuben Jermabhai Donda	Promoter
	265795					Mr. Jay Jerambhai Donda	Promoter & Whole time Director
	750					Mrs. Nidhi J. Donda	Promoter Group
	22838					Jerambhai L. Donda HUF	Promoter Group
	250					Bhavitaben D Kalathiya	Promoter Group
	250					Heenaben S Vaghasiya	Promoter Group
	250					Vanani Rinaben Chetanbhai	Promoter Group
	1625					Dimple Jay Donda	Promoter Group

\*The maximum and minimum price at which the aforesaid transaction was made is 51 and Nil Equity Share.

17. Details of the Pre and Post Issue Shareholding of our Promoter and Promoter Group as on the date of the Draft Prospectus is as below: -

S. No	Names	Pre-Issue		Post Issue	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	<b>Promoter</b>				
1.	Mr. Jerambhai Lavjibhai Donda	21,68,990	35.73	21,68,990	26.22
2.	Mrs. Labhuben Jermabhai Donda	19,97,628	32.90	19,97,628	24.15
3.	Mr. Jay Jerambhai Donda	13,28,978	21.89	13,28,978	16.07
	<b>TOTAL (A)</b>	<b>54,95,596</b>	<b>90.52</b>	<b>54,95,596</b>	<b>66.44</b>
	<b>Promoter Group</b>				
1.	Mrs. Dimple Jay Donda	8,125	0.13	8,125	<b>0.10</b>
2.	Mrs. Nidhi J. Donda	3,750	0.06	3,750	<b>0.05</b>
3.	Jerambhai L. Donda HUF	1,14,188	1.88	1,14,188	1.38
4.	Mrs. Bhavitaben D Kalathiya	1,250	0.02	1,250	0.02
5.	Mrs. Heenaben S Vaghasiya	1,250	0.02	1,250	0.02
6.	Mrs. Vanani Rinaben Chetanbhai	1,250	0.02	1,250	0.02
	<b>TOTAL (B)</b>	<b>1,29,813</b>	<b>2.14</b>	<b>1,29,813</b>	<b>1.57</b>
	<b>GRAND TOTAL (A+B)</b>	<b>56,25,409</b>	<b>92.66</b>	<b>56,25,409</b>	<b>68.01</b>

18. Details of Promoter's Contribution locked in for three years:

Date of Allotment / transfer of fully paid up Shares	Date when made Fully paid up	Nature of Allotment/ Acquired/ Transfer	No. of shares Allotted/ Acquired Transferred	Face Value (Rs.)	Issue Price/ Transfer Price (Rs.)	% of Pre Issue Shareholding	% of Post Issue Shareholding	Lock in Period
<b>Mr. Jerambhai Lavjibhai Donda</b>								
July 01, 2022	July 01, 2022	Bonus Issue	8,00,000	10.00	--	13.18	9.67	3 Years
<b>Mrs. Labhuben Jermabhai Donda</b>								
July 01, 2022	July 01, 2022	Bonus Issue	5,00,000	10.00	--	8.24	6.05	3 Years
<b>Mr. Jay Jerambhai Donda</b>								
July 01, 2022	July 01, 2022	Bonus Issue	4,00,000	10.00	--	6.59	4.84	3 Years
<b>Total</b>			<b>17,00,000</b>			<b>28.00</b>	<b>20.55</b>	

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "promoter" under the SEBI ICDR Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 237 of the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 236 of the SEBI ICDR Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this Issue.



No Equity Shares proposed to be locked-in as Minimum Promoter Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalization of intangible assets, involved in such transactions.

The entire pre-Issue shareholding of the Promoter, other than the Minimum Promoter contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

Our Promoter, Mr. Jerambhai Lavjibhai Donda, Mrs. Labhuben Jermabhai Donda and Mr. Jay Jerambhai Donda has, by a written undertaking, consented to have 17,00,000 Equity Shares held by him to be locked in as Minimum Promoter Contribution for a period of three years from the date of allotment in this Issue and will not be disposed/sold/transferred by the promoter during the period starting from the date of filing this Draft Prospectus with SME Platform of BSE till the date of commencement of lock-in period as stated in this Draft Prospectus. The Equity Shares under the Promoters contribution will constitute 20.55% of our post-Issue paid up share capital.

Our Promoter has also consented that the Promoters contribution under Regulation 236 of the SEBI ICDR Regulations will not be less than 20% of the post Issue paid up capital of our Company.

#### **Eligibility of Share for “Minimum Promoters Contribution in terms of clauses of Regulation 237 of SEBI (ICDR) Regulations, 2018**

<b>Reg. No.</b>	<b>Promoters’ Minimum Contribution Conditions</b>	<b>Eligibility Status of Equity Shares forming part of Promoter’s Contribution</b>
237 (1) (a) (i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The Minimum Promoter’s contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. <b><u>Hence Eligible</u></b>
237 (1) (a) (ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters’ contribution	The minimum Promoter’s contribution does not consist of such Equity Shares. <b><u>Hence Eligible</u></b>
237 (1) (b)	Specified securities acquired by the promoters and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India, during the preceding one year at a price lower than the price at which specified securities are being offered to the public in the initial public offer.	The minimum Promoter’s contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>
237 (1) (c)	Specified securities allotted to the promoters and alternative investment funds during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoters of the issuer and there is no change in the management	The minimum Promoter’s contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>
237 (1) (d)	Specified securities pledged with any creditor.	Our Promoter’s has not Pledged any shares with any creditors. Accordingly, the minimum Promoter’s contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>

#### **Details of Share Capital Locked in For One Year**

In terms of Regulation 236 and 237 of the SEBI ICDR Regulations, in addition to the Minimum Promoters contribution which is locked in for 3 (three) years, as specified above, the entire pre-issue equity share capital held by promoters and entire pre-issue capital held by persons other than promoters of our Company i.e. Promoter Group members and Public holding 43,71,139 Equity Shares shall be locked in for a period of 1 (one) year from the date of allotment of Equity Shares in this Issue.



The Equity Shares which are subject to lock-in shall carry inscription '**non-transferable**' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

**Other requirements in respect of lock-in:**

- a) In terms of Regulation 242 of the SEBI ICDR Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
- b) In terms of 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 36 or 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Further in terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

19. None of our Promoter, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Draft Prospectus.
20. Neither, we nor our Promoter, Directors and the Lead Manager to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.
21. As on the date of filing of the Draft Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person, any option to acquire our Equity Shares after this Initial Public Offer.
22. As on the date of the Draft Prospectus, the entire Issued Share Capital, Subscribed and Paid up Share Capital of our Company is fully paid up.
23. Our Company has not raised any bridge loan against the proceeds of the Issue.
24. Since the entire Issue price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.
25. As on the date of the Draft Prospectus, none of the shares held by our Promoter / Promoters Group are subject to any pledge.
26. The Lead Manager i.e. Beeline Capital Advisors Private Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of the Draft Prospectus.
27. We hereby confirm that 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 the Draft Prospectus until the Equity Shares Issued have been listed or application moneys refunded on account of failure of Issue.
28. Our Company does not presently intend or propose to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments.
29. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.



30. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Net Issue. In such an event, the Equity Shares held by the Promoter is used for allotment and lock-in for three years shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
31. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and Designated Stock Exchange i.e. BSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
32. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
33. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
34. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.
35. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
36. Our Company shall comply with such disclosure and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.
37. As on the date of the Draft Prospectus, Our Company has not issued any equity shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.
38. There are no Equity Shares against which depository receipts have been issued.
39. Other than the Equity Shares, there is no other class of securities issued by our Company as on date of filing of the Draft Prospectus.
40. We have 29 (Twenty Nine) Shareholders as on the date of filing of the Draft Prospectus.
41. There are no safety net arrangements for this Public Issue.
42. Our Promoter and Promoter Group will not participate in this Issue.
43. This Issue is being made through Fixed Price method.
44. Except as disclosed in the Draft Prospectus, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation to the date of the Draft Prospectus.
45. No person connected with the Issue shall issue any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
46. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering the Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.



## **SECTION VII - OBJECTS OF THE ISSUE**

The Issue includes a public Issue of 22,00,000 Equity Shares of our Company at an Issue Price of ₹51.00 per Equity Share

### **The Fresh Issue**

The Net Proceeds from the Fresh Issue will be utilized towards the following objects:

1. To Meet the Capital Expenditure Requirements
2. To Meet Working Capital Requirement
3. General Corporate Purpose
4. To Meet the Issue Expenses

*(Collectively referred as the “objects”)*

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the SME Platform of BSE Limited (BSE SME). It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause of our Memorandum of Association (MOA) enables our Company to undertake its existing activities and these activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum of Association (MOA).

### **Requirement of Funds: -**

The details of the proceeds from the Fresh Issue are provided in the following table:

Particulars	Amt. (₹ in Lakhs)
Gross Issue Proceeds	1122.00
Less: Public Issue Related Expenses	40.00
<b>Net Issue Proceeds</b>	<b>1082.00</b>

### **Utilisation of Funds: -**

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

S. No	Particulars	Amt. (₹ in Lakhs)	% of Net Issue Size
1.	To Meet the Capital Expenditure Requirements	154.00	14.23
2.	To Meet Working Capital Requirement	750.00	69.32
3.	General Corporate Expenses	178.00	16.45
	<b>Net Issue Proceeds</b>	<b>1082.00</b>	<b>100.00</b>

**Means of Finance: -** We intend to finance our Objects of Issue through Net Proceeds which is as follows:

Particulars	Amt. (₹ in Lakhs)
Net Proceeds	1082.00
<b>Total</b>	<b>1082.00</b>

*Since the entire fund requirement are to be funded from the proceeds of the Issue, there is no requirement 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 amounts to be raised through the proposed Issue.*

The fund requirement and deployment is based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding



existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds. We further confirm that no part proceed of the Issue shall be utilised for repayment of any Part of unsecured loan outstanding as on date of Draft Prospectus.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "Risk Factors" beginning on page 20 of the Draft Prospectus.

### **Details of Use of Issue Proceeds:**

#### **1. To Meet the Capital Expenditure Requirements:**

Our Company proposes to use Net Issue Proceeds to the extent to Rs. 154.00 Lakhs to meet capital expenditure requirement of the company. Capital Expenditure will be as follows

S.No.	Particulars	Supplier	Quotation Amount (excluding taxes) (in Lakhs)*
1.	MPCVD Machine for Labgrowing Diamonds	Excel Instruments	77.20
2.	Skid Mounted Air Cooled Scroll B-Phetype Chiller	Kartik Aircondition	3.52
3.	MW – Power Supply	Nexgen Electric & Cable Company	29.00
4.	100 KVA (3 Ph. In – 3 Ph. Out) TRUE On-Line UPS System With Inbuilt Isolation Transformer	Eprompt Enterprise	5.35
5.	Exide Make 12 Volt 100 Ah 32 SMF Battery Set		2.72
6.	Supply, Installation & Commissioning of UHP Gas Panels, Gas Lines & Gas Accessories for CVD Diamond Machine	Vayusodh Applied Systems & Technologies	18.43
7.	CVD Application - Lab Grown Diamond	Alicat Scientific India Pvt. Ltd.	8.30
8.	Computer Hardware parts	Amar Computer Technology	9.48
<b>Total</b>			<b>154.00</b>

\* The Quotation is valid as on date of this Draft Prospectus. However, our management are confident enough that such products will be available at quotation price also at the time of purchasing such assets.

Our company has not placed any order for above plant and machinery till the date of this Draft Prospectus.

#### **2. To Meet Working Capital Requirement**

The Business of the Company is working capital intensive; hence it will meet the requirement to the extent of 750.00 Lakhs from the Net Proceeds of the Issue and balance from borrowings at an appropriate time as per the requirements of the business.

Details of Estimation of Working Capital requirement are as follows:

(₹ In Lakhs)						
S. No.	Particulars	Actual (Restated)	Actual (Restated)	Actual (Restated)	Provisional	Projected
		31-March-20	31-March-21	31-March-22	31-March-23	31-March-24
I	<b>Current Assets</b>					
	Trade receivables	227.30	298.71	407.62	470.48	741.23



	Inventories	347.70	288.48	307.69	352.86	555.92
	Cash and cash equivalents	3.82	2.86	6.69	42.19	63.02
	Short term loan & Advances & Other Current Assets	22.92	24.92	108.20	173.99	253.99
	<b>Total(A)</b>	<b>601.74</b>	<b>614.97</b>	<b>830.20</b>	<b>1039.53</b>	<b>1614.16</b>
II	<b>Current Liabilities</b>					
	Trade payables	351.08	373.79	547.49	343.73	403.86
	Short Term Provisions	0.89	1.05	9.13	16.00	21.00
	Other Current Liabilities	57.61	9.16	11.14	9.02	10.42
	<b>Total (B)</b>	<b>409.58</b>	<b>384.00</b>	<b>567.76</b>	<b>368.75</b>	<b>435.28</b>
III	<b>Total Working Capital Gap (A-B)</b>	<b>192.16</b>	<b>230.97</b>	<b>262.44</b>	<b>670.78</b>	<b>1178.88</b>
IV	<b>Funding Pattern</b>					
	Short term borrowing & Internal Accruals	<b>192.16</b>	<b>230.97</b>	<b>262.44</b>	<b>520.78</b>	<b>578.88</b>
	<b>IPO Proceeds</b>				<b>150.00</b>	<b>600.00</b>

**Key assumptions for working capital projections made by the Company:**

Particulars	Actual March 31, 2021	Actual March 31, 2021	Actual March 31, 2022	Provisional March 31, 2023	Projected March 31, 2024
Debtors (in Days)	70	89	55	61	61
Creditors (in Days)	137	172	85	53	38
Inventory (in Days)	136	133	48	55	52

**3. General Corporate Purposes**

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Fresh Issue proceeds aggregating Rs. 178.00 Lakhs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Draft Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

**4. Public Issue Expenses: -**

The estimated Issue related expenses include Issue Management Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar's Fees, Depository Fee and Listing Fee. The total expenses for this Issue are estimated to be approximately Rs. 40.00 Lakhs which is 3.57% of the Issue Size. All the Issue related expenses shall be proportionately met out from proceeds of the Issue as per applicable laws. The break-up of the same is as follows:

Particulars	Estimated expenses (Rs. In Lakhs) *	As a % of total estimated Issue related expenses*	As a % of the total Issue size*
Lead Manager Fees including underwriting commission	18.00	45.00	1.60
Brokerage, selling, commission and upload fees	5.00	12.50	0.45
Registrar to the issue	1.00	2.50	0.09
Legal Advisors	1.00	2.50	0.09
Advertising and Marketing expenses	1.00	2.50	0.09
Regulators including stock exchanges	5.00	12.50	0.45
Printing and distribution of issue stationery	1.00	2.50	0.09



Particulars	Estimated expenses (Rs. In Lakhs) *	As a % of total estimated Issue related expenses*	As a % of the total Issue size*
Others, if any (market making, depositories, marketing fees, secretarial, peer review auditors, etc.)	8.00	20.00	0.71
<b>Total Estimated Offer Expenses</b>	<b>40.00</b>	<b>100.00</b>	<b>3.57</b>

Notes:

1. Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows: Portion for RIIs 0.01% ^ (exclusive of GST) Portion for NIIs 0.01% ^ (exclusive of GST) ^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).
2. The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
3. Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
4. SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs

#### **Proposed Schedule of Implementation:**

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

(₹ In Lakhs)

S. No.	Particulars	Amount to be deployed and utilized in F.Y. 2022-23	Amount to be deployed and utilized in F.Y. 2023-24
1.	To Meet the Capital Expenditure Requirements	154.00	--
2.	To Meet Working Capital Requirement	150.00	600.00
3.	General Corporate Purpose	--	178.00
	<b>Total</b>	<b>304.00</b>	<b>778.00</b>

#### **Funds Deployed and Source of Funds Deployed:**

Our Statutory Auditors **M/s. V. Dhamsania & Associates**, Chartered Accountants vide their certificate dated December 19, 2022 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt. (₹ in Lakhs)*
Issue Expenses	8.24
<b>Total</b>	<b>8.24</b>

\* Amount inclusive of applicable taxes.

#### **Sources of Financing for the Funds Deployed:**

Our Statutory Auditors **M/s. V. Dhamsania & Associates**, Chartered Accountants vide their certificate dated December 19, 2022 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt. (₹ in Lakhs)*
Internal Accruals	8.24
<b>Total</b>	<b>8.24</b>

\* Amount inclusive of applicable taxes.

#### **Appraisal**

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based management



estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

#### **Shortfall of Funds**

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

#### **Bridge Financing Facilities**

As on the date of this Draft Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

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

The Audit Committee & the Board of Directors of our Company will monitor the utilization of funds raised through this public issue. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company.

#### **Interim Use of Proceeds**

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

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

#### **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoter or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

#### **Other confirmations**

There is no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and Group Companies, in relation to the utilization of the Net Proceeds. No part of the proceeds of the Issue will be paid by us to the Promoter and Promoter Group, Group Companies, the Directors, associates or Key Management Personnel, except in the normal course of business and in compliance with applicable law.



## **BASIS FOR ISSUE PRICE**

*Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the section titled “Business Overview” and its financial statements under the section titled “Financial Information of our Company” beginning on page 20, page 96 and page 136 respectively of this Draft Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.*

The Issue Price has been determined by the Company in consultation with the LM on the basis of the key business strengths of our Company. The face value of the Equity Shares is Rs. 10 and Issue Price is ₹51.00 which is 5.10 times of the face value.

### **QUALITATIVE FACTORS**

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “Business Overview” beginning on page 96 of this Draft Prospectus.

### **QUANTITATIVE FACTORS**

Information presented below is derived from our Company’s Restated Financial Statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

#### **1. Basic & Diluted Earnings per share (EPS), as restated:**

S. No	Period	Basic & Diluted (₹)	Weights
1.	FY 2019-20	0.00	1
2.	FY 2020-21	0.07	2
3.	FY 2021-22	0.84	3
	<b>Weighted Average</b>	<b>0.44</b>	<b>6</b>
	September 30, 2022	<b>1.12</b>	

*Notes:*

- i. The figures disclosed above are based on the restated financial statements of the Company.
- ii. The EPS considered above is calculated on the basis of weighted average No of Equity Shares considering after bonus issue made on December 17, 2022.
- iii. The face value of each Equity Share is ₹10.00.
- iv. Earnings per Share has been calculated in accordance with **Accounting Standard 20 – “Earnings per Share”** issued by the Institute of Chartered Accountants of India.
- v. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.

#### **2. Price Earning (P/E) Ratio in relation to the Issue Price of ₹51.00 per share:**

S. No	Particulars	P/E
1	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2021-22	60.71
2	P/E ratio based on the Weighted Average EPS	115.91

#### **3. Return on Net worth (RoNW)**

S. No	Period	RONW (%)	Weights
1.	FY 2019-20	0.03	1
2.	FY 2020-21	2.46	2
3.	FY 2021-22	22.71	3
	<b>Weighted Average</b>	<b>12.18</b>	<b>6</b>
	September 30, 2022	<b>8.93</b>	

#### **4. Net Asset Value (NAV) per Equity Share:**

Sr. No.	As at	NAV
---------	-------	-----



1.	March 31, 2020	69.11
2.	March 31, 2021	70.85
3.	March 31, 2022	15.28
4.	September 30, 2022	14.18
5.	NAV after Issue	21.76
	<b>Issue Price</b>	<b>51.00</b>

## 5. Comparison of Accounting Ratios with Industry Peers<sup>1</sup>

Currently we are mainly engaged in business of manufacturing, marketing and sourcing of diamonds – natural and lab grown diamonds and there is no listed peer group company which are strictly comparable to us with respect to the industry and business segment in which we operate and the size of our company.

6. The face value of our shares is ₹10.00 per share and the Issue Price is of ₹51.00 per share which is 5.10 times of the face value.
7. The Issue Price has been determined by our Company in consultation with the Lead Manager and justified by our Company in consultation with the Lead Manager on the basis of above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the offer Document to have more informed view about the investment.,

Investors should read the above-mentioned information along with section titled “Business Overview”, “Risk Factors” and “Financial Information of our Company” beginning on page 96, 20 and 136 respectively including important profitability and return ratios, as set out in chapter titled “Other Financial Information” on page 137 of this Draft Prospectus to have a more informed view.



## **STATEMENT OF POSSIBLE TAX BENEFITS**

To,

The Board of Directors,  
**Dev Labtech Venture Limited**  
GF/22-23, Pattani Plaza,  
Dairy Road, Near Nilambaug Circle,  
Bhavnagar-364002  
Gujarat

Dear Sir,

**Subject - Statement of possible tax benefits (“the statement”) available to Dev Labtech Venture Limited (“the company”) and its shareholder prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI to the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018.**

### **REFERENCE - PROPOSED INITIAL PUBLIC OFFER OF 22,00,000 EQUITY SHARES OF FACE VALUE OF Rs. 10 EACH (“EQUITY SHARES”) OF DEV LABTECH VENTURE LIMITED (“ISSUER”)**

We hereby confirm that the enclosed Annexure 1 and 2 (together “the Annexures”), prepared by Dev Labtech Venture Limited (“the Company”), provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 (“the Act”) as amended by the Finance Act 2022, circular and notifications issued from time to time, i.e. applicable for the Financial Year 2022-23 relevant to the assessment year 2023-24, the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 (“GST Act”), as amended by the Finance Act 2022, circular and notifications issued from time to time, i.e., applicable for the Financial Year 2022-23 relevant to the assessment year 2023-24, presently in force in India (together, the “Tax Laws”). Several of these benefits 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 and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

1. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company’s management. We are informed that these Annexures are only intended to provide information to the investors and 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 proposed initial public offering.
2. We do not express any opinion or provide any assurance as to whether:
  - 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 views expressed herein.
3. The contents of the enclosed Annexures are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.
4. No assurance is given that the revenue authorities/ Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.
5. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.



6. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Prospectus/Prospectus in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

**V DHAMSANIA & ASSOCIATES**  
**(Firm Regn No. – 132499W)**  
**CHARTERED ACCOUNTANTS**

**VIPUL V DHAMSANIA (Partner)**  
**M.No.140836**  
**Bhavnagar 19<sup>th</sup> December, 2022**  
**UDIN – 23140836BGQJRV5298**



## **ANNEXURE 1 TO THE STATEMENT OF TAX BENEFITS**

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

### **YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION**

- A. **SPECIAL TAX BENEFITS TO THE COMPANY** - The Company is not entitled to any special tax benefits under the Act.
- B. **SPECIAL TAX BENEFITS TO THE SHAREHOLDER** - The Shareholders of the Company are not entitled to any special tax benefits under the Act

#### **Note:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Prospectus/Prospectus.



## **ANNEXURE 2 TO THE STATEMENT OF TAX BENEFITS**

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the GST Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

### **YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION**

- A. **SPECIAL TAX BENEFITS TO THE COMPANY** - The Company is not entitled to any special tax benefits under the GST Act.
- B. **SPECIAL TAX BENEFITS TO THE SHAREHOLDER** - The Shareholders of the Company are not entitled to any special tax benefits under the GST Act

#### **Note:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant indirect tax law benefits and does not cover any direct tax law benefits or benefit under any other law.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Prospectus/Prospectus.



## SECTION VIII – ABOUT THE COMPANY

### OUR INDUSTRY

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.*

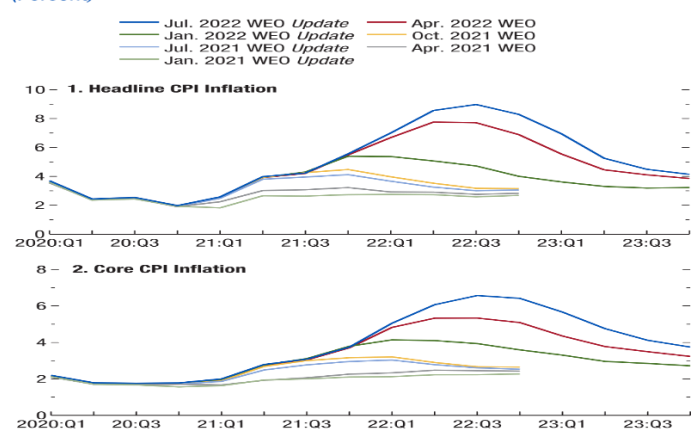
### GLOBAL OUTLOOK

#### The Forces Shaping the Outlook

**Global slowdown intensifies as downside risks materialize.** A tentative recovery in 2021 has been followed by increasingly gloomy developments in 2022. Performance was slightly better than expected in the first quarter, but world real GDP is estimated to have shrunk in the second quarter—the first contraction since 2020—owing to economic downturns in China and Russia. Downside risks discussed in the April 2022 World Economic Outlook are materializing, with higher inflation worldwide, especially in the United States and major European economies, triggering a sharp tightening in global financial conditions; a sharper-than-anticipated slowdown in China, reflecting COVID-19 outbreaks and lockdowns; and further negative cross-border effects from the war in Ukraine.

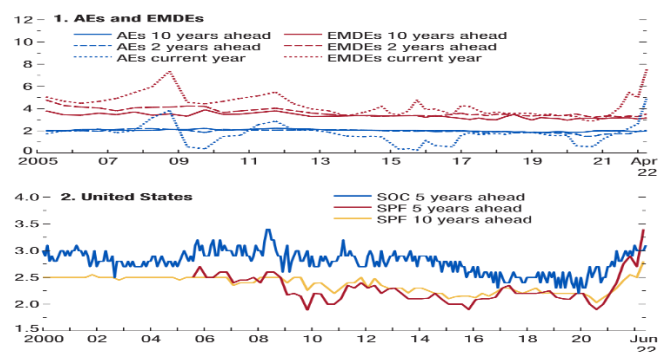
**Global inflation again surprises on the upside, prompting more central bank tightening.** Since 2021, consumer prices have consistently risen faster than widely expected, including in the World Economic Outlook (Figure 1). In the United States, the consumer price index rose by 9.1 percent in June, compared with a year earlier, and it also rose by 9.1 percent in the United Kingdom in May—the highest inflation rates in these two countries in 40 years. In the euro area, inflation in June reached 8.6 percent, its highest level since the inception of the monetary union. Equally concerning, in emerging market and developing economies, second-quarter inflation is estimated to have been 9.8 percent. Higher food and energy prices, supply constraints in many sectors, and a rebalancing of demand back toward services have in most economies driven up headline inflation. But underlying inflation has also increased, as reflected in different gauges of core inflation, reflecting the pass-through of cost pressures by way of supply chains and tight labor markets, especially in advanced economies.<sup>1</sup> Wage growth has on average not kept up with inflation across both advanced and emerging market and developing economies, eroding household purchasing power. Although long-term inflation expectations have been stable in most major economies, they have started to rise according to some measures, including in the United States (Figure 2). In response to incoming data, central banks of major advanced economies are withdrawing monetary support more assertively and raising policy interest rates faster than expected in the April 2022 World Economic Outlook. Central banks in several emerging market and developing economies have raised interest rates more aggressively than during past advanced economy tightening cycles. The associated rise in longer-term borrowing costs, including mortgage rates, and tighter global financial conditions (see box) have led to precipitous declines in equity prices, weighing on growth. At the same time, public COVID-19 support packages have been wound down.

**Figure 1. Global Inflation Forecasts: Serial Upside Surprises (Percent)**



Source: IMF staff calculations.  
Note: Global inflation is a weighted average of individual countries' numbers using GDP valued at purchasing power parity as weights. WEO = World Economic Outlook.

**Figure 2. Longer-Term Inflation Expectations (Percent)**

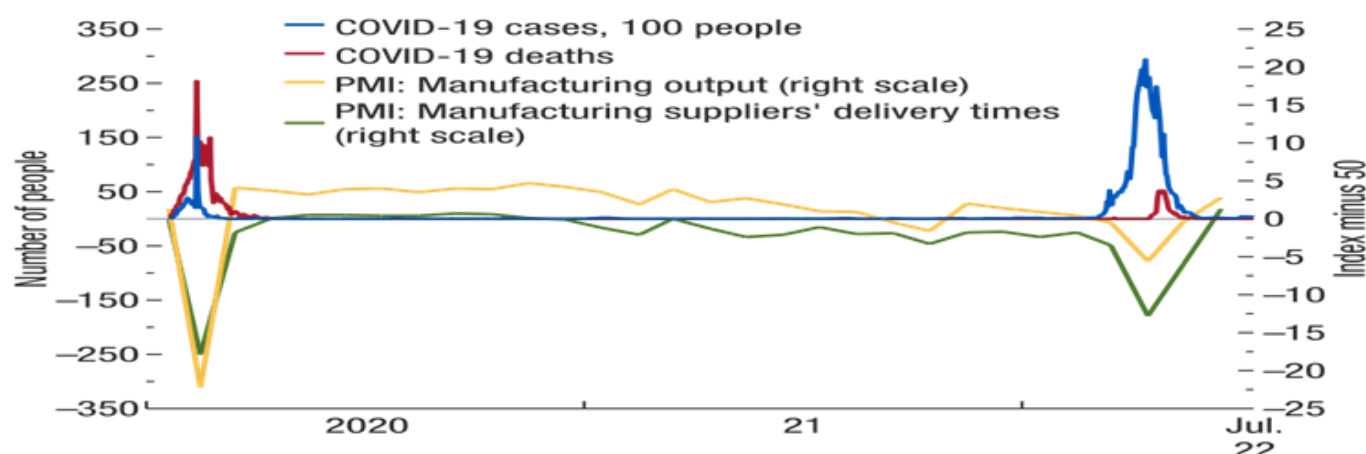


Sources: Consensus Economics; Federal Reserve Bank of Philadelphia; University of Michigan; and IMF staff calculations.  
Note: Panel 1 shows median consensus forecasts for respective groups of economies. Consensus Economics forecasts are current year consumer price index inflation forecasts and 2-year-ahead inflation forecasts; for 10-year expectations, they are averages over the 6- to 10-year-ahead horizon. The SOC 5-year-ahead expectations are the average inflation expectations over the following 5 to 10 years. The SPF longer-term forecasts are for the annual averages of inflation over the following 5 and 10 years, respectively. AEs = advanced economies; EMDEs = emerging market and developing economies; SOC = surveys of consumers; SPF = survey of professional forecasters.



**China's economic slowdown has added to global supply chain disruptions.** COVID-19 outbreaks and mobility restrictions as part of the authorities' zero-COVID strategy have disrupted economic activity widely and severely (Figure 3). Shanghai, a major global supply chain hub, entered a strict lockdown in April 2022, forcing citywide economic activity to halt for about eight weeks. In the second quarter, real GDP contracted significantly by 2.6 percent on a sequential basis, driven by lower consumption—the sharpest decline since the first quarter of 2020, at the onset of the pandemic, when it declined by 10.3 percent. Since then, more contagious variants have driven a worrisome surge in COVID-19 cases. The worsening crisis in China's property sector is also dragging down sales and real estate investment. The slowdown in China has global consequences: lockdowns added to global supply chain disruptions and the decline in domestic spending are reducing demand for goods and services from China's trade partners.

**Figure 3. China: COVID-19 Outbreaks and Supply Chain Disruptions**



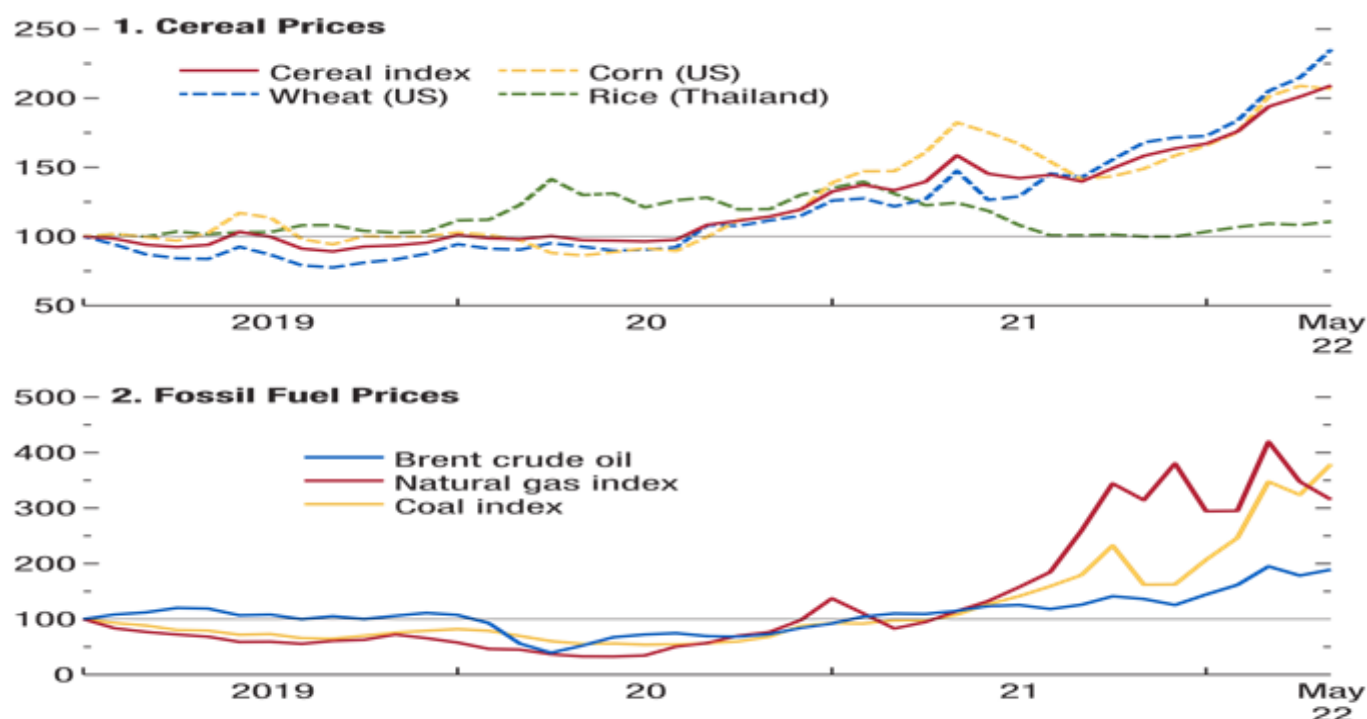
Sources: National Bureau of Statistics of China; National Health Commission of China; and IMF staff calculations.  
Note: PMI = purchasing managers' index.

**The war in Ukraine continues, causing widespread hardship.** The war's humanitarian cost is rising, with 9 million people having fled Ukraine since the Russian invasion started and continuing loss of life and destruction of physical capital. Since April 2022, major advanced economies have placed additional financial sanctions on Russia, and the European Union agreed on embargoes on imports of coal starting in August 2022 and on Russian seaborne oil starting in 2023. The European Union announced that it will block insuring and financing maritime transport of Russian oil to third countries by the end of 2022. At the same time, the Organization of the Petroleum Exporting Countries has agreed to bring forward increases in oil supply that were planned for September, and the Group of Seven plans to study the possibility of introducing a price ceiling on Russian exports of crude oil. These offsetting developments mean that the increase in international crude oil prices compared with last year is overall only slightly lower than predicted in the April 2022 World Economic Outlook. More recently, the flow of Russian pipeline gas to Europe has declined sharply to about 40 percent of the level a year ago, contributing to a steep increase in natural gas prices in June. Russia's economy is estimated to have contracted during the second quarter by less than previously projected, with crude oil and nonenergy exports holding up better than expected. In addition, domestic demand is also showing some resilience thanks to containment of the effect of the sanctions on the domestic financial sector and a lower-than-anticipated weakening of the labor market. Relatedly, the war's effects on major European economies have been more negative than expected, owing to higher energy prices as well as weaker consumer confidence and slower momentum in manufacturing resulting from persistent supply chain disruptions and rising input costs.

**The food crisis worsens.** Global food prices have stabilized in recent months but remain much higher than in 2021 (see Figure 4). The principal driver of global food price inflation—particularly prices of cereal, such as wheat—has been the war in Ukraine; export restrictions in several countries have compounded global food price increases, although a few of these restrictions have recently lapsed. Low-income countries, where food represents a larger share of consumption, are feeling the impact of this inflation most keenly. Countries with diets tilted toward commodities with the largest price gains (especially wheat and corn), those more dependent on food imports, and those with a large pass-through from global to local staple food prices are most distressed. Low-income countries whose people were already experiencing acute malnutrition and excess mortality before the war, especially in sub-Saharan Africa, have suffered a particularly severe impact.



**Figure 4. Higher Food and Energy Prices**  
(Index, January 2019 = 100)



Sources: IMF, Primary Commodity Price System; and IMF staff calculations.  
Note: Cereal index comprises barley, maize (corn), oats, rice, sorghum, and wheat; natural gas index comprises European, Japanese, and US natural gas price indices; coal index comprises Australian and South African coal.

**Global growth:** In the baseline scenario, global growth is 3.2 percent in 2022 and moderates to 2.9 percent in 2023, lower than projected in the April 2022 World Economic Outlook by 0.4 and 0.7 percentage point, respectively (Table 1). In a number of cases, a better-than-expected growth outcome in the first quarter of 2022 offsets the subsequent slowdown, resulting in a relatively modest net negative revision for average annual growth in 2022. Downgrades for China and the United States, as well as for India, are driving the downward revisions to global growth during 2022–23, which reflect the materialization of downside risks highlighted in the April 2022 World Economic Outlook: a sharper slowdown in China due to extended lockdowns, tightening global financial conditions associated with expectations of steeper interest rate hikes by major central banks to ease inflation pressure, and spillovers from the war in Ukraine. With growth near 3 percent in 2022–23, a decline in global GDP or in global GDP per capita—sometimes associated with global recession—is not currently part of the baseline scenario. However, projections for growth on a fourth-quarter-over-fourth-quarter basis point to a significant weakening of activity in the second half of 2022 (Table 1). While the revisions are mostly negative for advanced economies, differing exposures to the underlying developments mean that those for emerging market and developing economies are more mixed:

- As noted, growth revisions for major advanced economies in 2022–23 are generally negative. Baseline growth in the United States is revised down by 1.4 percentage points and 1.3 percentage points in 2022 and 2023, respectively, reflecting weaker-than-expected growth in the first two quarters of 2022, with significantly less momentum in private consumption, in part reflecting the erosion of household purchasing power and the expected impact of a steeper tightening in monetary policy. Growth in the euro area is also revised down: by 0.2 percentage point in 2022, when improved prospects for tourism and industrial activity in Italy are more than offset by significant downgrades in France, Germany, and Spain; and by 1.1 percentage point in 2023. This reflects spillovers from the war in Ukraine as well as the assumption of tighter financial conditions, with the European Central Bank ending net asset purchases and raising rates in July 2022 for the first time since 2011. In a number of European economies, Next Generation EU funds are supporting economic activity.
- For emerging market and developing economies, the negative revisions to growth in 2022–23 reflect mainly the sharp slowdown of China’s economy and the moderation in India’s economic growth. The revision in emerging and developing Asia is correspondingly large, at 0.8 percentage point in the baseline for 2022. This revision includes a 1.1 percentage point downgrade to growth in China, to 3.3 percent (the lowest growth in more than four decades, excluding the initial COVID-19 crisis in 2020), owing primarily to the aforementioned COVID-19 outbreaks and lockdowns. Likewise, the outlook for India has been revised down by 0.8 percentage point, to 7.4 percent. For India, the revision reflects mainly



less favorable external conditions and more rapid policy tightening. Elsewhere, growth revisions in the baseline have been mostly on the upside. Real GDP for emerging and developing Europe is expected to shrink by 1.5 percentage points less in 2022 than predicted in the April 2022 World Economic Outlook but grow by 0.4 percentage point less in 2023, on the back of stronger-than-expected Russian export growth in 2022 and the recently announced additional sanctions on Russia in 2023. Latin America and the Caribbean has also seen an upward revision of 0.5 percentage point in 2022 as a result of a more robust recovery in the large economies (Brazil, Mexico, Colombia, Chile).. The outlooks for countries in the Middle East and Central Asia and sub-Saharan Africa remain on average unchanged or positive, reflecting the effects of elevated fossil fuel and metal prices for some commodity-exporting countries.

**Inflation:** The baseline projection for global inflation is also more pessimistic, having been revised up to 8.3 percent in 2022 on a fourth-quarter-over-fourth-quarter basis, from 6.9 percent in the April 2022 World Economic Outlook. The upside inflation revision in 2022 is larger for advanced economies, where it is expected to reach 6.3 percent from 4.8 percent projected in the April 2022 World Economic Outlook on a fourth-quarter-over-fourth-quarter basis, driven by significant increases in headline inflation among such major economies as the United Kingdom (a 2.7 percentage point upward revision to 10.5 percent) and the euro area (a 2.9 percentage point upward revision to 7.3 percent). Forecasts for 2023 are relatively unchanged—up by only 0.2 percentage point on a fourth-quarter over- fourth-quarter basis—reflecting confidence that inflation will decline as central banks tighten policies and energy price base effects turn negative. For emerging market and developing economies, inflation in 2022 is expected to reach 10.0 percent on a fourth-quarter-over-fourth-quarter basis. Revisions for those economies display greater variation across countries, with relatively modest increases in emerging and developing Asia (partly because of a slowdown of activity in China and limited increases in prices of staple foods) but larger revisions for Latin America and the Caribbean (up by 3.0 percentage points) and for emerging and developing Europe (up by 2.9 percentage points).

**Global trade:** Global trade growth in 2022 and 2023 will likely slow by more than previously expected, reflecting the decline in global demand and supply chain problems. The dollar's appreciation in 2022—by about 5 percent in nominal effective terms as of June compared with December 2021—is also likely to have slowed world trade growth, considering the dollar's dominant role in trade invoicing as well as negative financial balance sheet effects on demand and imports in countries with dollar-denominated liabilities.

**Table 1. Overview of the World Economic Outlook Projections**  
(Percent change, unless noted otherwise)

	Year over Year						Q4 over Q4 2/		
					Difference from April 2022 WEO Projections				
					1/				
	2020	2021	Projections		2022	2023	2021	Projections	
		2022	2023				2022	2023	
World Output	-3.1	6.1	3.2	2.9	-0.4	-0.7	4.4	1.7	3.2
Advanced Economies	-4.5	5.2	2.5	1.4	-0.8	-1.0	4.7	1.3	1.5
United States	-3.4	5.7	2.3	1.0	-1.4	-1.3	5.5	1.0	0.6
Euro Area	-6.3	5.4	2.6	1.2	-0.2	-1.1	4.7	0.7	2.1
Germany	-4.6	2.9	1.2	0.8	-0.9	-1.9	1.8	0.5	1.5
France	-7.9	6.8	2.3	1.0	-0.6	-0.4	4.9	0.4	1.1
Italy	-9.0	6.6	3.0	0.7	0.7	-1.0	6.4	0.6	1.6
	-								
Spain	10.8	5.1	4.0	2.0	-0.8	-1.3	5.5	1.3	2.3
Japan	-4.5	1.7	1.7	1.7	-0.7	-0.6	0.4	2.4	0.6
United Kingdom	-9.3	7.4	3.2	0.5	-0.5	-0.7	6.6	0.1	1.3
Canada	-5.2	4.5	3.4	1.8	-0.5	-1.0	3.2	2.5	1.7
Other Advanced Economies 3/	-1.8	5.1	2.9	2.7	-0.2	-0.3	4.6	2.0	2.8
Emerging Market and Developing Economies	-2.0	6.8	3.6	3.9	-0.2	-0.5	4.2	2.1	4.7
Emerging and Developing Asia	-0.8	7.3	4.6	5.0	-0.8	-0.6	3.8	4.0	4.7
China	2.2	8.1	3.3	4.6	-1.1	-0.5	3.5	4.1	3.2
India 4/	-6.6	8.7	7.4	6.1	-0.8	-0.8	3.9	4.1	7.2
ASEAN-5 5/	-3.4	3.4	5.3	5.1	0.0	-0.8	4.7	3.4	6.1
Emerging and Developing Europe	-1.8	6.7	-1.4	0.9	1.5	-0.4	6.1	-7.0	7.7
	-								
Russia	-2.7	4.7	-6.0	-3.5	2.5	-1.2	4.8	13.9	4.8
Latin America and the Caribbean	-6.9	6.9	3.0	2.0	0.5	-0.5	3.9	1.8	2.1
Brazil	-3.9	4.6	1.7	1.1	0.9	-0.3	1.6	1.5	1.5
Mexico	-8.1	4.8	2.4	1.2	0.4	-1.3	1.2	2.9	1.0
Middle East and Central Asia	-2.9	5.8	4.8	3.5	0.2	-0.2	...	...	...
Saudi Arabia	-4.1	3.2	7.6	3.7	0.0	0.1	6.7	6.9	3.7
Sub-Saharan Africa	-1.6	4.6	3.8	4.0	0.0	0.0	...	...	...
Nigeria	-1.8	3.6	3.4	3.2	0.0	0.1	2.4	2.1	2.3
South Africa	-6.3	4.9	2.3	1.4	0.4	0.0	1.8	2.2	1.7



<i>Memorandum</i>									
World Growth Based on Market Exchange Rates	-3.4	5.8	2.9	2.4	-0.6	-0.7	4.4	1.6	2.5
European Union	-5.8	5.4	2.8	1.6	-0.1	-0.9	4.9	0.9	2.8
Middle East and North Africa	-3.4	5.8	4.9	3.4	-0.1	-0.2	...	...	...
Emerging Market and Middle-Income Economies	-2.2	7.0	3.5	3.8	-0.3	-0.5	4.3	2.0	4.7
Low-Income Developing Countries	0.1	4.5	5.0	5.2	0.4	-0.2	...	...	...
<b>World Trade Volume (goods and services) 6/</b>	<b>-7.9</b>	<b>10.1</b>	<b>4.1</b>	<b>3.2</b>	<b>-0.9</b>	<b>-1.2</b>	<b>...</b>	<b>...</b>	<b>...</b>
Advanced Economies	-8.8	9.1	5.3	3.2	-0.3	-1.4	...	...	...
Emerging Market and Developing Economies	-6.2	11.7	2.2	3.3	-1.8	-0.9	...	...	...
<b>Commodity Prices (US dollars)</b>									
Oil 7/	-	-	-	-	-	-	-	-	-
Nonfuel (average based on world commodity import weights)	32.7	67.3	50.4	12.3	-4.3	1.0	79.2	28.6	13.4
	6.7	26.1	10.1	-3.5	-1.3	-1.0	16.4	5.7	-0.6
<b>World Consumer Prices 8/</b>	<b>3.2</b>	<b>4.7</b>	<b>8.3</b>	<b>5.7</b>	<b>0.9</b>	<b>0.9</b>	<b>5.6</b>	<b>8.3</b>	<b>4.1</b>
Advanced Economies 9/	0.7	3.1	6.6	3.3	0.9	0.8	4.9	6.3	2.3
Emerging Market and Developing Economies 8/	5.2	5.9	9.5	7.3	0.8	0.8	6.1	10.0	5.7

Note: Real effective exchange rates are assumed to remain constant at the levels prevailing during May 30, 2022--June 27, 2022. Economies are listed on the basis of economic size. The aggregated quarterly data are seasonally adjusted. WEO = World Economic Outlook.

1/ Difference based on rounded figures for the current and April 2022 WEO forecasts. Countries whose forecasts have been updated relative to April 2022 WEO forecasts account for approximately 90 percent of world GDP measured at purchasing-power-parity weights.

2/ For World Output (Emerging Market and Developing Economies), the quarterly estimates and projections account for approximately 90 percent (80 percent) of annual world (emerging market and developing economies) output at purchasing-power-parity weights.

3/ Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries.

4/ For India, data and forecasts are presented on a fiscal year basis and GDP from 2011 onward is based on GDP at market prices with fiscal year 2011/12 as a base year.

5/ Indonesia, Malaysia, Philippines, Thailand, Vietnam.

6/ Simple average of growth rates for export and import volumes (goods and services).

7/ Simple average of prices of UK Brent, Dubai Fateh, and West Texas Intermediate crude oil. The average price of oil in US dollars a barrel was \$69.07 in 2021; the assumed price, based on futures markets (as of June 29, 2022), is \$103.88 in 2022 and \$91.07 in 2023.

8/ Excludes Venezuela.

9/ The inflation rate for the euro area is 7.3% in 2022 and 3.9% in 2023, that for Japan is 1.9% in 2022 and 1.3% in 2023, and that for the United States is 7.7% in 2022 and 3.0% in 2023, respectively.

(Source-<https://www.imf.org/en/Publications/WEO/Issues/2022/07/26/world-economic-outlook-update-july-2022>)

## INDIAN ECONOMY OVERVIEW

### Introduction

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

### Market size

- India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY2021-22,
- India is the third-largest unicorn base in the world with over 83 unicorns collectively valued at US\$ 277.77 billion, as per the Economic Survey. By 2025, India is expected to have 100 unicorns, which will create ~1.1 million direct jobs according to the Nasscom-Zinnov report 'Indian Tech Start-up'.
- India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030s, for productivity and economic growth according to McKinsey Global Institute. The net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030.
- According to data from the Department of Economic Affairs, as of July 15, 2022, foreign exchange reserves in India reached the US\$ 572.71 billion mark.

### Recent Developments

Recent economic developments in India are as follows:



- With an improvement in the economic scenario, there have been investments across various sectors of the economy. The private equity - venture capital (PE-VC) sector recorded investments worth US\$ 34.1 billion, (up 28% YoY) across 711 deals in January-June 2022. Some of the important recent developments in the Indian economy are as follows:
- India's merchandise exports stood at US\$ 676.2 billion in FY22. In June 2022, India's merchandise exports stood at US\$ 37.9 billion, recording the highest ever exports in June 2022. In May 2022, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 58.9 compared to 57.9 in April 2022.
- The gross GST (Goods and Services Tax) revenue collection stood at Rs. 1.44 trillion (US\$ 18.1 billion) in June 2022.
- According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflow in India stood at US\$ 588.53 billion between April 2000 and March 2022.
- India's Index of Industrial Production (IIP) for stood at 137.7 driven by mining, manufacturing and electricity sectors in May 2022.
- Consumer Food Price Index (CFPI) – Combined inflation was 2.9% in 2021-22 (April-December) against 9.1% in the corresponding period last year.
- Consumer Price Index (CPI) – inflation was 7.01% in June 2022 compared to 7.04% in May 2022.
- Foreign portfolio investors (FPIs) invested Rs. 228,862 crore (US\$ 28.65 billion) in July 2022.
- The wheat procurement in Rabi 2021-22 and the anticipated paddy purchase in Kharif 2021-22 would include 1208 lakh (120.8 million) metric tonnes of wheat and paddy from 163 lakh (16.7 million) farmers, as well as a direct payment of MSP value of 2.37 lakh crore (US\$ 31.74 billion) to their accounts.

## Government Initiatives

The Government of India has taken several initiatives to improve the economic condition of the country. Some of these are:

- Mr. Rajnath Singh, Minister of Defence, launched 75 newly-developed artificial intelligence (AI) products and technologies during the first-ever "AI in Defence" (AIDef) symposium and exhibition, organised by the Ministry of Defence in New Delhi on July 11, 2022.
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 lakh crore (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Under PM GatiShakti Master Plan the National Highway Network will develop 25,000 km of new highways network which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- On February 2022, Ms. Nirmala Sitharaman Minister for Finance & Corporate Affairs said that productivity linked incentive (PLI) schemes to be extended to 14 sectors for achieving the mission of AtmaNirbhar Bharat and create 60 lakh (6 million) and an additional production of Rs. 30 lakh crore (US\$ 401.49 billion) in the next 5 years.
- In the Union Budget of 2022-23, the government announced funding for the production linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced production linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2500 crore (US\$ 334.60 million).
- In the Union Budget of 2022 Finance Minister Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G will be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which is expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement to spectrum sharing.
- In the Union Budget of 2022-23 the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).



- In May 2021, the government approved the production linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that Reserve Bank of India (RBI) will issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 lakh crore (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of “One Station, One Product” was also introduced.
- To boost competitiveness Budget 2022 has announced to reform the 16-year-old Special Economic Zone (SEZ) act to enhance competitiveness this will be done to make it compatible with the World Trade Organisation (WTO).
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- To boost the overall audit quality, transparency and add value to businesses, in April 2021, the RBI issued a notice on new norms to appoint statutory and central auditors for commercial banks, large urban co-operatives and large non-banks and housing finance firms.
- In May 2021, the Government of India has allocated Rs. 2,250 crore (US\$ 306.80 million) for the development of the horticulture sector in 2021-22.
- In November 2020, the Government of India announced Rs. 2.65 lakh crore (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the Government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally and increasing digital literacy.
- On January 29 2022 the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system and help fuel liquidity and boost the Indian Economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY2022-23, it is expected to raise Rs. 4 lakh crore (US\$ 53.58 billion) in the next 3 years.
- By November 1, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, NITI Aayog and Cisco collaborated to encourage women's entrepreneurship in India.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In June 2021, RBI Governor, Mr. Shaktikanta Das announced the policy repo rate unchanged at 4%. He also announced various measures including Rs. 15,000 crore (US\$ 2.05 billion) liquidity support to contact-intensive sectors such as tourism and hospitality.
- In June 2021, Finance Ministers of G-7 countries, including the US, the UK, Japan, Italy, Germany, France and Canada, attained a historic contract on taxing multinational firms as per which the minimum global tax rate would be at least 15%. The move is expected to benefit India to increase foreign direct investments in the country.
- In June 2021, the Indian government signed a US\$ 32 million loan with World Bank for improving healthcare services in Mizoram.
- In May 2021, the Government of India (GoI) and European Investment Bank (EIB) signed the finance contract for second tranche of EUR 150 million (US\$ 182.30 million) for Pune Metro Rail project.
- According to an official source, as of September 15, 2021, 52 companies have filed applications under the Rs. 5,866 crore (US\$ 796.19 million) production-linked incentive scheme for the white goods (air conditioners and LED lights) sector.
- In May 2021, Union Cabinet has approved the signing of memorandum of understanding (MoU) on migration and mobility partnership between the Government of India, the United Kingdom of Great Britain and Northern Ireland.



- In April 2021, Minister for Railways and Commerce & Industry and Consumer Affairs, Food & Public Distribution, Mr. Piyush Goyal, launched 'DGFT Trade Facilitation' app to provide instant access to exporters/importers anytime and anywhere.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is going to increase public health spending to 2.5% of the GDP by 2025.

## Road Ahead

As per the data published in a Department of Economic Affairs report, in the first quarter of FY22, India's output recorded a 20.1% YoY growth, recovering >90% of the pre-pandemic output in the first quarter of FY20. India's real gross value added (GVA) also recorded an 18.8% YoY increase in the first quarter of FY22, posting a recovery of >92% of its corresponding pre-pandemic level (in the first quarter of FY20). Also, in FY21, India recorded a current account surplus at 0.9% of the GDP. The growth in the economic recovery is due to the government's continued efforts to accelerate vaccination coverage among citizens. This also provided an optimistic outlook to further revive industrial activities.

As per RBI's revised estimates of July 2021, the real GDP growth of the country is estimated at 21.4% for the first quarter of FY22. The increase in the tax collection, along with government's budget support to states, strengthened the overall growth of the Indian economy.

India is focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030, which is currently 30% and have plans to increase its renewable energy capacity from 175 gigawatt (GW) by 2022. In line with this, in May 2021, India, along with the UK, jointly launched a 'Roadmap 2030' to collaborate and combat climate change by 2030.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behavior and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by 2040 as per a report by PricewaterhouseCoopers.

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

## Gems and Jewellery Industry in India

### Introduction

As of February 2021, India's gold and diamond trade contributed ~7.5% to India's Gross Domestic Product (GDP) and 14% to India's total merchandise exports. The gems and jewellery sector is likely to employ ~8.23 million persons by 2022, from ~5 million in 2020.

Based on its potential for growth and value addition, the Government declared gems and jewellery sector as a focus area for export promotion. The Government has undertaken various measures recently to promote investment and upgrade technology and skills to promote 'Brand India' in the international market. The Government has permitted 100% FDI in the sector under the automatic route, wherein the foreign investor or the Indian company do not require any prior approval from the Reserve Bank or the Government of India.

### Market Size

India's gems and jewellery market size was at US\$ 78.50 billion in FY21. Growth in exports is mainly due to revived import demand in the export market of the US and fulfilment of orders received by numerous Indian exhibitors during the Virtual Buyer-Seller Meets (VBSMs) conducted by GJEPC.

India's gems and jewellery exports reached US\$ 39.14 billion in 2021-22, a 54.13% rise from the previous year. In April 2022, India's overall gems and jewellery exports were at US\$ 3.23 billion. The Government of India is aiming at US\$ 70 billion in jewellery export in the next five years (until 2025), up from US\$ 35 billion in 2020.



## Investments and Recent Developments

Cumulative FDI inflows in diamond and gold ornaments in India stood at US\$ 1,213.05 million between April 2000-March 2022, according to the Department for Promotion of Industry and Internal Trade (DPIIT).

Some of the key developments in this industry are listed below:

- In September 2021, Malabar Group invested Rs. 750 crore (US\$ 100 million) in a gold refinery and jewellery unit in Hyderabad.
- In May 2021, GJEPC and Embassy of India, Morocco, co-hosted the 'India Global Connect' to better understand the present business climate in the gems and jewellery sector and seek trade prospects for manufacturers, exporters and importers from both countries.
- The GJEPC will organise its first International Gems and Jewellery Show (IGJS) outside the country, in Dubai, from August 14-16, 2021. It will also hold a five-day physical exhibition—India International Jewellery show (IIJS-2021)—in Bengaluru from September 15-19, 2021, in a first such event outside Mumbai. GJEPC sources said that >250 buyers have registered and >95 stalls have been booked for Dubai IGJS 2021. There will be 150 booths having products such as plain gold, gold-studded jewellery, diamond-studded jewellery, silver jewellery, loose diamonds and gemstones.
- In June 2021, Tanishq launched antimicrobial jewellery in certain markets as a pilot project. Currently, the range is available in stores across Chennai and Lucknow, with further launches planned in Kolkata and Hyderabad followed by other key markets. Antimicrobial jewellery is being offered in categories such as chains and rings, which feature special-coated layers that self-disinfect the surface and impede any further microbial growth.
- In June 2021, the World Gold Council and Gem and Jewellery Export Promotion Council signed an agreement to promote gold jewellery in India. Under the agreement terms, both partners will jointly fund a multi-media marketing campaign that would aim to increase awareness, relevance and adoption of gold jewellery amongst Indian consumers, especially in millennials and Gen Z.
- In April 2021, Malabar Gold & Diamonds announced to invest Rs. 1,600 crore (US\$ 214 million) in FY22 to launch 56 stores, of which 40 would be in India and 16 across global markets. In India, stores will be opened in Tamil Nadu, Telangana, Andhra Pradesh, Karnataka, Maharashtra, Delhi, West Bengal, Uttar Pradesh, Odisha and Kerala. In July 2021, the company announced hiring of >5,000 staff, across its retail operations, brand headquarters and regional offices in the country.
- In March 2021, Joyalukkas collaborated with IBM Global Business Services to design, develop and deploy a new cloud-native e-commerce platform across 11 countries including India, the UAE, the US, the UK, Singapore, Malaysia, Bahrain, Qatar, Saudi Arabia, Kuwait and Oman.
- In February 2021, Reliance expanded its e-commerce arm, JioMart, to jewellery with silver coins of 5gm and 10 gm, and gold coins of 1gm, 5gm and 10gm.10gm.
  - Reliance's in-house jewellery brand, Reliance Jewels, which has ~93 flagship showrooms and 110 shop-in-shops in 105 cities in the country, will fulfil the orders for the new segment.

## Government Initiatives

- India has signed an FTA with the UAE which will further boost exports and is expected to reach the target of US\$ 52 billion.
- The Government has reduced custom duty on cut and polished diamond and colored gemstones from 7.5% to 5% and NIL.
- Revised SEZ Act is also expected to boost exports of gems and jewellery.
- In September 2021, Ms. Anupriya Patel, Minister of State for Commerce and Industry said that reforms such as the revamped gold monetisation scheme, reduction in import duty of gold, hallmarking and others would help the industry grow. The market export target is US\$ 43.75 billion for 2021.
- The government has reduced import duty for Gold & Silver (from 12.5% to 7.5%) and Platinum & Palladium (from 12.5% to 10%) to bring down the prices of precious metals in the local market.
- Indian Government made hallmarking mandatory for Gold Jewellery and Artefacts. A period of one year is provided for implementation i.e. till January 2021.
  - In December 2020, All India Gem and Jewellery Domestic Council (GJC) welcomed the decision to make hallmarking compulsory from June 2021 in a phased manner; urged the government to examine the key concerns of the industry for smooth implementation of the initiative.
  - Hallmarking of gold jewellery is set to begin from June 15, 2021. In view of the COVID-19 pandemic, the government accepted request of stakeholders to provide jewellers some more time to prepare for implementation and resolve issues. Earlier, the date of implementation was June 01, 2021.



- In December 2020, the Finance Ministry notified that the amendment under Prevention of Money Laundering Act (PMLA), notifying dealers in precious metals and stones, will maintain records of cash transactions worth Rs. 10 lakh (US\$ 13.61 thousand) or more cumulatively with a single customer.

### **Road Ahead**

In the coming years, growth in gems and jewellery sector would largely be contributed by the development of large retailers/brands. Established brands are guiding the organised market and are opening opportunities to grow. Increasing penetration of organised players provides variety in terms of products and designs. Online sales are expected to account for 1–2% of the fine jewellery segment by 2021–22. Also, the relaxation of restrictions of gold import is likely to provide a fillip to the industry. The improvement in availability along with the reintroduction of low-cost gold metal loans and likely stabilisation of gold prices at lower levels is expected to drive volume growth for jewellers over short to medium term. The demand for jewellery is expected to be significantly supported by the recent positive developments in the industry.

(Source - <https://www.ibef.org/industry/gems-jewellery-india>)



## **BUSINESS OVERVIEW**

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year.*

*In this section, a reference to the “Company” or “we”, “us” or “our” means Dev Labtech Venture Limited. All financial information included herein is based on our “Financial information of our company” included on page 136 of this Draft Prospectus.*

### **Overview**

Our Company is in business of manufacturing, marketing and sourcing of diamonds – natural and lab grown having wide application in Jewellery. We are equipped with all facilities to execute all types of manufacturing activities from rough natural stone to finished polished diamonds and from Seed to finished lab grown diamonds with various sizes, shapes, clarity and colours.

Our Company was originally incorporated on April 29, 1993 as “Gandhinagar Plastronics Private Limited” under the provisions of the Companies Act, 1956 with the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. The Name of our company changed from “Gandhinagar Plastronics Private Limited” to “Jay Gems (India) Private Limited” and fresh certificate of incorporation dated February 05, 2010 was issued by Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Further the name of our company was changed from “Jay Gems (India) Private Limited” to “Dev Labtech Venture Private Limited” and fresh certificate of incorporation dated June 22, 2022 was issued by Registrar of Companies, Ahmedabad. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Dev Labtech Venture Private Limited” to “Dev Labtech Venture Limited” vide fresh certificate of incorporation dated September 23, 2022 issued by the Registrar of Companies, Ahmedabad.

Our registered office is situated at Bhavnagar and our sales office is situated at Bhavnagar, Surat and Mumbai. The company establishes a long-term relationship with its customers by providing good quality product, which will go a long way and benefit the company. The company is backed by a team of creative for creating innovative designs. The company’s team has been a major strength as it understands the varied needs of the customers and works accordingly.

Our Company has recently started manufacturing of lab grown diamonds before that our company was engaged in processing of natural diamonds only. Our Company has developed the skill and expertise with application of computer software and laser technology for mapping, designing, cutting, polishing with innovation & optimum output with less wastage in rough to natural polish diamonds. Further, we have also developed the In-house technical & Design team to make Laboratory grown diamonds. This technology and process has immense advantage to our company to produce the Lab grown diamonds with more purity & clarity and required sizes and shapes with much cheaper than natural diamonds. With the background and experience in natural diamonds we have developed in-house team with manufacturing facilities new and innovative lab grown diamonds. The technology known as – Microwave Plasma Chemical Vapour Deposition (MPCVD) to make lab grown Diamonds from Diamond Seed. This technology well tested and used in large scale in China. MPCVD is a pure and fast diamond deposition process, hence best suited for commercial uses.

Our company has developed the regular clients for supply of diamonds through our own sales team in Bhavnagar, Surat, Mumbai, and for exports. Our company has established own distribution and marketing network through e-mails, telephone, attending exhibitions, and connecting through social media platform. With its own network, company has developed the reputation and goodwill for timely supply of material to their reputed customers. Our diversified product portfolio enables us to cater to a wide range of preferences and consumer segments. Our products are primarily targeted to customers engaged in natural and lab grown diamonds jewellery manufacturers. Our diversified product portfolio is therefore, relatively less susceptible to shifts in consumer preferences, market trends and risks of operating in a particular product segment.

We undertake extremely stringent quality checks at every level of the manufacturing processes. We are constantly striving to expand our line of products and we are always on the lookout for complementary products that will add to our portfolio. We would seek product lines which have better scope for value addition and therefore offer us higher than average margins. The company provides the right kind of size, clarity and shape of diamonds that is practical and affordable as well as attractive and enduring. It can be tailored as per unique needs. The company is using latest machineries and technology. The company keeps on up-grading its Manufacturing set-up, design capabilities and workmanship to deliver superior quality products with on-time deliveries and without any compromise on quality.



Our Promoter, Mr. Jerambhai Lavjibhai Donda has experience of more than 41 years, have been prominent in growing the diamonds business. Under the guidance of promoter, our company has successfully launched a wide products range, established goodwill for quality products and have the regular customers for lab grown diamonds. Our company has developed and launched a wide range in different sizes, carats, colours suitable for different application.

## **OUR STRENGTHS**

### ***Wide Varieties of our products***

Our product portfolio consists of a wide range of products which differentiate us from other companies. The wide variety of products in lab grown diamonds and natural diamonds enable us to cater our customer taste and preferences. Also we have well established systems and procedures for staffing and the implementation of current and long term objectives so we will be able to market our products more effectively. Our diversified product portfolio enables us to cater to a wide range of preferences and consumer segments. Our products are primarily targeted to customers in lab grown diamonds and natural diamond studded jewellery manufacturers.

### ***Experienced Promoters***

Our promoters are experienced in our line of business. Our management and employee team combines expertise and experience to outline plans for the future development of the company. Our Promoters have significant industry experience and have been instrumental in the consistent growth of our company. We believe that the knowledge and experience of our promoters and management will enable us to identify new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhance the growth in the business. Our Promoters have developed immense knowledge of the diamonds business and wide application apart from its intricate workings. Our promoters have developed the skill and expertise in Inventory Management, designing and innovation in lab grown diamonds used in Jewellery apart from natural diamonds. Under their guidance, knowledge and business skills we have been able to successfully implement our business plans and achieve growth.

### ***Customer Satisfaction***

We believe in making a mutually beneficial relationship with our customers by providing them optimum quality products at highly affordable market prices. In a zest to attain maximum customer satisfaction, we assure accurate and timely delivery of these adornments, at the customer's end. We provide customized solution to our customers keeping in mind their precise requirement. We offer only superior quality and authentic diamonds to our customers. Further, we sell our polished diamonds are majorly purchased by jewellery manufacturers, jewellery wholesalers, jewellery retailers, jewellery traders, diamond wholesalers, diamond retailers and our rough diamonds are majorly purchased by rough diamond traders and diamond manufacturers; with whom we have developed and maintained strong and long term relationships. The trust and goodwill earned by us over the years, has helped our company in retaining our key customers who strongly contribute towards our business and also through their word of mouth marketing, assist us in building our customer portfolio.

### ***Quality of our products***

We endeavour to maintain the quality of our products, strive to create works of art that are true to nature, maintain the aesthetic value, follow strict procedures to ensure control quality, timely delivery and competitive prices. We undertake extremely stringent quality checks at every level of the manufacturing processes. We offer both regular and customized designs and guarantee our esteemed customers for the time bound delivery of the products. The company keeps on up-grading its Manufacturing set-up, design capabilities and workmanship to deliver superior quality products with on-time deliveries and without any compromise on quality.

### ***Well-trained employee base***

We provide high quality products with right kind of size, clarity and shape of diamonds to our customers. Our highly skilled professionals and dedicated team are ever ready to deliver their efficient products. Our Company provides technical expertise in the most efficient and cost-effective way, helping to ensure the highest degree of reliability. Having achieved certain degree of expertise in our business, we have an experienced and diverse set of professionally trained and qualified personnel having versed ability to provide products as per requirement of our clients.



### ***Timely Delivery of Products***

Our promoter has excellent record of delivering the products in specified time period which makes our company unique from our competitors. In terms of Quality & Purity, our company focuses significantly on the quality of the raw materials & its sourcing and finished products at all our Manufacturing units to ensure the desired quality is attained.

### ***Well established relationship with our supplier***

Quality and authenticity of diamonds is the upmost priority in any diamond business. In order to ensure customer satisfaction, quality supply of diamonds, timely delivery of orders and purchase of authentic diamonds, we deal with our suppliers with only those suppliers who are certified by a recognized government authority. Further, in order to compete in the diamond market, we have created and maintained an independent sales and distribution network for our products within the local markets which has led to developing and maintaining long-term and stable relationships with our key suppliers although we have not entered into any formal contracts with them.

### ***Integrated manufacturing facility***

We do continuous endeavour to maintain the requisite infrastructure and technological upgradation for the smooth running of the manufacturing process as well as to cope with the changing market demand situation time to time. There is a continuous change in the technology and the markets are very dynamic to the change in technology. We keep ourselves technologically upgraded with the latest machines and infrastructure.

## **OUR STRATEGIES**

### ***Innovation in Designing and Maintenance of quality products***

We will continue to add new design to our existing product portfolio to cater to various customer and price segments in the markets. We endeavour to maintain the quality of our products, and follow strict procedures to ensure quality control, timely delivery and competitive prices. The company intends to strengthen its product development effort by leveraging skills of its employees and focusing on changing trends in the designs and customers demand, which will help to increase the sales of the Company and retain customers.

### ***Improving operational efficiencies***

Our Company aims to continue to improve ongoing operational effectiveness and efficiencies to achieve cost reductions including overheads. We believe that this can be done through continuous business process review and timely corrective measures in case of diversion and technology up gradation with proper analytics base. As a result of these measures, our company will be able to increase its market share and profitability.

### ***Leveraging our Market skills and Relationships***

This is a continuous process in our organization and the skills that we impart in our people give importance to customers. We are planning to make our products available in more countries by expanding our network and reaching new countries. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction. We plan to increase our customers by meeting orders in hand on time, maintaining our customer relationship and renewing our relationship with existing buyers.

### ***Expansion of Business***

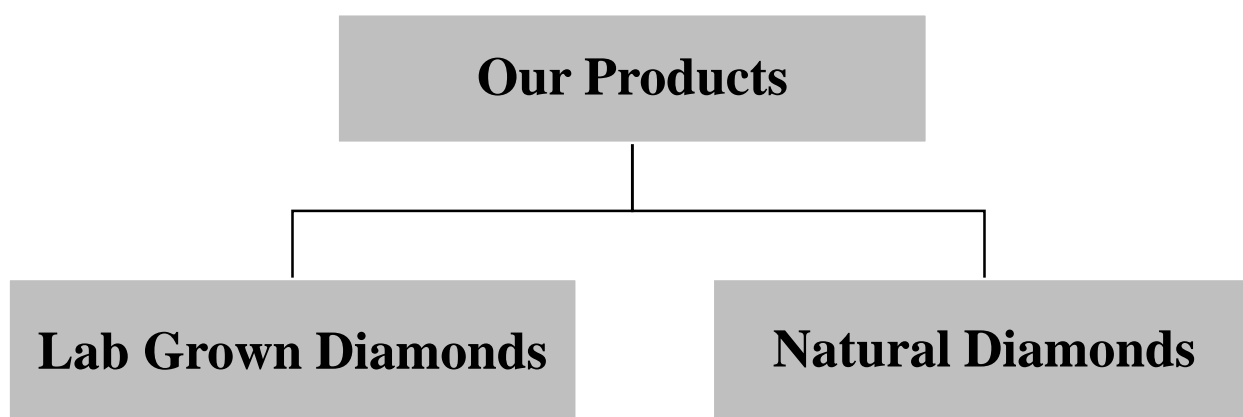
We intend to expand our geographical reach and enter the large domestic as well as global market for growth opportunities of our business. We plan to deepen our presence in the existing market and expand our reach and penetrate into the large available market by giving scale down low price solution and grab major market share.

### ***To Build-Up a Professional Organization***

We believe in transparency, ethics, commitment and coordination in our work, with our suppliers, customers, government authorities, banks etc. We have a blend of the experience and the sufficient staff for taking care of our day-to-day operations. We also consult with external agencies on a case-to-case basis on technical and financial aspects of our business. We wish to make it sounder and stronger in times to come



## OUR PRODUCT RANGE



### A. Lab Grown Diamonds:

Lab grown diamond (It is also called CVD, laboratory-grown, laboratory-created, man-made, artisan created, or cultured diamond) is diamond that is produced in a controlled technological process (in contrast to naturally formed diamond, which is created through geological processes and obtained by mining). Unlike diamond simulants (imitations of diamond made of superficially-similar non-diamond materials), synthetic diamonds are composed of the same material as naturally formed diamonds – pure carbon crystallized in an isotropic 3D form – and share identical chemical and physical properties.

Lab grown diamonds are as real as diamonds mined from the earth. Lab grown diamonds are identical to earth mined diamonds in every way, except that they are grown in a lab. They have the same chemical, physical, and optical properties as mined diamonds and exhibit the same fire, scintillation, and sparkle. Lab grown diamonds offer an exceptional value when compared with the same quality rare, earth mined diamonds.

We sell diamonds of multiple shape, cut, size, color and clarity.

#### Properties of Lab grown diamonds:

##### - Crystallinity

Diamond can be one single, continuous crystal or it can be made up of many smaller crystals (polycrystalline). Large, clear and transparent single-crystal diamonds are typically used as gemstones. Polycrystalline diamond (PCD) consists of numerous small grains, which are easily seen by the naked eye through strong light absorption and scattering; it is unsuitable for gems and is used for industrial applications such as mining and cutting tools. Polycrystalline diamond is often described by the average size (or grain size) of the crystals that make it up. Grain sizes range from nanometres to hundreds of micrometres, usually referred to as "monocrystalline" and "microcrystalline" diamond, respectively.

##### - Hardness

Diamond is also the hardest known material for its resistance to indentation. The hardness of synthetic diamond depends on its purity, crystalline perfection and orientation: hardness is higher for flawless, pure crystals oriented to the direction (along the longest diagonal of the cubic diamond lattice). Nano crystalline diamond produced through CVD diamond growth can have a hardness ranging from 30% to 75% of that of single crystal diamond, and the hardness can be controlled for specific applications. Some synthetic single-crystal diamonds and HPHT nanocrystal line diamonds are harder than any known natural diamond.

##### - Impurities and inclusions

Every diamond contains atoms other than carbon in concentrations detectable by analytical techniques. Those atoms can aggregate into macroscopic phases called inclusions. Impurities are generally avoided, but can be introduced intentionally as a way to control certain properties of the diamond. Growth processes of synthetic diamond, using solvent-catalysts, generally lead to formation of a number of impurity-related complex centers, involving transition metal atoms (such as nickel, cobalt or iron), which affect the electronic properties of the material.



## - Thermal conductivity

The thermal conductivity of CVD diamond ranges from tens of W/m-K to more than 2000 W/m-K, depending on the defects, grain boundary structures. As the growth of diamond in CVD, the grains grow with the film thickness, leading to a gradient thermal conductivity along the film thickness direction.

Unlike most electrical insulators, pure diamond is an excellent conductor of heat because of the strong covalent bonding within the crystal. The thermal conductivity of pure diamond is the highest of any known solid. Single crystals of synthetic diamond enriched in  $^{12}\text{C}$  (99.9%), isotopically pure diamond, have the highest thermal conductivity of any material, 30 W/cm at room temperature, 7.5 times higher than that of copper. Natural diamond's conductivity is reduced by 1.1% by the  $^{13}\text{C}$  naturally present, which acts as an inhomogeneity in the lattice.

## Application and Use of Lab grown diamonds

Lab grown diamonds are not only used for jewellery but there are many uses of it such as Machining and cutting tools, Thermal conductor, Optical material, Electronics, Semi-Conductors and Electronic Industries etc. Within a few decades, lab-grown diamonds were being made pure enough and large enough that they could be used in a variety of high-tech applications. Lab-grown diamonds were being used as heat sinks in advanced computers; wear-resistant coatings on tools and bearings; high-durability windows; tiny anvils for high pressure experiments; specialized lenses; speaker domes; and much more. Our Company has recently started manufacturing of Lab grown diamonds and selling for jewellery only but in future our company will manufacture lab grown diamonds for industrial use also.

## Manufacturing Process for lab grown diamonds

Our company uses the Chemical vapor deposition (CVD) process considering the availability of raw materials, technology development in India and overall cost involved for Infra facility.

CVD process is used by our company considering following several reasons:

- CVD can yield high grade diamonds
- Most CVD processes operate at lower temperatures and pressures, simplifying the manufacturing process.
- CVD can be used for diamond deposition on substrates other than diamond.
- Raw material and Equipments are easily available in India
- Overall infra cost is affordable and cost effective to make optimum profit.

This has resulted in technological advancements for many industries including optics, computer sciences, and tool production. The biggest challenge thus far to manufacturing diamonds via CVD is the inability to yield diamonds over 3.2 carats. This is mostly relevant in the jewellery industry.

## Process

CVD stands for chemical vapor deposition and is another method used for making diamonds in a lab. Diamonds grow from a hydrocarbon gas mixture subjected to moderate pressures and temperatures in a vacuum chamber.

### The CVD Diamond Growth Process

- 1) Diamond seed crystals are placed in a diamond growth chamber.
- 2) The chamber is filled with carbon-containing gas.
- 3) The chamber is heated to about 900-1200°C.
- 4) A microwave beam causes carbon to precipitate out of a plasma cloud and deposit onto a seed crystal.

Diamonds are removed every few days to have the top surface polished to remove any non-diamond carbon before being put back in to grow. Each batch of diamonds may require several stop/start cycles, and the entire growth process can take three or four weeks.

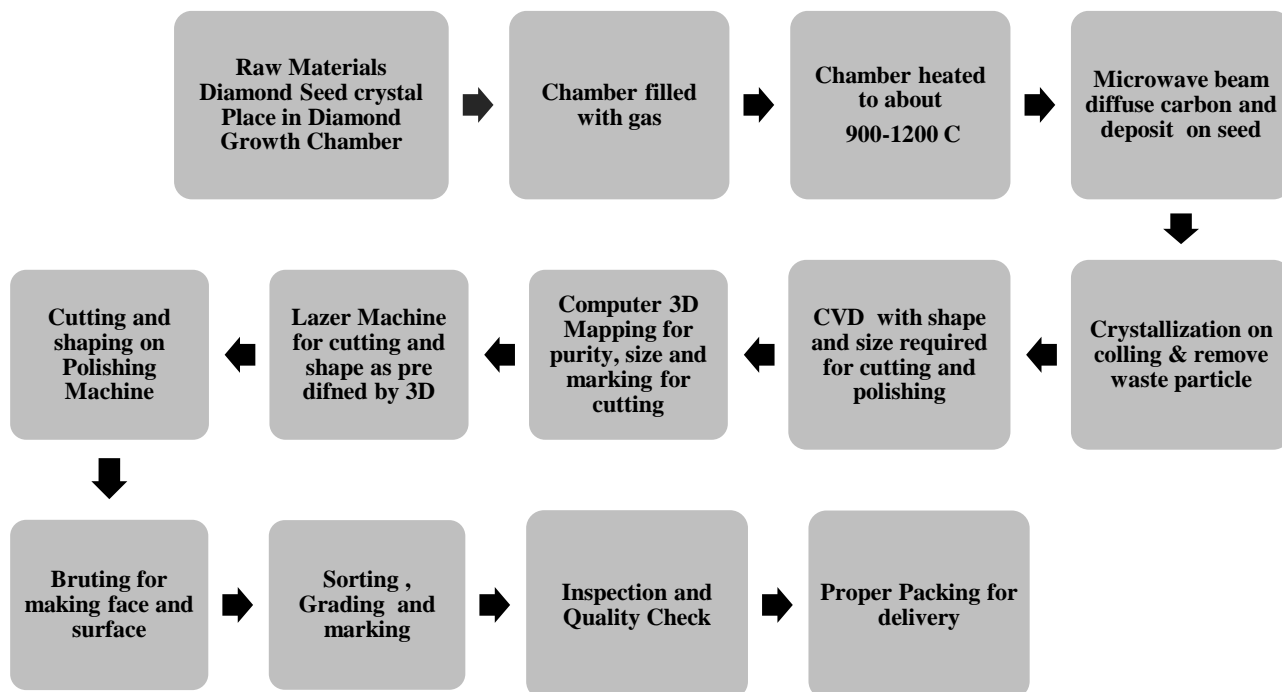
After the synthetic diamond crystals are removed, they are ready to be cut and polished into the final product.

In greater detail, CVD diamond growth takes place inside a vacuum chamber filled with a hydrogen and carbon-containing gas, such as methane. A source of energy — such as a microwave beam — breaks down the gas molecules, and the carbon atoms diffuse towards the colder, flat diamond seed plates. Crystallization occurs over a period of weeks, and several crystals grow at



the same time. The exact number depends on the size of the chamber and the number of seed plates. The tabular crystals often develop a rough edge of black graphite that needs to be cut away. They also display a brown colour that can be removed by heat treatment prior to faceting. Most CVD-grown colourless material on the market were probably once brown crystals that have been decolorized by HPHT annealing.

#### Process Flow Chart



#### B. Natural Diamonds:

We sell diamonds of multiple shape, cut, size, colour and clarity. The range of diamonds we trade is as follows:



#### Application and Use of Natural diamonds

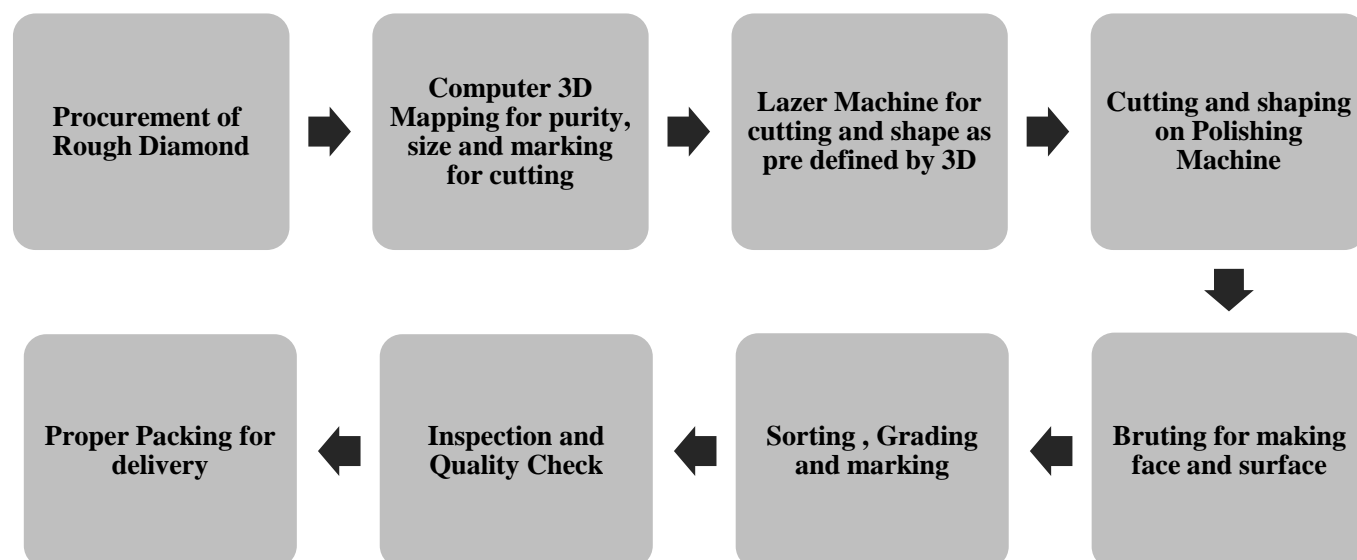
The Application and use of Natural diamonds are in following means:



- Jewellery and Ornaments
- Industrial cutting tools

### Manufacturing Process for natural diamonds

#### Process Flow Chart



- **Procurement of Rough natural Diamonds:** The basis raw material procured by us is rough diamonds. The purchase of rough diamonds is based on the latest market trends and demand analyzed by our team. After carefully examining them in terms of cut, colour, clarity and carats, we execute the purchase orders.
- **Analysis and Assortment:** This is the initial stage of diamond manufacturing process. In this process expert checkers analyses the rough diamond and its characteristics are determined. These characteristics are based on Colour, Clarity, Carat, Cut (the 4 C's). After deciding 4 C's, it is given a grade, which represents overall quality of the rough diamond.
- **Planning and Marking:** Planning is a crucial step in diamond manufacturing. During this stage, the size and relative value of the cut stones that the rough diamonds will produce is determined. Rough diamonds need to be sorted on the basis of whether they are makeable or not, on the basis of colour, size etc. Non-make-able diamonds then need to be planned so as to reduce wastage and maximize yield.
- **Cleaving or Sawing:** Cleaving and sawing are the two different processes that come after the rough diamond is planned and marked. The rough diamond is analysed and sent to either cleaving or sawing department. A rough diamond needs to be broken into parts. This is done through either of the method, i.e. either through Cleaving or Sawing. Cleaving is done manually with blade & hammer, which split rough diamond into two or more parts. If the diamond needs sawing, then it is sent to sawing department. Laser technology is the latest and most advanced technology for sawing. Laser technology gives very accurate result. Planner rechecks the diamond after this process is complete. Once the planner decides where the diamond should be cut, the diamond is either manually cleaved or sawed. Sawing can be done with a diamond-coated rotary saw or a laser. Generally, small sized diamonds are signed manually. The rough diamonds which cannot be cleaved are sawed.
- **Bruting:** Bruting forms the basic face-up outline of a round diamond to prepare it for faceting. During the bruting phase, the diamond being bruted is spun on a rotating lathe while another diamond is forced against it, gradually forming the rounded outline. Essentially, this gives shape to diamond in a way so that maximum yield can be taken.
- **Polishing and Grading:** Polishing is the final step in the diamond manufacturing process. This step gives the diamond its brilliant sparkle that is the final look. The polisher is very careful at this process because a small mistake can result into quality loss of the diamond. In this process, the cut and polished diamond is boiled in a solution of hydrochloride and sulphuric acid to remove oil, diamond powder and dirt. After completion of polishing, the smaller packets are put together in the original packet and sent for final inspection. During the entire process, strict quality control measures are taken and the diamond passes through a computerized network which keeps track of every single diamond. After completing the polishing,



polish checker has to check every facets of the stone to finalise the excellent cut grade. From here, the polished diamonds go to the grading department. Here the 4 C's of diamonds are decided and the appropriate grading is given to the diamonds. The graded parameters are noted down for each diamond.

## SWOT ANALYSIS OF OUR COMPANY

### Strengths:

- Quality & Innovative product gives a market edge for most of the suppliers.
- Manufacturing of Lab grown diamonds & natural Diamonds, demand for which is continuously rising.
- Competitive edge in terms of quality and competitive bidding.
- Lab grown diamonds are cost effective and have wide industrial application apart from jewellery
- The company has well marketing & distribution network.
- Long Experience of Promoter in the Industry.

### Weaknesses

- Dependent upon growth in Diamonds industry & competition from China and International suppliers
- Requirement of Finance to cater on national level
- Competitors can offer nearly substitute products

### Opportunities

- Growing acceptance by consumers of new and innovative lab grown diamonds.
- Rising in the demand for lab grown diamonds in Semi- Conductors, Cutting tools, Electronics chips and gifting segments
- E-commerce and Online sale is growing and can able to cater at national & global reach
- Development of specialise lab grown diamonds suitable for Industry SME & Household has huge demand due to low cost as compare with natural diamonds.

### Threats

- Changes of government policies
- Fluctuations in raw material prices domestically and internationally & import restriction for rough diamonds.
- Rising labour wages
- Change of behaviour of customers' demand
- Increase in Input cost can cause upward pricing
- Too many players entering and exit the market

## OUR CLIENT BASE

The following table illustrates the concentration of our revenues among our top customers:

(Rs. in Lakhs)

Particular	For the Period from April to September, 2022		Fiscal 2022		Fiscal 2021		Fiscal 2020	
	Revenue	In %	Revenue	In %	Revenue	In %	Revenue	In %
Top 5 customers	486.34	51.65	869.75	32.34	549.83	44.93	455.39	38.78
Top 10 customers	683.96	72.64	1363.86	50.70	711.99	58.19	641.53	54.63

## OUR LOCATION

Registered Office & Manufacturing Unit	GF/22-23, Pattani Plaza, Dairy Road, Near Nilambaug Circle, Bhavnagar – 364002, Gujarat, India
Marketing Office	Flat No. D/403, 4 <sup>th</sup> floor, Green wood, Andheri Kurla Road, Chakala, Andheri (East), Zone 3, Mumbai – 400059, Maharashtra, India
Branch & Manufacturing Unit	Plot No 53-54, 1 <sup>st</sup> Floor, Thakordwar Society, Mini Bazaar, Varachha Road, Surat – 395006, Gujarat, India
	Ground Floor, Bunglow No. 21, Ambika Society, R. S. no. 136, 193, Part of village Kulpada, Surat City, Katargam -395006, Gujarat, India



## **PLANT & MACHINERY**

Our Company is having infrastructural facilities with adequate power connection, labour force and proper infrastructure facilities as per requirements. The group is having managerial team consisting of first-generation management as well as technical experts.

Some of Machineries used in our manufacturing processes are Cutting Machine, Auto Diamond Polishing Machine (Blocking), Diamond Planning Machine (Sarin), Diamond Polishing Machine (Ghanti), Laser Machine for Rough Diamond (Sawing), Diamond Polishing Plates (Saren) and MPCVD Machine etc.

As ongoing business expansion, our Company has purchase and installed Microwave Plasma CVD machines with complete set up to manufacture Lab grown diamonds. MPCVD machine includes control unit (PLC + touch screen, etc.), microwave unit (2450MHZ 6KW solid-state microwave generator, microwave transmission system, etc.), water cooling unit, vacuum unit (vacuum pump, vacuum measuring instrument).

MPCVD machine is particularly suitable for single crystal and polycrystalline diamond film CVD process, polycrystalline diamond (Polycrystalline Diamond) film chemical vapor deposition (CVD), surface treatment and modification of materials, high-quality diamond growth and low-temperature oxide growth and other applications.

This will increase the manufacturing capacity in Lab Grown Diamonds

## **CAPACITY UTILIZATION**

Name of Product	Total Capacity Installed (in carat)	April to September, 2022		2021-22		2020-21		2019-20	
		Total Production	Capacity Utilization (in %)	Total Production	Capacity Utilization (in %)	Total Production	Capacity Utilization (in %)	Total Production (Std. Size)	Capacity Utilization (in %)
Lab Grown Diamonds	12,000	2389.71	19.91%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Natural Diamonds	10,000	1495.58	14.96%	6,434.25	64.34%	6,660.44	66.60%	6,506.71	65.07%

## **COLLABORATIONS/ TIE – UPS/ JOINT VENTURES**

Except as disclosed in this Draft Prospectus, we do not have any Collaboration/Tie Ups/ Joint Ventures as on date of Draft Prospectus.

## **EXPORT AND EXPORT OBLIGATION**

The Details of export as on the date of Draft Prospectus is as follows:

Geographical Areas	The Half year ended as at 30 <sup>th</sup> Sept, 2022		FY-2021-22		FY-2020-21		FY-2019-20	
	(In Lakhs)	(In %)	(In Lakhs)	(In %)	(In Lakhs)	(In %)	(In Lakhs)	(In %)
India	610.22	65.30	1938.48	72.19	1125.73	92.20	1171.42	100.00
Outside India	324.30	34.70	746.65	27.81	95.01	7.78	0.00	0.00

(Rs. in Lakhs)

Our Company does not have any export obligation as on date.

## **PRODUCT WISE REVENUE BREAK-UP**

Products	The Half year ended as at 30 <sup>th</sup> Sept, 2022		FY-2021-22		FY-2020-21		FY-2019-20	
	(In Lakhs)	(In %)	(In Lakhs)	(In %)	(In Lakhs)	(In %)	(In Lakhs)	(In %)
Lab Grown Diamonds	363.84	38.93	0.00	0.00	0.00	0.00	0.00	0.00
Natural Diamonds	570.67	61.07	2685.13	100.00	1220.74	100.00	1171.42	100.00

(₹ in Lakhs)



## **UTILITIES AND INFRASTRUCTURE FACILITIES**

### **Raw Material:**

For Lab grown Diamonds - Raw material used for making Lab Grown diamonds are Diamonds Seed (also known as CVD seed). This seed is made up of diamond of 300µm to 500µm thickness (the seed)

For Natural Diamonds - Raw material used for making natural diamonds are rough stone Diamonds. Diamond Rough available for every application. It is available in full range of shapes, sizes, and clarity of Rough Diamonds. Natural Rough Diamonds are Raw Rough Diamonds that have been mined directly from the earth, and cut down to a smaller size and sold, in their raw rough state, uncut and unpolished. Some of these Diamonds are then taken and drilled through the centre and sold as Raw Rough Diamond Beads, in strands. Raw materials for both are easily available in India and can be imported from China, South Africa and Europe.

### **Power**

The company has adequate power connection in place. Power is sourced from state electricity board.

### **Water**

Water requirement for the manufacturing and allied processes is procured locally by way of existing water supply network in that area

## **HUMAN RESOURCES**

Our Company believe that our employees are key contributors to our business success and its ability to maintain growth depends to a large extent on our strength in attracting, training, motivating and retaining employees. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business.

As on September 30, 2022 our Company has 24 employees on payroll. Bifurcation is as follows:

<b>Particulars</b>	<b>No. of Employees</b>
Executive Directors	2
Senior Managerial Team / KMP	1
Officers/Executives	3
Supervisors / Workers	18
<b>Total</b>	<b>24</b>

Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

## **SALES AND MARKETING**

Our business strategy always revolves around ascertaining supply of superior quality and authentic diamonds to our customers. Further, customer satisfaction, timely delivery of orders and purchase-sell of authentic diamonds is also our prime focus. We believe that the above strategies shall help the company grow in many ways, only when we develop and maintain long-term and stable relationships with our key suppliers and key customers. Further, to ensure continuous support from our reliable and existing suppliers, we work with them on mutual agreed terms. This helps us in sourcing the right quality and authenticated diamonds from them. Continuous and periodically review of business operation, sales and marketing strategy and distribution strategy, shall help us improve our internal processes and systems thereby increasing our business growth at a faster rate. These strategies will also contribute towards maximizing and sustaining returns to all stakeholders and assist us to compete with the unorganized and organized players in the similar line of business in the industry.

## **COMPETITION**

We operate in a highly competitive market and there are large numbers of players in organized sector as well as in unorganized sector. Our competition primarily depends on the quality and authenticity of diamonds purchased and sold in the market. Besides these, other factors like price, shape, cut, color, size, category, after sale service and timely delivery also play an important role in



competing with our unorganized sector and from both small and big regional and national players. Our experience in this business has enabled us to provide quality products in response to customer's demand for best quality. However, we expect that our commitment to quality, past record of timely execution and transparency will provide us with an edge over our competitors.

## **SAFETY, HEALTH AND ENVIRONMENT**

We are committed to complying with applicable health, safety and environmental regulations and other requirements in our operations. To help ensure effective implementation of our safety policies and practices, at the beginning of setting up unit we identify potential material hazards, evaluate all material risks and institute, implement and monitor appropriate risk mitigation measures. We endeavor to minimize accidents at our factory and sales sites. Our Company equips labourers with safety equipment and material that covers them from the risk of potential health hazards.

## **INFORMATION TECHNOLOGY**

We use information technology systems to enhance our performance and efficiency in manufacturing and inventory. We are in the process of implementing enterprise resource planning software across the various manufacturing and business functions in our Company to integrate systems among our departments. We believe that this system will allow us to streamline our processes while enhancing our monitoring and control functions.

## **PROPERTY**

### **Intellectual Property**

There is no trademark or logo registered on name of the Company.

**The Details of Domain Name registered on the name of the Company is: -**

S.No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	<a href="https://www.devlabtechventure.com/">https://www.devlabtechventure.com/</a>	2702714656_DOMAIN_COM-VRSN	GoDaddy.com, LLC	10.06.2022	10.06.2032

## **IMMOVABLE PROPERTY**

Details of our properties are as follows: -

### **Properties owned/Leased by the Company**

S. No.	Details of the Property	Licensor/Lessor/Vendor	Owned/Leased	Consideration/ Lease Rental/ License Fees (in Rs.)	Use
1.	GF 22/23, Pattani Plaza, Near Nilambaug Circle, Dairy Road, Bhavnagar, Gujarat	M/s Avani Corporation	Owned	Sale Deed dated August 17, 2013 between Jay Gems (India) Private limited through its authorized director Mr. Jerambhai Lavjibhai Donda and M/s Avani Corporation through its partner Bhavinbhai Jaswantra Acharya for consideration of Rs.15,50,000/-	Registered Office & Manufacturing Unit
2.	Flat No. D/403, 4 <sup>th</sup> floor, Green wood, Andheri Kurla Road, Chakala, Andheri (East), Zone 3, Mumbai – 400059, Maharashtra, India	Mr. Jerambhai Lavjibhai Donda	Leased	The Agreement for Leave and Licence dated November 25, 2022 between Mr. Jerambhai Lavjibhai Donda and Dev Labtech Venture limited through its authorized director Mr. Jay Jerambhai Donda for period of 11 months starting from October 01, 2022 at monthly rent of Rs. 2,000/-	Marketing Office



<b>3.</b>	Plot No 53-54, 1 <sup>st</sup> Floor, Thakordwar Society, Mini Bazaar, Varachha Road, Surat – 395006, Gujarat, India	Mr. Jay Jerambhai Donda	Leased	The Lease Agreement dated June 07, 2022 between Mr. Jay Jerambhai Donda and Jay Gems (India) Private limited through Mr. Jerambhai Lavjibhai Donda its authorized director for period of 10 years starting from June 01, 2022 at monthly rent of Rs. 300/-	Branch & Manufacturing Unit
<b>4.</b>	Ground Floor, Bunglow No. 21, Ambika Society, R. S. no. 136, 193, Part of village Kulpada, Surat City, Katargam -395006, Gujarat, India	Mr. Vipulbhai Kalubhai Mirolia	Leased	Lease Agreement dated June 02, 2022 between Mr. Vipulbhai Kalubhai Mirolia and Dev Labtech Venture Limited through its authorized director Mr. Jay Jerambhai Donda for period of 11 months starting from December 15, 2022 at monthly rent of Rs. 2,000/-	Branch & Manufacturing Unit



## **KEY INDUSTRY REGULATIONS**

*The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Other Approvals” on page 152 of this Draft Prospectus.*

### **THE COMPANIES ACT**

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made thereunder.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### **SEBI REGULATIONS**

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

### **TAX RELATED REGULATIONS**

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

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30<sup>th</sup> September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

#### **Goods and Service Tax Act, 2017**

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Government has enacted State Goods and Service Tax Act for respective states. Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the Central and State Governments. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination principle in addition to the Customs Duty which has not been subsumed in the GST

#### **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 administered by Central Board of Excise and Customs under the Ministry of Finance.

## **BUSINESS / TRADE RELATED LAWS / REGULATIONS**

### **Gem and Jewellery Export Promotion Council**

The GoI has designated the Gem and Jewellery Export Promotion Council (“GJEPC”) as the importing and exporting authority in India in keeping with its international obligations under Section IV(b) of the Kimberley Process Certification Scheme (“KPCS”). The KPCS has been implemented in India from January 1, 2003 by the GoI through communication No. 12/13/2000-EP (GJ) dated November 13, 2002. The GJEPC has been notified as the nodal agency for trade in rough diamonds. The KPCS is a joint government, international diamond industry and civil society initiative to stem the flow of conflict diamonds, which are rough diamonds used by rebel movements to finance wars against legitimate governments. Under the Special Economic Zones Rules, 2006, the Development Commissioners have been delegated powers to issue Kimberley Process Certificates for units situated in the respective Special Economic Zone (the “SEZ”).

### **RBI Circulars regulating Gold Loans**

The RBI has permitted nominated banks to import gold for the purpose of extending gold metal loans to domestic jewellery manufacturers, subject to certain conditions, including that the tenor of gold loans (which can be decided by the nominated banks) does not exceed 180 days from the date of procurement of the gold and the interest charged to the borrowers is linked to international gold rates. Gems and jewellery export oriented units and specified units in Special Economic Zones are permitted to import gold on a loan basis directly or through nominating agencies, subject to specified conditions. The Master Circular of RBI on Loans and Advances – Statutory and Other Restrictions dated July 1, 2015 prohibits domestic jewellery manufacturers from selling the gold borrowed under this scheme to any other party for manufacture of jewellery.

### **The Bureau of Indian Standards Act, 2016**

The Bureau of Indian Standards Act, 2016 (“BIS Act”) provides for the establishment of a national standards body for the harmonious development of the activities of standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services. Under the BIS Act, the Central Government, after consulting the Bureau of Indian Standards (“BIS”), can notify which precious metal articles or other goods or articles are required to be marked with a ‘Hallmark’ or ‘Standard Mark’, subject to certain conditions for sale and testing of such articles. Under the BIS Scheme, the Government of India has identified the ‘Bureau of Indian Standards’ as the sole agency in India to operate the BIS Scheme which aims to ensure that quality control is built in the system in alignment with the international criteria on hallmarking. Functions of the bureau include, inter-alia, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license. The bureau is also the licensing authority for quality standards.

### **Bureau of Indian Standards (Hallmarking) Regulations, 2018 (“BIS Hallmarking Regulations”)**

The Bureau of Indian Standards (Hallmarking) Regulations, 2018 prescribe that all jewellery manufacturers must obtain a certificate of registration from the BIS in order to sell precious metal articles notified under the BIS Act. The certificate of registration shall be granted to a specific premise and will be valid for a period of five years. The Hallmarking of Gold Jewellery and Gold Artefacts Order, 2020, which shall come into effect on January 15, 2021, prescribes that gold jewellery and gold artefacts shall be sold only by registered jewellers through certified sales outlets, after fulfilling the terms and conditions of certificate of registration as specified in the Bureau of Indian Standards (Hallmarking) Regulations, 2018. However, certain precious metal articles are excluded from the above order, including any article meant for export, which conforms to any specification required by the foreign buyer and an article with weight less than two grams.

### **BIS Scheme for hallmarking of Gold and Silver Jewellery**

The BIS hallmark is a hallmarking system for gold as well as silver Jewellery sold in India certifying the purity of the metal. It certifies that the piece of Jewellery conforms to a set of standards laid by the Bureau of Indian Standards, the national standards organization of India. India is the second biggest market for gold and its Jewellery.



The BIS system of hallmarking of gold Jewellery began in April 2000. The standard specifications governing this system are IS 1417 (Grades of Gold and Gold Alloys, Jewellery/Artefacts), IS 1418 (Assaying of Gold in Gold Bullion, Gold alloys and Gold Jewellery/ Artefacts), IS 2790 (Guidelines for Manufacture of 23, 22, 21, 20, 19, 18, 17, 16, 14 and 9 carat Gold Alloys), IS 3095 (Gold solders for use in manufacture of Jewellery).

BIS introduced hallmarking for silver Jewellery in December 2005 under IS 2112, the standard specification for 'Hallmarking of Silver Jewellery/Artefacts'.

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

The Legal Metrology Act, 2009 ( "Legal Metrology Act" ) has replaced the Standards of Weights and Measures Act, 1976. 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 and for matters connected therewith or incidental thereto. The Legal Metrology Act provides that for prescribed specifications all weights and measures should to be based on metric system only.

## **REGULATIONS RELATED TO FOREIGN TRADE AND INVESTMENT**

### **The Foreign Direct Investment**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), has issued consolidated FDI Policy Circular of 2017 ("FDI Policy 2017"), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP Offers an updated circular.

The Reserve Bank of India ("RBI") also Offers Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may Offer fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh Offer of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh Offer of shares would be subject to the reporting requirements, inter-alia with respect to consideration for Offer of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates.

### **Foreign Exchange Management Act, 1999 ("FEMA") and Regulations framed thereunder.**

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

### **Ownership restrictions of FIIs**

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of a company, which may be increased up to the percentage of sectoral cap on FDI in respect of the said company pursuant to a resolution of the board of directors of the company and the approval of the shareholders of the company by a special resolution in a general meeting. The total holding by each FII, or in case an FII is investing on behalf of its sub-account, each sub-account should not exceed 10% of the total paid-up capital of a company.



## **LAWS RELATED TO EMPLOYMENT OF MANPOWER:**

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

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

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

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers.

In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our laborers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

### **The Industrial Relations Code, 2020 ("Industrial Code")**

The Ministry of Law and Justice, with an intent to consolidate and amend laws relating to trade unions, conditions of employment in industrial establishment or undertaking, investigation and settlement of industrial dispute, has introduced the Industrial Code. The Code provides that the Central Government may repeal the provisions of the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946, and the Industrial Disputes Act, 1947 and may supersede them with the applicability of any provision of the Industrial Code. The Industrial Code is a central legislation and extends to the whole of India. The Industrial Code empowers the Central Government to require an establishment in which one hundred or more workers are employed or have been employed on any day in the preceding twelve months to constitute a works committee consisting of representatives of employer and workers engaged in the establishment. The code further requires every establishment with twenty or more workers to have grievance redressal committees for resolution of disputes arising out of individual grievances. The code bars the jurisdiction of civil courts to any matter to which the provisions of the Industrial Code apply, and provides for establishment of industrial tribunals for adjudication of such matters. The Industrial Code provides for provisions pertaining to lay-off and retrenchment of employees and closure of establishments and compensation provisions in relation thereto. The Industrial Code provides for monetary fines, penalties and imprisonment in case of contravention of the provisions of the code.

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

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

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

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.



### **Payment of Gratuity Act, 1972, as amended (the “Gratuity Act”)**

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

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

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

- Minimum Wages Act, 1948 and Maharashtra Minimum Wages Rules, 1963 (“MWA Rules”)
- Industrial (Development and Regulation) Act, 1951 (“IDRA”)
- Industrial Disputes Act, 1947 (“ID Act”)
- Payment of Bonus Act, 1965 (“POB Act”)
- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”)
- Equal Remuneration Act, 1976 (“ER Act”)
- Contract Labour Regulation and Abolition Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 (“WCA”)
- Maternity Benefit Act, 1961 (“Maternity Act”)
- Industrial Employment Standing Orders Act, 1946

### **OTHER GENERAL RULES AND REGULATIONS:**

#### **The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”):**

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

#### **State Laws**

We operate in various states. Accordingly, legislations passed by the state governments are applicable to us in those states. These include legislations relating to, among others, Shops and Establishment Act, classification of fire prevention and safety measures and other local licensing. Further, we require several approvals from local authorities such as municipal bodies. The approvals required may vary depending on the state and the local area.

#### **Municipality Laws**

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective states of India have enacted laws empowering the municipalities to issue trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.



## **Intellectual Property Laws**

The Patents Act, 1970 (Patent Act) protects innovations in terms of machinery, development and improvement of existing formulae for manufacturing of various kinds of goods, materials and like. The Trade Marks Act, 1999 (“Trade Marks Act”) provides for application and registration of trademarks in India. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides penalties for infringement, falsifying or falsely applying trademarks.

The objective of Designs Act is to promote and protect the design element of industrial production. It is also intended to promote innovative activity in the field of industries. When a design is registered, the proprietor of the design has copyright in the design during ten years from the date of registration.

The Copyright Act, 1957 ( “Copyright Act” ) governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as a prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations.

## **Competition Act, 2002**

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act, 2002. The provisions of the Competition Act relating to combinations were notified on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act.

## **Prevention of Black Marketing and Maintenance of Supplies Act, 1980**

The “Prevention of Black Marketing and Maintenance of Supplies Act” came in 1980. It is an "Act for detention in certain cases or the purpose of prevention of black marketing and maintenance of supplies of commodities essential to the community and for matters concerned therewith".

## **Prevention of Money Laundering Act, 2002**

Money laundering is the processing of criminal proceeds to disguise its illegal origin. Terrorism, illegal arms sales, financial crimes, smuggling, and the activities of organized crime, including drug trafficking and prostitution rings, generate huge sums. Embezzlement, insider trading, bribery and computer fraud also produce large profits and create an incentive to legitimize the ill-gotten gains through money laundering. When a criminal activity generates substantial profits, the individual or group involved in such activities route the funds to safe havens by disguising the sources, changing the form, or moving the funds to a place where they are less likely to attract attention.

Most fundamentally, money laundering is inextricably linked to the underlying criminal activity that generates it. In essence, the laundering enables criminal activity to continue.

## **PROPERTY RELATED LAWS**

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

## **Other regulations:**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986, The Arbitration & Conciliation Act, 1996 are also applicable to the company.



## **HISTORY AND CORPORATE STRUCTURE**

### **Brief History and Background**

Our Company was originally incorporated on April 29, 1993 as “Gandhinagar Plastronics Private Limited” under the provisions of the Companies Act, 1956 with the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. The Name of our company changed from “Gandhinagar Plastronics Private Limited” to “Jay Gems (India) Private Limited” and fresh certificate of incorporation dated February 05, 2010 was issued by Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Further the name of our company was changed from “Jay Gems (India) Private Limited” to “Dev Labtech Venture Private Limited” and fresh certificate of incorporation dated June 22, 2022 was issued by Registrar of Companies, Ahmedabad. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Dev Labtech Venture Private Limited” to “Dev Labtech Venture Limited” vide fresh certificate of incorporation dated September 23, 2022 issued by the Registrar of Companies, Ahmedabad.

Our Company was originally promoted by Mr. Arunava Raha, Mr. Jerambhai Patel, Mrs. Vimlabhen Bhlani and Mrs. Gauribhen Bhlani who were the initial subscribers to the Company’s Memorandum and Articles of Association. Mr. Jerambhai Lavjibhai Donda, Mrs. Labhuben Jerambhai Donda and Mr. Jay Jerambhai Donda are the present promoters of our Company.

As on date of this Draft Prospectus, our Company has 29 (Twenty-Nine) shareholders.

For information on our Company’s profile, activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers, please refer the sections entitled “Industry Overview”, “Business Overview”, “Our Management”, “Financial information of our company” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 86, 96, 118, 136 and 140 respectively.

### **Address of Registered Office:**

The Registered Office of the Company is situated at GF/22-23, Pattani Plaza, Dairy Road, Near Nilambaug Circle, Bhavnagar, Gujarat-364002, India

### **Changes in Registered Office of the Company since incorporation**

There has not been any change in our Registered Office since incorporation till date of this Draft Prospectus except below change:

<b>From</b>	<b>To</b>	<b>With effect from</b>	<b>Reason for Change</b>
A-2 Ajaya Chambers Opp Pallavi Town	B-206/205 GIDC, Sector 25, Gandhinagar, Gujarat-382044, India	April 01, 2005	For Administrative Convenience
B-206/205 GIDC, Sector 25, Gandhinagar, Gujarat-382044, India	11, Prashant, Opp. Jewels Circle, Boudhivruksha Society, NR. R.T.O. Road, Bhavnagar, Gujarat-364003, India	January 11, 2010	For Administrative Convenience
11, Prashant, Opp. Jewels Circle, Boudhivruksha Society, NR. R.T.O. Road, Bhavnagar, Gujarat-364003, India	GF/22-23, Pattani Plaza, Dairy Road, Near Nilambaug Circle, Bhavnagar, Gujarat-364002, India	March 07, 2019	For Administrative Convenience

### **Our Main Object**

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

To carry on India or elsewhere the business to manufacture, produce, process, prepare, commercialize, cut, polish, set, design, display, exchange, examine, finish, grind, grade, assort, import, export, buy, sell, resell, ecommerce, demonstrate, market, and to act as agent, broker, indenter, liaisoner, representative, C & F agent, export house, valuer, sales promoter, supplier, provider, merchant, stockiest, distributor, wholesaler, retailer, Job worker, converter from rough to polished or otherwise to deal in all shapes, sizes, varieties, description, specifications, applications & designs of rough, raw, cut, uncut, polished or processed, stones such as diamonds, lab grown diamonds, ruby, pearls, gemstones, blue sapphires, cats eye stone, topaz, opal, zircon, tourmaline, jade, spinal ruby, aquamarine, turquoise, pivot, agate, garnet, corundum, amethyst malachite, citrine, alexandrite, smoky quartz, lapis lazuli, rock crystal, onyx, moon stone, jasper, blood stone, gold stone, bismuth, jet, diopside, tiger eye, sunstone, spinal, Jews stone, load stone, sardonyx, touch stone, amber and their ornaments, jewelleryes, electronic grade cvd, thermal management grade cvd, mechanical grade cvd, optical grade cvd and by product of the processed articles, goods or things made in the combination of



gold, silver, platinum, or other metals, and alloys thereof and for the purpose to act as goldsmith, silversmith, jewellers, gem merchants, electroplaters, polishers, purifiers and to do research and development and to use related technologies for development and sales and to do all incidental acts and things necessary for the attainment of the above objects.

### Changes in Memorandum of Association

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
1.	Increase in Authorised Capital of the Company from Rs. 10,00,000 (Ten Lakh) divided into 1,00,000 equity shares of Rs. 10/- each to Rs. 15,00,000 (Fifteen Lakhs) divided into 1,50,000 equity shares of Rs. 10/- each	April 24, 1996	Extra-Ordinary General Meeting
2.	Alteration in Main Object Clause of Memorandum of Association of the Company by deleting the existing sub clause 1 of Main Clause III (A) and inserting new sub clause 1 of Main Clause III (A).	December 04, 2009	Extra-Ordinary General Meeting
3.	Name of the Company is changed from Gandhinagar Plastronics Private Limited to Jay Gems (India) Private Limited and Shifting of Registered office of the Company outside the local limits of the City but within the same State.	January 01, 2010	Extra-Ordinary General Meeting
4.	Increase in Authorised Capital of the Company from Rs. 15,00,000 (Fifteen Lakh) divided into 1,50,000 equity shares of Rs. 10/- each to Rs. 25,00,000 (Twenty-Five Lakhs) divided into 2,50,000 equity shares of Rs. 10/- each	February 18, 2010	Extra-Ordinary General Meeting
5.	Alteration in Main Object Clause No. 1. [A] of Main Object Clause III and Alteration in heading of Clause [B] of Main Object Clause III. Alteration/Substitution of the existing Memorandum of Association by the new set of Memorandum of Association in accordance with Table A of Schedule I of the Companies Act, 2013	March 19, 2022	Extra-Ordinary General Meeting
6.	Increase in Authorised Capital of the Company from Rs. 25,00,000 (Twenty-Five Lakhs) divided into 2,50,000 equity shares of Rs. 10/- each to Rs. 3,00,00,000 (Three crores) divided into 30,00,000 equity shares of Rs. 10/- each	March 19, 2022	Extra-Ordinary General Meeting
7.	Increase in Authorised Capital of the Company from Rs. 3,00,00,000 (Three crores) divided into 30,00,000 equity shares of Rs. 10/- each to Rs. 7,00,00,000 (Seven crores) divided into 70,00,000 equity shares of Rs. 10/- each	June 11, 2022	Annual General Meeting
8.	Conversion of Company into Public Limited Company and change in name of company from Dev Labtech Venture Private Limited to Dev Labtech Venture Limited vide fresh Certificate of Incorporation issued by Registrar of Companies, Ahmedabad dated September 23, 2022.	August 18, 2022	Extra-Ordinary General Meeting
9.	Increase in Authorised Capital of the Company from Rs. 7,00,00,000 (Seven crores) divided into 70,00,000 equity shares of Rs. 10/- each to Rs. 9,99,99,990 (Ninety-Nine Lakhs Ninety-Nine Thousands Nine Hundred and Ninety Only) divided into 99,99,999 equity shares of Rs. 10/- each	September 28, 2022	Extra-Ordinary General Meeting

### Adopting New Articles of Association of the Company

Our Company has adopted a new set of Articles of Association of the Company, in the Extra-Ordinary General Meeting of the Company dated August 18, 2022.

### Key Events and Mile Stones

Year	Key Events / Milestone / Achievements
1993-94	Incorporation of the Company in the name and style of “Gandhinagar Plastronics Private Limited”
2009-10	Changed the name of company from Gandhinagar Plastronics Private Limited to Jay Gems (India) Private Limited
2022-23	Changed the name of company from Jay gems (India) Private Limited to Dev Labtech Venture Limited
2022-23	Converted into Public Limited Company vide fresh certificate of incorporation dated September 23, 2022.



## **Other Details about our Company**

For details of our Company's activities, products, growth, technology, marketing strategy, competition and our customers, please refer section titled "Business Overview", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Basis for Issue Price" on pages 96, 140 and 80 respectively of this Draft Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled "Our Management" and "Capital Structure" beginning on pages 118 and 50 of this Draft Prospectus respectively.

## **Acquisition of Business/Undertakings & Amalgamation**

Except as disclosed in this Draft Prospectus, there has been no acquisition of business/undertakings, mergers, amalgamation since incorporation.

## **Holding Company**

As on the date of this Draft Prospectus, there is no holding company of our Company.

## **Subsidiary of our Company**

As on the date of this Draft Prospectus, there are no subsidiaries of our Company.

## **Capital raising (Debt / Equity)**

For details in relation to our capital raising activities through equity, please refer to the chapter titled "Capital Structure" beginning on page 50 of this Draft Prospectus. For details of our Company's debt facilities, please refer section "Financial Information of our Company" on page 136 of this Draft Prospectus.

## **Time and Cost overruns in setting up projects**

There has been no time / cost overrun in setting up projects by our Company.

## **Injunction or restraining order**

There are no injunctions/ restraining orders that have been passed against the Company.

## **Revaluation of Assets**

Our Company has not revalued its assets since incorporation

## **Defaults or Rescheduling of borrowings with financial institutions/banks and Conversion of loans into Equity Shares**

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of this Draft Prospectus. Furthermore, except as disclosed in chapter titled "Capital Structure" beginning on Page 50 of this Draft Prospectus, none of the Company's loans have been converted into equity in the past.

## **Lock-out or strikes**

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lockouts. As on the date of this Draft Prospectus, our employees are not unionized.

## **Shareholders of our Company:**

Our Company has Twenty-Nine (29) shareholders as on the date of this Draft Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled "Capital Structure" beginning on page 50 of this Draft Prospectus.

## **Changes in the Management**

For details of change in Management, please see chapter titled "Our Management" on page 118 of this Draft Prospectus.



### **Changes in activities of our Company during the last five (5) years**

Except entering into manufacturing of Lab grown diamonds in the year 2022, there has been no other change in the business activities of our Company during last five (5) years from the date of this Draft Prospectus which may have had a material effect on the profit/loss account of our Company except as mentioned in Material development in chapter titled “Management’s discussion and analysis of financial conditions & results of operations” beginning on page 140 of this Draft Prospectus.

### **Shareholders Agreements**

As on the date of this Draft Prospectus, there are no subsisting shareholder’s agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same.

### **Collaboration Agreements**

As on the date of this Draft Prospectus, our Company is not a party to any collaboration agreements.

### **Material Agreement**

Our Company has not entered into any material agreements other than the agreements entered into by it in ordinary course of business.

### **OTHER AGREEMENTS**

#### **Non-Compete Agreement**

Our Company has not entered into any Non-compete Agreement as on the date of filing of this Draft Prospectus.

#### **Joint Venture Agreement**

Except the agreements entered in the ordinary course of business carried on or intended to be carried on by us, we have not entered into any other Joint Venture agreement.

#### **Strategic Partners**

Except as mentioned in this Draft Prospectus, Our Company does not have any strategic partners as on the date of this Draft Prospectus.

#### **Financial Partners**

Our Company does not have any financial partners as on the date of this Draft Prospectus.

### **Corporate Profile of our Company**

For details on the description of our Company’s activities, the growth of our Company, please see “Business Overview”, “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” and “Basis of Issue Price” on pages 96, 140 and 80 of this Draft Prospectus.



## OUR MANAGEMENT

**Board of Directors:** As per the Articles of Association, our Company is required to have not less than Three (3) Directors and not more than Fifteen (15) Directors. Currently, our Company have Five (5) directors of which two (2) are Independent Directors.

The following table sets forth the details regarding our Board of Directors of our Company as on the date of filing of this Draft Prospectus:

S. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre-Issue)	Other Directorships
1.	<b>Mr. Jerambhai Lavjibhai Donda</b> <b>Father Name:</b> Mr. Lavjibhai Devjibhai Donda <b>Date of Birth:</b> 25/12/1962 <b>Age:</b> 60 Years <b>Designation:</b> Chairman cum Managing Director <b>Address:</b> D-403, Green Woods, Andheri Kurla Road, Andheri East, Mumbai, J B Nagar Maharashtra-400059, India <b>Experience:</b> 41 Years <b>Occupation:</b> Business <b>Qualifications:</b> Matriculation <b>Nationality:</b> Indian <b>DIN:</b> 00484152	Originally appointed on the Board as Director w.e.f. April 29, 1993.  Further designated as Chairman cum Managing Director w.e.f. September 24, 2022 for a period of 5 years subject to liability to retire by rotation.	21,68,990 Equity Shares; 35.73% of Pre- Issue Paid up capital	➤ Sea Land Shipping and Exports Pvt. Ltd
2.	<b>Mr. Jay Jerambhai Donda</b> <b>Father Name:</b> Mr. Jerambhai Lavjibhai Donda <b>Date of Birth:</b> 02/11/1992 <b>Age:</b> 30 Years <b>Designation:</b> Whole-Time Director <b>Address:</b> D-403, Greenwood Society, Andheri Kurla Road, Opp Chintamani Plaza, Chakala, Andheri East MIDC, Mumbai, Maharashtra-400093, India. <b>Experience:</b> 9 Years <b>Occupation:</b> Business <b>Qualifications:</b> Bachelor of Commerce (Financial Markets) <b>Nationality:</b> Indian <b>DIN:</b> 03496627	Originally appointed on the Board as Non-Executive Director w.e.f. April 18, 2011.  Further designated as Whole-Time Director w.e.f. September 24, 2022 for a period of 5 years subject to liability to retire by rotation.	13,28,978 Equity Shares; 21.89% of Pre- Issue Paid up capital	➤ Sea Land Shipping and Exports Pvt. Ltd
3.	<b>Mrs. Dimple Jay Donda</b> <b>Father Name:</b> Mr. Bhupendrabhai Parsottambhai Patel <b>Date of Birth:</b> 05/12/1993 <b>Age:</b> 29 Years <b>Designation:</b> Non-Executive Director <b>Address:</b> D-403, Greenwood Society, Andheri Kurla Road, Opp Chintamani Plaza, Andheri East, Mumbai, Suburban, Maharashtra-400093, India. <b>Experience:</b> 2 Years <b>Occupation:</b> Business <b>Qualifications:</b> Bachelor of Science <b>Nationality:</b> Indian <b>DIN:</b> 09630193	Originally appointed on the Board as Additional Non-Executive Director w.e.f. June 03, 2022 and regularized on June 11, 2022	8,125 Equity Shares; 0.13% of Pre- Issue Paid up capital	NIL



S. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre-Issue)	Other Directorships
4.	<b>Mr. Brijeshkumar Maheshbhai Pathak</b> <b>Father Name:</b> Mr. Maheshbhai Laxmishankar Pathak <b>Date of Birth:</b> 11/06/1991 <b>Age:</b> 31 Years <b>Designation:</b> Independent Director <b>Address:</b> 73, Kothivado, Chikni Sheri, Nari Bhavnagar, Gujarat-364004 India. <b>Experience:</b> 1 Year <b>Occupation:</b> Business <b>Qualifications:</b> Bachelor of Arts <b>Nationality:</b> Indian <b>DIN:</b> 09730412	Appointed as Additional Director w.e.f. September 07, 2022 and further regularized & designated as Independent Director on September 28, 2022 for a period of 5 years.	NIL	NIL
5.	<b>Mr. Vivekbhai Tulsibhai Mavani</b> <b>Father Name:</b> Mr. Tulsibhai Parsottambhai Mavani <b>Date of Birth:</b> 12/06/1991 <b>Age:</b> 31 Years <b>Designation:</b> Independent Director <b>Address:</b> A-902, Silver Stone Villa, Cancer Hospital Road, Dabholi, Katargam, Surat, Gujarat-395004 India. <b>Experience:</b> 6 Years <b>Occupation:</b> Business <b>Qualifications:</b> Bachelor of Commerce <b>Nationality:</b> Indian <b>DIN:</b> 09099074	Appointed as Additional Director w.e.f. August 19, 2022 and further regularized & designated as Independent Director on September 28, 2022 for a period of 5 years.	NIL	➤ Radhakrishna Diamond Association

## **BRIEF PROFILE OF OUR DIRECTORS**

### **1. Mr. Jerambhai Lavjibhai Donda, Chairman cum Managing Director, Age: 60 Years**

Mr. Jerambhai Lavjibhai Donda, 60 years is Chairman cum Managing Director and also the Promoter of our Company. He holds Matriculation Degree. He was appointed on the Board on April 29, 1993 and further designated as the Chairman cum Managing Director of the Company on September 24, 2022 for a period of 5 years, liable to retire by rotation. He is having experience of 41 years in diamond industry. He has been instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His Vision to do business with ethics & to keep up with latest developments, Consistent Innovation in Technology and Management practices has helped him provide an overall growth for the company.

### **2. Mr. Jay Jerambhai Donda, Whole-Time Director, Age: 30 Years**

Mr Jay Jerambhai Donda, aged 30 years, is the Whole Time Director, CFO and also the Promoter of our Company. He holds degree in Bachelor of Commerce (Financial Markets). He was originally appointed on the Board on April 18, 2011 and further designated as the Whole-Time Director of the Company on September 24, 2022 for a period of 5 years liable to retire by rotation. He is having of experience of 9 years in Diamond Industry. He has expertise in the field of Accounting, Finance, Banking, Market research, Financial Market Strategies and Sales & Marketing strategies in the Business Development of the Company. He looks after the finance related matters of company.

### **3. Mrs. Dimple Jay Donda, Non-Executive Director, Age: 29 Years**

Mrs. Dimple Jay Donda, aged 29 years is the Non-Executive Director of our Company. She holds degree in Bachelor of Science. She was originally appointed on the Board on June 03, 2022 liable to retire by rotation. She is having experience of 2 years in diamond industry.



#### **4. Mr. Brijeshkumar Maheshbhai Pathak, Independent Director, Age: 31 Years**

Mr. Brijeshkumar Maheshbhai Pathak, aged 31 years is Independent Director of our Company. He was originally appointed on the Board on September 07, 2022 and further designated as Independent Director for 5 years. He has degree of Bachelor of Arts having experience of 1 Years in general administration.

#### **5. Mr. Vivekbhai Tulsibhai Mavani, Independent Director, Age: 31 Years**

Mr. Vivekbhai Tulsibhai Mavani, aged 31 years is Independent Director of our Company. He was originally appointed on the Board on August 19, 2022 and further designated as Independent Director for 5 years. He holds degree in Bachelor of Commerce having experience of 6 Years in diamond industry.

#### **Confirmations**

- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.
- None of the above-mentioned Directors are on the RBI list of willful defaulters or fraudulent borrower as on the date of filing of this Draft Prospectus.
- Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and person in control of our Company has/ have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.
- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Directors and promoters of our company.

Except as disclosed in chapter titled “Outstanding Litigations and Material Developments” beginning on Page 148 of this Draft Prospectus, there is no criminal cases filed or being undertaken with regard to alleged commission of any offence by any of our directors which also effected the business of our company and none of directors of our Company have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.

Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and person in control of our Company has/ have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.

#### **Nature of any family relationship between any of our Directors:**

Apart from Mr Jerambhai Lavjibhai Donda and Mr. Jay Jerambhai Donda who are related to each other as father and son and Mr. Jay Jerambhai Donda and Mrs. Dimple Jay Donda who are related to each other as spouse to each other and Mrs. Dimple Jay Donda who is related to Mr. Jerambhai Lavijibhai Donda as Daughter in Law, none of the Directors of the Company are related to each other as per Sec 2 (77) of Companies Act, 2013.

#### **Arrangements with major Shareholders, Customers, Suppliers or Others:**

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our directors were selected as Directors or members of the senior management.

#### **Service Contracts:**

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

#### **Details of Borrowing Powers of Directors**

Our Company has passed a Special Resolution in the Extra-ordinary General Meeting of the members held on September 28, 2022, authorizing the Board of Directors of the Company under Section 180 (1) (c) of the Companies Act, 2013 to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of Rs. 100 Crore (Rupees hundred Crores only).



### **Compensation of our Managing Director and Whole Time Directors**

The compensation payable to our Managing Director and Whole-time Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188,196,197,198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act,2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director and Whole Time Director:

Particulars	Mr. Jerambhai Lavjibhai Donda	Mr. Jay Jerambhai Donda
Re-Appointment / Change in Designation	September 24, 2022	September 24, 2022
Designation	Managing Director	Whole-Time Director
Term of Appointment	5 Years	5 Years
Remuneration Payable from FY 2022-23	₹60.00 Lakhs per annum	₹60.00 Lakhs per annum
Remuneration paid for Year 2021-22	--	Rs. 4.20 Lakhs per annum

*Our company does not have any Subsidiary Company.*

### **Bonus or Profit Sharing Plan for our Directors**

We have no bonus or profit-sharing plan for our Directors.

### **Sitting Fee**

The Articles of Association of our Company provides that payment of sitting fees to Directors (other than Managing Director & Whole- Time Directors) for attending a meeting of the Board or a Committee thereof shall be decided by the Board of Directors from time to time within the applicable maximum limits. Our Board of Directors has resolved in their meeting dated September 29, 2022 for payment to all Non-Executive Independent Directors for attending each such meeting of the Board or Committee thereof.

### **SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY**

Sr. No.	Name of Director	No. of Shares held	Holding in %
1.	Mr. Jerambhai Lavjibhai Donda	21,68,990	35.73%
2.	Mr. Jay Jerambhai Donda	13,28,978	21.89%
3.	Mrs. Dimple Jay Donda	8,125	0.13%

*None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft Prospectus*

Our Articles of Association do not require our directors to hold any qualification Equity Shares in the Company.

### **INTEREST OF DIRECTORS**

All the Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board of Directors or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer- “Compensation of our Managing Director a Whole Time Directors” above, under chapter titled “Our Management” beginning on page 118 of this Draft Prospectus

Our directors may also be regarded as interested their shareholding and dividend payable thereon, if any, Our Directors are also interested to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our directors are interested in the Company in the following manner:



Directors	Particulars
Mr. Jerambhai Lavjibhai Donda	<ul style="list-style-type: none"> <li>- The Marketing Office situated at Flat No. D/403, 4th floor, Green wood, Andheri Kurla Road, Chakala, Andheri (East), Zone 3, Mumbai – 400059, Maharashtra, India has been taken on lease from the KMP at a monthly rent of Rs. 2000.</li> <li>- The Personal property is charged for term loan availed by Company from Axis Bank Limited.</li> </ul>
Mr. Jay Jerambhai Donda	<ul style="list-style-type: none"> <li>- The Branch office situated at Residence no. 53, 54, Thakordwar, Plot no. 48, Katargam, Surat City, Choryasi, Surat, Gujarat has been taken on lease from the Director at a monthly rent of Rs. 300.</li> <li>- The Personal property is charged for term loan availed by Company from Axis Bank Limited.</li> </ul>

Further our director may also be interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our directors may also be interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners.

All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any Company in which they hold Directorships or any partnership firm in which they are partners.

Except as stated otherwise in this Draft Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of this Draft Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section “Our Management” or the section titled “Restated Financial Statement - Related Party Transactions” beginning on page 118 and 136 respectively of this Draft Prospectus, and except to the extent of shareholding in our Company, our directors do not have any other interest in our business.

#### **Interest in the property of Our Company**

Except as disclosed above and in the chapters titled “Business Overview” and “Restated Financial Statement – Related Party Transactions” and “History and Corporate Structure” on page 96, 136 and 114 respectively of this Draft Prospectus, our Directors do not have any interest in any property acquired two years prior to the date of this Draft Prospectus.

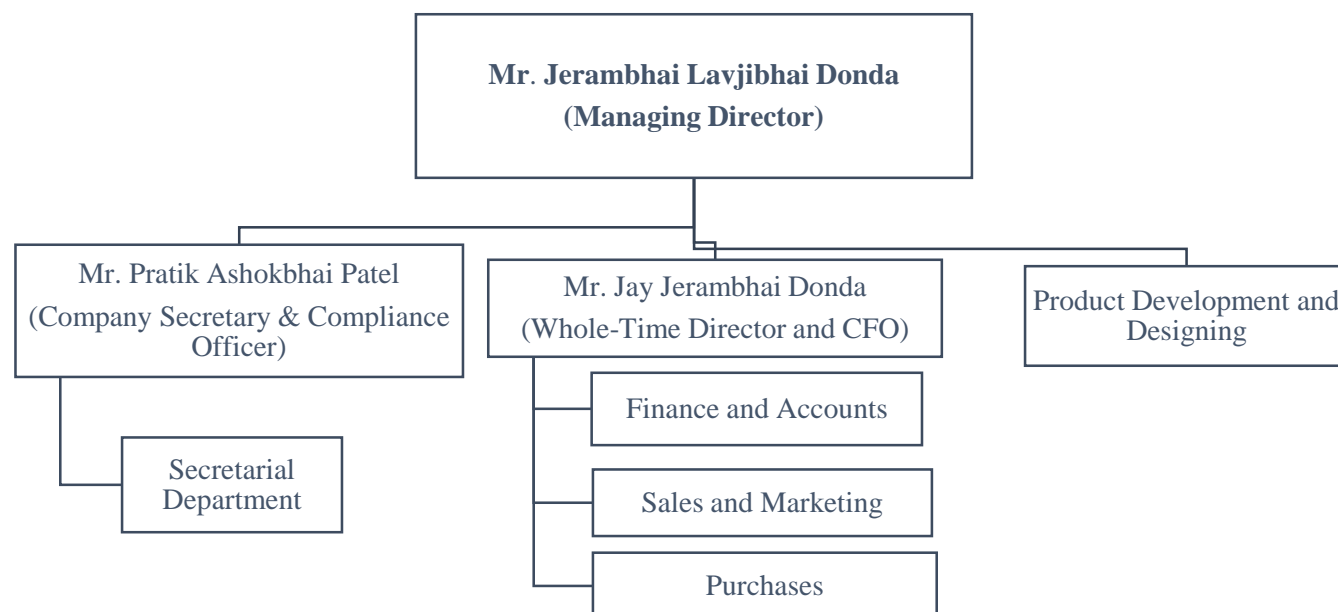
#### **CHANGES IN BOARD OF DIRECTORS IN LAST 3 YEARS**

Sr. No.	Name	Date & Nature of Change	Reasons for Change
1.	Mrs. Dimple Jay Donda	Appointed as Additional Director w.e.f June 03, 2022.	To ensure better Corporate Governance
2.	Mrs. Dimple Jay Donda	Re-designated as Non-Executive Director w.e.f. June 11, 2022	To ensure better Corporate Governance
3.	Mrs. Labhuben Jerambhai Donda	Resigned from board w.e.f. July 25, 2022	To ensure better Corporate Governance
4.	Mr. Brijeshkumar Maheshbhai Pathak	Appointed as Additional Non-Executive Independent Director w.e.f. September 07, 2022 and Regularized in EGM dated September 28, 2022 as Independent Non-Executive Director for five consecutive years with effect from September 07, 2022	To ensure better Corporate Governance
5.	Mr. Vivekbhai Tulsibhai Mavani	Appointed as Additional Non-Executive Independent Director w.e.f. August 19, 2022 and Regularized in EGM dated September 28, 2022 as Independent Non-Executive Director for five consecutive years with effect from August 19, 2022	To ensure better Corporate Governance
6.	Mr. Jerambhai Lavjibhai Donda	Re-designated as Chairman cum Managing Director w.e.f. September 24, 2022	To ensure better Corporate Governance
7.	Mr. Jay Jerambhai Donda	Re-designated as Whole-Time Director w.e.f. September 24, 2022	To ensure better Corporate Governance



## **MANAGEMENT ORGANISATION STRUCTURE**

The following chart depicts our Management Organization Structure: -



## **COMPLIANCE WITH CORPORATE GOVERNANCE**

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and SEBI (ICDR) Regulations, 2018 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME Platform of BSE Limited. The requirements pertaining to constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees have been complied with.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of Five (5) directors of which two (2) are Independent Directors (as defined under Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Our Company has constituted the following committees:

### **1. Audit Committee**

Our Company has constituted an Audit Committee ("Audit Committee"), vide Board Resolution dated September 29, 2022, as per the applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with Regulation 18 of SEBI Listing Regulations, 2015 applicable upon listing of the Company's Equity shares on SME platform of BSE Limited, the constituted Audit Committee comprises following members:

<b>Name of the Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Mr. Vivek Tulsibhai Mavani	Chairman	Independent Non-Executive Director
Mr. Brijeshkumar Maheshbhai Pathak	Member	Independent Non-Executive Director
Mr. Jay Jerambhai Donda	Member	Whole time Director & CFO

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

**A. Tenure:** The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.



**B. Meetings of the Committee:** The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two independent members at each meeting.

**C. Role and Powers:** The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 as amended and Companies Act, 2013 shall be as under:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;
  - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
21. To review the functioning of the whistle blower mechanism;
22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
23. Audit committee shall oversee the vigil mechanism.
24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

- a) Management discussion and analysis of financial condition and results of operations;



- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- f) Statement of deviations:
  - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

## 2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Regulation 20 of SEBI Listing Regulations, 2015 as amended vide Resolution dated September 29, 2022. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Vivek Tulsibhai Mavani	Chairman	Independent Non-Executive Director
Mr. Brijeshkumar Maheshbhai Pathak	Member	Independent Non-Executive Director
Mr. Jerambhai Lavjibhai Donda	Member	Chairman & Managing Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.
- B. Meetings:** The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.
- C. Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:
  - Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
  - Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
  - Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
  - Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
  - Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
  - Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
  - Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
  - Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

## 3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Regulation 19 of SEBI Listing Regulations, 2015 as amended vide Resolution dated September 29, 2022. The Nomination and Remuneration Committee comprise the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Vivek Tulsibhai Mavani	Chairman	Independent Non-Executive Director



Mr. Brijeshkumar Maheshbhai Pathak	Member	Independent Non-Executive Director
Mrs. Dimple Jay Donda	Member	Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

**A. Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

**B. Meetings:** The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders queries; however, it shall be up to the chairperson to decide who shall answer the queries.

**C. Role of Terms of Reference:**

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs 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;
- 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;
- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole Time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
- To formulate and administer the Employee Stock Option Scheme.

**POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME platform of BSE Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

**POLICY FOR DETERMINATION OF MATERIALITY & MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS**

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the SME platform of BSE Limited. The Board of Directors at their meeting held on September 29, 2022 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

**Our Key Managerial Personnel**

Our Company is supported by a well-laid team having good exposure to various operational aspects of our line of business. A brief about the Key Managerial Personnel of our Company is given below:



Name, Designation & Educational Qualification	Age (Year)	Date of joining as KMP	Compensation paid for the F.Y ended 2022 (in Rs Lakhs)	Over all experience (in years)	Previous employment
<b>Name: Mr. Jerambhai Lavjibhai Donda</b> <b>Designation:</b> Chairman cum Managing Director <b>Qualification:</b> Matriculation	60	Chairman and Managing Director w.e.f. September 24, 2022	Nil	41 Years	-
<b>Name: Mr. Jay Jerambhai Donda</b> <b>Designation:</b> Whole-Time Director and CFO <b>Qualification:</b> Bachelor of Commerce ((Financial Markets)).	30	Whole time Director w.e.f. September 24, 2022 and CFO w.e.f. September 29, 2022	Rs. 4.20 Lakhs	9 Years	-
<b>Name: Mr. Pratik Ashokbhai Patel</b> <b>Designation:</b> Company Secretary & Compliance Officer <b>Qualification:</b> Company Secretary	35	Appointed on September 29, 2022	Nil	4 Years	IKAA Granito Private Limited

## BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

### 1. Mr. Jerambhai Lavjibhai Donda, Chairman cum Managing Director, Age: 60 Years

Mr. Jerambhai Lavjibhai Donda, 60 years is Chairman cum Managing Director and also the Promoter of our Company. He holds Matriculation Degree. He was appointed on the Board on April 29, 1993 and further designated as the Chairman cum Managing Director of the Company on September 24, 2022 for a period of 5 years, liable to retire by rotation. He is having experience of 41 years in Diamond Industry. He has been instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His Vision to do business with ethics & to keep up with latest developments, Consistent Innovation in Technology and Management practices has helped him provide an overall growth for the company.

### 2. Mr. Jay Jerambhai Donda, Whole-Time Director and CFO, Age: 30 Years

Mr Jay Jerambhai Donda, aged 30 years, is the Whole Time Director, CFO and also the Promoter of our Company. He holds degree in Bachelor of Commerce (Financial Markets). He was originally appointed on the Board on April 18, 2011 and further designated as the Whole-Time Director of the Company on September 24, 2022 for a period of 5 years liable to retire by rotation and CFO w.e.f September 29, 2022. He is having of experience of 9 years. He has expertise in the field of Accounting, Finance, Banking, Market research, Financial Market Strategies and Sales & Marketing strategies in the Business Development of the Company. He looks after the finance related matters of company.

### 3. Mr. Pratik Ashokbhai Patel, Company Secretary and Compliance Officer, Age: 35 Years

**Mr. Pratik Ashokbhai Patel** is Company Secretary and Compliance Officer of our Company. He is qualified Company Secretary from institute of Company Secretaries of India. He looks after the secretarial matters of our Company. He joined our Company on September 29, 2022. He has an overall experience of 4 years in secretarial compliances.

## RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Apart from Mr. Jerambhai Lavjibhai Donda and Mr. Jay Jerambhai Donda who are related to each other as father and son, none of the KMP of the Company are related to each other as per Sec 2 (77) of Companies Act, 2013.

### We confirm that:

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- None of our KMPs except Mr Jerambhai Lavjibhai Donda and Mr. Jay Jerambhai Donda are also part of the Board of Directors.



- d. In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the stub period ended September 30, 2022.
- e. Except for the terms set forth in the appointment Letters the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- f. Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- g. None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Prospectus except as under:

Sr. No.	Name of KMP	No. of Shares held	Holding in %
1.	Mr. Jerambhai Lavjibhai Donda	21,68,990	35.73%
2.	Mr. Jay Jerambhai Donda	13,28,978	21.89%

- h. Presently, we do not have ESOP/ESPS scheme for our employees.
- i. The turnover of KMPs is not high, compared to the Industry to which our Company belongs.

#### Payment of Benefits to Officers of our Company (non-salary related)

Except for any statutory payments made by our Company upon termination of services of its officer or employees, our Company has not paid any sum, any non-salary amount or benefit to any of its officers or to its employees including amounts towards super annuations, ex-gratia/rewards.

#### Changes in the Key Managerial Personnel in last three years:

There have been no changes in the Key Managerial Personnel of our Company during the last three years except as stated below:

Sr. No.	Name	Designation	Date of Appointment/ Cessation/Promotion/ Transfer	Reasons
1.	Mr. Jerambhai Lavjibhai Donda	Chairman cum Managing Director	Re-designated as Chairman cum Managing Director in the board meeting held on September 24, 2022.	To ensure better Corporate Governance
2.	Mr. Jay Jerambhai Donda	Whole-time Director	Re-designated as Whole-Time Director in the board meeting held on September 24, 2022.	To ensure better Corporate Governance
3.	Mr. Jay Jerambhai Donda	Chief Financial Officer	Appointed w.e.f. September 29, 2022.	To ensure better Corporate Governance
4.	Mr. Pratik Ashokbhai Patel	Company Secretary and Compliance Officer	Appointed w.e.f. September 29, 2022.	To ensure better Corporate Governance

#### INTEREST OF KEY MANAGERIAL PERSONNEL IN OUR COMPANY

Apart from shares held in the Company, and to the extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our Key managerial personal are interested in our Company.

Further our Key Managerial Personnel (KMP) are interested in the Company in the following manner:

Key Managerial Person (KMP)	Particulars
Mr. Jerambhai Lavjibhai Donda	<ul style="list-style-type: none"> <li>- The Marketing Office situated at Flat No. D/403, 4th floor, Green wood, Andheri Kurla Road, Chakala, Andheri (East), Zone 3, Mumbai – 400059, Maharashtra, India has been taken on lease from the KMP at a monthly rent of Rs. 2000.</li> <li>- The Personal property is charged for term loan availed by Company from Axis Bank Limited.</li> </ul>
Mr. Jay Jerambhai Donda	<ul style="list-style-type: none"> <li>- The Branch office situated at Residence no. 53, 54, Thakordwar, Plot no. 48, Katargam, Surat City, Choryasi, Surat, Gujarat has been taken on lease from the KMP at a monthly rent of Rs. 300.</li> </ul>



	- The Personal property is charged for term loan availed by Company from Axis Bank Limited.
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Except as provided in this Draft Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Draft Prospectus in which the Key Managerial Personnel are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

For the details unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to chapter “Restated Financial Statement” on page 136 of this Draft Prospectus.

#### **OTHER BENEFITS TO OUR KEY MANAGERIAL PERSONNEL**

Except as stated in this Draft Prospectus, there are no other benefits payable to our Key Managerial Personnel.

#### **EMPLOYEES**

The details about our employees appear under the Paragraph titled —Human Resource in Chapter Titled — Business Overview beginning on page 96 of this Draft Prospectus.





## OUR PROMOTERS & PROMOTER GROUP


Mr. Jerambhai Lavjibhai Donda, Mr. Jay Jerambhai Donda and Mrs. Labhubhen Jerambhai Donda are the Promoters of our Company.

As on the date of this Draft Prospectus, Mr. Jerambhai Lavjibhai Donda, Mrs. Labhubhen Jerambhai Donda and Mr. Jay Jerambhai Donda are holding 54,95,596 Equity Shares which constitute 90.52% of the issued and paid-up Equity Share capital of our Company. Our Promoters and Promoter Group will continue to hold the majority of our post- Issue paid-up equity share capital of our Company.

### Details of our Promoters: -

	<b>Mr. Jerambhai Lavjibhai Donda, Chairman cum Managing Director</b>	
	<b>Qualification</b>	Matriculation
	<b>Date of Birth</b>	25/12/1962
	<b>Age</b>	60 Years
	<b>Address</b>	D-403, Green Woods, Andheri Kurla Road, Andheri East, J B Nagar, Mumbai - 400059, Maharashtra, India.
	<b>Experience</b>	41 Years
	<b>Occupation</b>	Business
	<b>Permanent Account Number</b>	AELPP3834Q
	<b>Passport Number</b>	Z4507123
	<b>Driving License Number</b>	GJ04 19830044351
	<b>No. of Equity Shares held in DLVL [% of Shareholding (Pre-Issue)]</b>	21,68,990 Equity Shares of ₹ 10 each; 35.73% of Pre- Issue Paid up capital
	<b>DIN</b>	00484152
	<b>Other Interests</b>	<b>Companies:</b> - Sea Land Shipping and Exports Pvt. Ltd. <b>Partnership Firm:</b> - Freedom Industrial Park <b>Proprietorship Firm:</b> - Jay Gems <b>HUF:</b> - Donda Jerambhai Lavjibhai HUF <b>Trust:</b> - Om Shri Gopaldham Trust
	<b>Mr. Jay Jerambhai Donda, Whole-Time Director &amp; CFO</b>	
	<b>Qualification</b>	Bachelor Commerce (Financial Market)
	<b>Date of Birth</b>	02/11/1992
	<b>Age</b>	30 Years
	<b>Address</b>	D-403, Greenwood Society, Andheri Kurla Road, Opp Chintamani Plaza, Chakala, Andheri East MIDC, Mumbai - 400093, Maharashtra, India
	<b>Experience</b>	9 Years
	<b>Occupation</b>	Business
	<b>Permanent Account Number</b>	BBVPD0579C
	<b>Passport Number</b>	Z4402955
	<b>Driving License Number</b>	GJ04 20110017644
	<b>No. of Equity Shares held in DLVL[% of Shareholding (Pre Issue)]</b>	13,28,978 Equity Shares of ₹ 10 each; 21.89% of Pre- Issue Paid up capital
	<b>DIN</b>	03496627



	<b>Other Interests</b>	<b>Companies:</b> - Sea Land Shipping and Exports Pvt. Ltd. <b>Proprietorship Firm:</b> - Eco Friendly Diam / Shri Man Powers <b>HUF:</b> - Jay Jerambhai Donda HUF
	<b>Mrs. Labhubhen Jerambhai Donda</b>	
	<b>Qualification</b>	Not Applicable
	<b>Date of Birth</b>	15/06/1965
	<b>Age</b>	57 Years
	<b>Address</b>	D-403, Green Woods, Andheri Kurla Road, Andheri East, J B Nagar, Mumbai - 400059, Maharashtra, India.
	<b>Experience</b>	5 Years
	<b>Occupation</b>	Business
	<b>Permanent Account Number</b>	ALOPD4588M
	<b>Passport Number</b>	Z5052070
	<b>Driving License Number</b>	Not Available
	<b>No. of Equity Shares held in DLVL[% of Shareholding (Pre Issue)]</b>	15,98,103 Equity Shares of ₹ 10 each; 32.90% of Pre- Issue Paid up capital
	<b>DIN</b>	07190706
	<b>Other Interests</b>	<b>Proprietorship Firm:</b> - ECO GROWN DIAM / Suchi Powers

## Declaration

We confirm that the Permanent Account Number, Bank Account Number, Aadhar Card Number, Passport Number and Driving License of the Promoters which are available have been submitted to BSE Limited at the time of filing of Draft Prospectus with them.

*Present Promoters of Our Company are Mr, Jerambhai Lavjibhai Donda, Mr. Jay Jerambhai Donda and Mrs. Labhubhen Jerambhai Donda. Initial subscribers to the MoA of our Company were Mr. Arunava Raha, Mr. Jerambhai Lavjibhai Donda, Mrs. Vimlabhen Bhlani and Mrs. Gauribhen Bhlani. For details of the shareholding acquired by the current promoter of our Company refer the capital buildup of our Promoter under chapter "Capital Structure" beginning on page 50 of this Draft Prospectus.*

## Undertaking/ Confirmations

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

No material regulatory or disciplinary action is taken by any by a stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.

There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.

The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled "Outstanding Litigations and Material Developments" beginning on page 148 of this Draft Prospectus.

None of our Promoters, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.



Further, neither our Promoters, the promoter group members nor our Group Company have been declared as a willful defaulter or a fraudulent borrower by the RBI or any other government authority nor there are any violations of securities laws committed by them in the past and no proceedings for violation of securities laws are pending against them.

### **Common Pursuits/ Conflict of Interest**

Our Promoter Entities i.e. Jay Gems, Eco Grown Diam / Suchi Powers and Eco Friendly Diam / Shri Man Powers are similar line of business.

Except as disclose above, there is no other entity/ Group Companies which are engaged in similar line of business as our Company as on date of this Draft Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

### **Interest in promotion of Our Company**

The Promoters are interested to the extent of their shareholding in the Company, and any dividend and distributions which may be made by the Company in future. The related party transactions are disclosed in “Financial information of our company” and “Our Management – Interest of Directors” and “Our Management – Interest of Key Managerial Personnel” on pages 136 & 118 of this Draft Prospectus, respectively.

### **Interest in the property of Our Company**

Except as mentioned in this Draft Prospectus, our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Prospectus or proposed to be acquired by us till date of filing the Prospectus with RoC.

### **Other Interest of Promoters**

Our Promoters Mr. Jerambhai Lavjibhai Donda, Mrs. Labhuben Jerambhai Donda and Mr. Jay Jerambhai Donda are interested to the extent of their shareholding and shareholding of their relatives in our Company. Our Promoter Mr. Jerambhai Lavjibhai Donda and Mr. Jay Jerambhai Donda who are also the Managing Director and Whole-Time Directors respectively of our Company may be deemed to be interested to the extent of their remuneration, as per the terms of their appointment and reimbursement of expenses payable to them. Our Promoters may also be deemed interested to the extent of any unsecured loan given/taken by them to/from our Company.

Further our Promoters are interested in the Company in the following manner:

Promoters	Particulars
Mr. Jerambhai Lavjibhai Donda	<ul style="list-style-type: none"> <li>- The Marketing Office situated at Flat No. D/403, 4th floor, Green wood, Andheri Kurla Road, Chakala, Andheri (East), Zone 3, Mumbai – 400059, Maharashtra, India has been taken on lease from the KMP at a monthly rent of Rs. 2000.</li> <li>- The Personal property is charged for term loan availed by Company from Axis Bank Limited.</li> </ul>
Mr. Jay Jerambhai Donda	<ul style="list-style-type: none"> <li>- The Branch office situated at Residence no. 53, 54, Thakordwar, Plot no. 48, Katargam, Surat City, Choryasi, Surat, Gujarat has been taken on lease from the Promoter at a monthly rent of Rs. 300.</li> <li>- The Personal property is charged for term loan availed by Company from Axis Bank Limited.</li> </ul>
Mrs. Labhubhen Jerambhai Donda	<ul style="list-style-type: none"> <li>- The Personal property is charged for term loan availed by Company from Axis Bank Limited.</li> </ul>

*For transaction in respect of loans and other monetary transaction entered in past please refer “Restated statement of Related Party Transactions” under chapter titled “Restated Financial Statements” on page 136 of this Draft Prospectus.*

Except as stated otherwise in this Draft Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Prospectus or proposes to enter into any such contract in which our Promoter are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them.



### **Experience of Promoters in the line of business**

Our Promoters Mr. Jerambhai Lavjibhai Donda, Mr. Jay Jerambhai Donda and Mrs. Labhuben Jerambhai Donda have experience of 41 years, 9 years & 5 years respectively. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

### **Related Party Transactions**

For the transactions with our Promoter Group entities please refer to chapter titled “Restated Financial Statements” on page 136 of this Draft Prospectus.

Except as stated in chapter titled “Restated Financial Statements” on page 136 of this Draft Prospectus., and as stated therein, our Promoters or any of the Promoter Group do not have any other interest in our business.

### **Payment or Benefit to Promoters of Our Company**

For details of payments or benefits paid to our Promoters, please refer to the chapter titled “Our Management” beginning on page 118 of this Draft Prospectus. Also refer chapter titled “Restated Financial Statements” on page 136 of this Draft Prospectus.

### **Companies / Firms from which the Promoter have disassociated themselves in the last (3) three years**

Our Promoters has not disassociated themselves from any of the Companies, Firms or other entities during the last three years preceding the date of this Draft Prospectus.

### **Other ventures of our Promoters**

Save and except as disclosed in this section titled “Our Promoters and Promoter Group” and “Information with respect of Group Companies” beginning on page 130 & 155 respectively of this Draft Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests as on date of this Draft Prospectus.

### **Litigation details pertaining to our Promoters**

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled “Outstanding Litigations and Material Developments” beginning on page 148 of this Draft Prospectus.

## **OUR PROMOTER GROUP**

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

### **1. Natural Persons who are part of the Promoter Group**

As per Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters), other than the Promoters, are as follows:

Relationship	Jerambhai Lavjibhai Donda	Labhuben Jerambhai Donda	Jay Jerambhai Donda
<b>Father</b>	Lavjibhai Devjibhai Donda	Mohanbhai Dankhara	Jerambhai Lavjibhai Donda
<b>Mother</b>	Jamnaben Lavjibhai Donda	Samjuben Mohanbhai Dankara	Labhuben Jerambhai Donda
<b>Spouse</b>	Labhuben Jerambhai Donda	Jerambhai Lavjibhai Donda	Dimple Jay Donda
<b>Brother</b>	Kalpesh Lavjibhai Donda	Damjibhai Mohanbhai Dankhara	Prashant Jerambhai Donda
		Jivrajbhai Mohanbhai Dankhara	
<b>Sister</b>	Devani Vanitaben Labhubhai	Jamnaben Vithalbhai Ghevariya	Nidhi Jerambhai Donda
	Gitaben T Balar		Vanani Rinaben Chetanbhai
	Ramilaben Navneetbhai Virani		
	Bhalani Kailasben Rasikbhai	Madhuben Lalubhai Gadhiya	Heenaben S Vaghasiya
	Koshiya Lakshmiben Babubhai		Bhavitaben D Kalathiya
<b>Son</b>	Jay Jerambhai Donda	Jay Jerambhai Donda	Dev Jay Donda
	Prashant Jerambhai Donda	Prashant Jerambhai Donda	
<b>Daughter</b>	Nidhi Jerambhai Donda	Nidhi Jerambhai Donda	-
	Vanani Rinaben Chetanbhai	Vanani Rinaben Chetanbhai	



	Heenaben S Vaghasiya	Heenaben S Vaghasiya	
	Bhavitaben D Kalathiya	Bhavitaben D Kalathiya	
<b>Spouse's Father</b>	Mohanbhai Dankhara	Lavjibhai Devjibhai Donda	Bhupendrabhai Parsottambhai Patel
<b>Spouse's Mother</b>	Samjuben Mohanbhai Dankhara	Jamnaben Lavjibhai Donda	Rashmiben Bhupendrabhai Patel
<b>Spouse's Brother</b>	Damjibhai Mohanbhai Dankhara	Kalpesh Lavjibhai Donda	Meet Bhupendra Patel
	Jivrajbhai Mohanbhai Dankhara		
<b>Spouse's Sister</b>	Jamnaben Vithalbhai Ghevariya	Devani Vanitaben Labhubhai	-
	Madhuben Lalubhai Gadhiya	Gitaben T Balar	
		Ramilaben Navneetbhai Virani	
		Bhalani Kailasben Rasikbhai	
		Koshiya Lakshmiben Babubhai	

## 2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

- Freedom Industrial Park
- Donda Jerambhai Lavjibhai HUF
- Jay Jerambhai Donda HUF
- Eco Friendly Diam / Shri Man Powers
- Eco Grown Diam / Suchi Powers
- Sea Land Shipping and Exports Pvt. Ltd.
- Om Shri Gopaldham Trust



## **DIVIDEND POLICY**

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in last five years. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.



**SECTION IX - FINANCIAL INFORMATION OF OUR COMPANY**

**RESTATED FINANCIAL STATEMENTS**

<b>Particulars</b>	<b>Page No.</b>
Restated Financial Statement	F1 to F43

**INDEPENDENT AUDITOR'S REPORT ON RESTATED FINANCIAL STATEMENTS**

**OF**

**DEV LABTECH VENTURE LIMITED**

**(Formerly known as Jay Gems (India) Private Limited)**

To,

The Board of Directors,

Dev Labtech Venture Limited

Dear Sirs,

We have examined the attached Restated Financial Information of Dev Labtech Venture Limited (Formerly known as Jay Gems (India) Private Limited), comprising the Restated Assets and Liabilities as at September 30, 2022, March 31 2022, March 31 2021 and March 31 2020, the Restated Statements of Profit and Loss (including other comprehensive income), the Restated Statement of changes in Equity, the Restated Cash Flow Statement for the year / period ended September 30, 2022, March 31 2022, 2021 and 2020, the Summary statement of Significant Accounting Policies 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 Red Herring Prospectus / Red Herring Prospectus / Prospectus, prepared by the company in connection with its proposed Initial Public Offer of equity shares (IPO) prepared in terms of the requirements of

Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules");

The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations"); and

The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended from time to time (the Guidance Note)

The Company's Board of Directors are responsible for the preparation of Restated Financial Information for the purpose of inclusion in the DRHP / RHP / Prospectus to be filled with Securities and Exchange Board of India, NSE and Registrar of Companies. Gujarat in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the company on the basis of preparation stated in notes to the Restated Financial Information. Management's responsibility includes designing, implementing and maintaining adequate

internal control relevant to the preparation and presentation of the Restated Financial Information. Management also responsible for identifying and ensuring that the Company complies with the Companies Act, ICDR Regulations and the Guidance Note.

We have examined such Restated Financial Information taking into consideration:

The terms of reference and terms of our engagement agreed upon with the company in accordance with our engagement letter in connection with the proposed IPO of equity shares of the Company;

The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI; and

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.

These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the company for the financial years / period ended on September 30, 2022, March 31 2022, March 31 2021 and March 31 2020 which have been approved by Board of directors.

In accordance with the requirements of Act, SEBI ICDR Regulations, Guidance Note on the reports in Company Prospectus (Revised) issued by ICAI and the terms of our Engagement Letter, we further report that:

The “Restated Statement of Assets and Liabilities” as set out in Annexure 1 to this report, of the Company as at September 30, 2022, March 31, 2022, 2021 and 2020 are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure 4(A) to this Report.

The “Restated Statement of Profit and Loss” as set out in Annexure 2 to this report, of the Company for financial year/ period ended on September 30, 2022, March 31, 2022, 2021 and 2020 are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure 4(A) to this Report.

The “Restated Statement of Cash Flow” as set out in Annexure 3 to this report, of the Company for financial year / period ended on September 30, 2022, March 31, 2022, 2021 and 2020 are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, as restated, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully

described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure 4(A) to this Report.

Based on the above and also as per the reliance placed by us on the audited financial statements of the company and auditor's report thereon which have been prepared by Statutory Auditor of the Company for the financial year / period ended on September 30, 2022, March 31, 2022, 2021 and 2020, we are of the opinion that The Restated Financial Statements or Restated Summary Statements have been made after incorporating:

Adjustments for the changes in accounting policies retrospectively in respective financial period / years to reflect the same accounting treatment as per the changed accounting policy for all reporting period if any;

Adjustment for any material amounts in the respective financial years / period have been made to which they relate;

They do not contain any extra-ordinary items that needs to be disclosed separately except as shown in the Restated Financial Information;

There are no revaluation reserves, which needs to be disclosed separately in the Restated Financial Statement.

There are no qualifications in the Audit Report issued by us for the financial year / period ended on September 30, 2022, March 31, 2022, 2021 and 2020 which would require adjustments in this Restated Financial Statement of the Company.

The Company has not paid dividend on its equity shares during the reporting period.

We have also examined the following Restated financial information of the Company set out in the Annexure as prepared by the management and approved by the Board of Directors on of the company for the financial year / period ended September 30, 2022, March 31 2022, March 31 2021 and March 31 2020 proposed to be included in the Draft Prospectus / Prospectus ("Offer Document") for the proposed IPO:

Annexure – 4(A): Significant Accounting Policies and Notes to Accounts as restated

Annexure – 4(B): Reconciliation of Restated Profit & Audit Profit

Annexure – 4(C): Reconciliation of Restated Equity / Net-worth

Annexure - 5: Restated Statement of Share Capital

Annexure - 6: Restated Statement of Reserves & Surplus

Annexure - 7: Restated Statement of Long-term Borrowings

Annexure - 8: Restated Statement of Long-Term Provisions

Annexure - 9: Restated Statement of Short-term Borrowings

Annexure - 10: Restated Statement of Trade Payables

Annexure - 11: Restated Statement of Other Current Liabilities

Annexure - 12: Restated Statement of Short-Term Provisions

Annexure - 13: Restated Statement of Property, Plant and Equipment

Annexure - 14: Restated Statement of Deferred Tax Asset (Net)

Annexure - 15: Restated Statement of Other Non-Current Assets

Annexure - 16: Restated Statement of Inventories

Annexure - 17: Restated Statement of Trade Receivables

Annexure - 18: Restated Statement of Cash and Cash Equivalents

Annexure - 19: Restated Statement of Short-term loans and advances

Annexure - 20: Restated Statement of Other Current Assets

Annexure - 21: Restated Statement of Revenue from Operations

Annexure - 22: Restated Statement of Other Income

Annexure - 23: Restated Statement of Cost of Material Consumed

Annexure - 24: Restated Statement of Purchase of Stock-in-Trade

Annexure -25: Restated Statement of Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-trade.

Annexure - 26: Restated Statement of Employee Benefit Expenses

Annexure - 27: Restated Statement of Finance Cost

Annexure - 28: Restated Statement of Depreciation and Amortization Expense

Annexure - 29: Restated Statement of Other Expenses

Annexure - 30: Restated Statement of Extraordinary Items

Annexure - 31: Restated Statement of Deferred Tax

Annexure - 32: Restated Statement of Contingent Liabilities

Annexure - 33: Restated Statement of Accounting Ratios

Annexure - 34: Restated Statement of Related Party Transactions

Annexure - 35: Restated Statement of Segment Reporting

Annexure - 36: Restated Statement of Capitalization

Annexure - 37: Restated Statement Tax Shelter

This report should not in any way be construed as re-issuance or re-dating of any of the previous audit reports issued by us or any other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.

In our opinion, the above financial information contained in Annexure 1 to 35 and read along with the Restated Statement of Significant Accounting Policies and Notes as set out in Annexure 4(A) are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with paragraph B, Part II of Schedule II of the Act, the SEBI ICDR Regulations, The Revised Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India ("ICAI") to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with you. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.

We, V. Dhamsania & Associates, Chartered Accountants have been subjected to peer review process of the Institute of Chartered Accountant of India (ICAI) and hold a valid peer review certificate No.-011546 dated 11/02/2019 issued by the "Peer Review Board" of the ICAI.

Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India in connection with the proposed issue 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.

**V DHAMSANIA & ASSOCIATES**  
**(Firm Regn No. – 132499W)**  
**CHARTERED ACCOUNTANTS**

**VIPUL V DHAMSANIA (Partner)**  
**M.No.140836**  
**Bhavnagar, 19<sup>th</sup> December, 2022**  
**UDIN - 22140836BGAYBB3452**

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**Annexure - 1 : Restated Statement of Assets and Liabilities**

(Amount Rs. In Lakhs)

Particulars	Annex. No.	As At 30th Sept, 2022	As At 31st March, 2022	As At 31st March, 2021	As At 31st March, 2020
<b>I. Equity and Liabilities</b>					
<b>(1) Shareholders' Funds</b>					
(a) Share Capital	5	485.69	125.72	20.95	20.95
(b) Reserve & Surplus	6	232.17	66.35	127.50	123.84
(c) Money received against share warrants		0.00	0.00	0.00	0.00
<b>(2) Share application money pending allotment</b>		0.00	0.00	0.00	0.00
<b>(3) Non-current Liabilities</b>					
(a) Long term borrowings	7	110.39	114.22	138.39	116.92
(b) Deferred tax liabilities (Net)		0.00	0.00	0.00	0.00
(c) Other long term liabilities		0.00	0.00	0.00	0.00
(d) Long term provisions	8	3.68	5.84	3.74	2.81
<b>(4) Current Liabilities</b>					
(a) Short term borrowings	9	4.13	8.36	39.14	37.13
(b) Trade payables	10				
(A) Total outstanding dues of micro and small enterprises		0.00	0.00	0.00	0.00
(B) Total outstanding dues of creditors other than micro and small enterprise		303.86	547.49	373.79	351.08
(c) Other current liabilities	11	11.35	11.14	9.16	57.61
(d) Short term provisions	12	15.37	9.13	1.05	0.89
<b>Total</b>		<b>1,166.65</b>	<b>888.24</b>	<b>713.73</b>	<b>711.23</b>
<b>II. Assets</b>					
<b>(1) Non-current Assets</b>					
(a) Property, Plant and Equipment and Intangible assets					
(i) Property, Plant and Equipment	13	410.89	37.43	70.99	80.75
(ii) Intangible assets		0.00	0.00	0.00	0.00
(iii) Capital WIP		0.00	0.00	0.00	0.00
(iv) Intangible assets under development		0.00	0.00	0.00	0.00
(b) Non-current investments		0.00	0.00	0.00	0.00
(c) Deferred tax assets (net)	14	9.80	19.25	23.76	24.71
(d) Long term loans and advances		0.00	0.00	0.00	0.00
(e) Other non-current assets	15	1.41	1.36	4.02	4.02
<b>(2) Current Assets</b>					
(a) Current investments		0.00	0.00	0.00	0.00
(b) Inventories	16	325.57	307.69	288.48	347.70
(c) Trade receivables	17	262.15	407.62	298.71	227.30
(d) Cash and cash equivalents	18	1.82	6.69	2.86	3.82
(e) Short-term loans and advances	19	71.27	96.71	15.51	8.44
(f) Other current assets	20	83.73	11.49	9.41	14.48
<b>Total</b>		<b>1,166.65</b>	<b>888.24</b>	<b>713.73</b>	<b>711.23</b>
Significant Accounting Policies	4A				
Reconciliation of Restated Profit & Audit Profit	4B				
Notes forming part of the Financial Statement	5 to 37				

As per our report of even date

**For V Dhamsania & Associates**

**Firm Regd. No. 132499W**

**Chartered Accountants**

Sd/-

**For Dev Labtech Venture Limited**

Sd/-

Sd/-

**Jerambhai Lavjibhai Donda**

**(Managing Director)**

**DIN No. - 00484152**

**Pratik Ashokbhai Patel**

**(Company Secretary)**

**M. No. - A49043**

Sd/-

**VIPUL V DHAMSANIA (Partner)**

**M.No.-140836**

**Jay Jerambhai Donda**

**(Wholetime Director & CFO)**

**DIN No. - 03496627**

**UDIN - 22140836BGAYBB3452**

**Bhavnagar, 19th December, 2022**

**Bhavnagar, 19th December, 2022**

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**Annexure - 2 : Restated Statement of Profit and Loss**

(Amount Rs. In Lakhs)

Particulars	Annex No	2022-23 (Upto 30/09/2022)	2021-22	2020-21	2019-20
I. Revenue from operations:	21	940.12	2,685.13	1,223.85	1,178.85
II. Other income:	22	26.31	12.88	4.26	0.00
<b>III. Total Income (I + II)</b>		<b>966.43</b>	<b>2,698.01</b>	<b>1,228.11</b>	<b>1,178.85</b>
<b>IV. Expenses:</b>					
Cost of material consumed	23	341.30	2,486.30	326.58	566.59
Purchases of Stock-in-Trade	24	192.01	0.00	502.35	10.06
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	132.51	-156.66	22.87	88.10
Employee benefit expense	26	61.50	130.17	109.88	114.76
Finance Costs	27	5.02	13.94	15.90	18.06
Depreciation and Amortization Expense	28	26.67	8.63	10.69	15.04
Other Expenses	29	136.21	170.00	234.38	361.58
<b>Total Expenses (IV)</b>		<b>895.21</b>	<b>2,652.38</b>	<b>1,222.65</b>	<b>1,174.19</b>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	<b>71.22</b>	<b>45.64</b>	<b>5.46</b>	<b>4.66</b>
VI. Exceptional Items		0.00	0.00	0.00	0.00
VII. Profit before extraordinary items and tax	(V - VI)	<b>71.22</b>	<b>45.64</b>	<b>5.46</b>	<b>4.66</b>
VIII. Extraordinary Items	30	-15.95	-11.38	0.00	0.00
IX. Profit before tax	(VII - VIII)	<b>87.17</b>	<b>57.02</b>	<b>5.46</b>	<b>4.66</b>
X. Tax Expense:					
(1) Current Tax		13.60	8.89	0.85	0.73
(2) Deferred Tax	31	9.45	4.50	0.96	3.89
XI. Profit(Loss) from the period from continuing operations	(IX-X)	<b>64.12</b>	<b>43.62</b>	<b>3.65</b>	<b>0.04</b>
XII. Profit/(Loss) from discontinuing operations		0.00	0.00	0.00	0.00
XIII. Tax expense of discontinuing operations		0.00	0.00	0.00	0.00
XIV. Profit/(Loss) from discontinuing operations after tax	(XII - XIII)	0.00	0.00	0.00	0.00
XV. Profit/(Loss) for the period	(XI + XIV)	<b>64.12</b>	<b>43.62</b>	<b>3.65</b>	<b>0.04</b>
XVI. Earning Per Equity Share:					
(1) Basic		<b>1.42</b>	<b>3.47</b>	<b>1.74</b>	<b>0.02</b>
(2) Diluted		<b>1.42</b>	<b>3.47</b>	<b>1.74</b>	<b>0.02</b>
Significant Accounting Policies	4A				
Reconciliation of Restated Profit & Audit Profit	4B				
Notes forming part of the Financial Statement	5 to 37				

As per our report of even date

**For V Dhamsania & Associates**  
**Firm Regd. No. 132499W**  
**Chartered Accountants**  
Sd/-

**For Dev Labtech Venture Limited**  
Sd/-

Sd/-

Jerambhai Lavjibhai Donda  
(Managing Director)  
DIN No. - 00484152

Pratik Ashokbhai Patel  
(Company Secretary)  
M. No. - A49043

Sd/-

VIPUL V DHAMSANIA (Partner)  
M.No.-140836

Jay Jerambhai Donda  
(Wholtime Director & CFO)  
DIN No. - 03496627

UDIN - 22140836BGAYBB3452

Bhavnagar, 19th December, 2022

Bhavnagar, 19th December, 2022

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**Annexure - 3 : Restated Statement of Cash Flow**

(Amount Rs. in Lakhs)

Particulars	As At 30th Sept, 2022	As At 31st March, 2022	As At 31st March, 2021	As At 31st March, 2020
<b>(A) Cash Flow from Operating Activities</b>				
<b>Restated Net Profit Before Tax and Extraordinary items</b>	71.22	45.64	5.46	4.66
<b>Adjustments For:</b>				
Gratuity Provision	0.00	2.14	0.97	2.97
(Interest Received)	0.00	-0.01	-0.02	0.00
Income-tax/Prior Year Adjustment	0.00	0.00	0.00	0.00
(Profit on sale of fixed assets)	-15.95	-11.38	0.00	0.00
Interest and Finance Charges Paid	4.99	13.18	15.67	16.09
Depreciation	26.67	8.63	10.69	15.04
<b>Operating profit before working capital changes</b>	86.93	58.20	32.77	38.76
<b>Changes in Working Capital</b>				
(Increase)/Decrease in Trade Receivables	145.47	-108.92	-71.40	-147.87
(Increase)/Decrease in Inventories	-17.88	-19.22	59.23	-29.15
(Increase)/Decrease in Short Term Loans and Advances	25.44	-81.20	-7.07	1.52
(Increase)/Decrease in Long Term Loans and Advances	0.00	0.00	0.00	0.00
(Increase)/Decrease in Other Current Assets	-71.69	-1.84	5.26	-1.68
(Increase)/Decrease in Other Non-current Assets	-0.05	2.66	0.00	0.00
Increase/(Decrease) in Long Term Provisions	-2.17	2.11	0.93	2.81
Increase/(Decrease) in Trade Payables	-243.62	173.69	22.71	197.50
Increase/(Decrease) in other Current liabilities	0.21	1.98	-48.44	-29.75
Increase/(Decrease) in Short Term Provisions	1.54	-2.11	-0.93	-2.81
<b>Cash Generated from / (used in) operating activities</b>	-75.81	25.35	-6.95	29.33
<b>Less : Income Tax paid</b>	-9.45	-1.09	-0.92	0.28
<b>Cash Flow before extraordinary items</b>	-85.26	24.26	-7.87	29.61
<b>Extraordinary items</b>	15.95	11.38	0.00	0.00
<b>Net cash generated from / (used in) Operating Activities.....A</b>	-69.31	35.64	-7.87	29.61
<b>(B) Cash Flow from Investing Activities</b>				
(Increase)/Decrease in Non-Current Investment	0.00	0.00	0.00	0.00
Interest Received	0.00	0.01	0.02	0.00
(Purchase) of Tangible Fixed Assets	-405.73	-1.70	-0.93	-1.81
Sale of Tangible Fixed Assets	21.54	38.01	0.00	0.00
<b>Net cash generated from / (used in) Investing Activities.....B</b>	-384.18	36.32	-0.91	-1.81
<b>(C) Cash Flow from financing Activities</b>				
Proceeds from issue of Share Capital	461.67	0.00	0.00	0.00
Increase/(Decrease) in Short Term Borrowings	-4.23	-30.78	2.01	-9.91
Increase/(Decrease) in Long Term Borrowings	-3.83	-24.17	21.47	0.00
Interest and Finance Charges Paid	-4.99	-13.18	-15.67	-16.09
Dividend & tax thereon	0.00	0.00	0.00	0.00
Increase/(Decrease) in Share Application Money	0.00	0.00	0.00	0.00
<b>Net cash generated from / (used in) Financing Activities.....C</b>	448.63	-68.14	7.81	-26.00
<b>Net increase in cash and cash equivalents (A+B+C)</b>	-4.87	3.82	-0.96	1.79
<b>Cash and cash equivalents at the beginning</b>	6.69	2.86	3.82	2.03
<b>Cash and cash equivalents at the end</b>	1.82	6.69	2.86	3.82

**Notes :-**

1) Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

2) Figures in brackets represents outflows.

3) The above statement should be read with the restated statement of assets and liabilities, statement of profit and loss, Significant Accounting Policies and Notes as appearing in Annexure 1, 2 and 4(A) respectively

**For V Dhamsania & Associates**  
Firm Regd. No. 132499W  
Chartered Accountants  
Sd/-

VIPUL V DHAMSANIA (Partner)  
M.No.-140836

UDIN - 22140836BGAYBB3452

Bhavnagar, 19th December, 2022

**For Dev Labtech Venture Limited**  
Sd/-

**Jerambhai Lavjibhai Donda**  
(Managing Director)  
DIN No. - 00484152

Sd/-

**Jay Jerambhai Donda**  
(Wholetime Director & CFO)  
DIN No. - 03496627

Bhavnagar, 19th December, 2022

**DEV LABTECH VENTURE LIMITED**  
**(Formerly Known as Jay Gems (India) Private Limited)**

**Annexure 4(A): Significant Accounting Policies and Notes to Accounts as Restated**

**(A) Corporate Information**

Company was originally incorporated on April 29, 1993 as Gandhinagar Plastonics Private Limited, then after name of the company was changed to Jay Gems (India) Private Limited under the provisions of the Companies Act, 1956 with the Registrar of Companies, Ahmedabad, Gujarat. Name of company was changed from Jay Gems (India) Private Limited to Dev Labtech Venture Private Limited. Registration certificate pursuant to name change has been issued on 22<sup>nd</sup> June, 2022. Then after company has been converted from private limited to public limited and new certificate of registration has been received on 23<sup>rd</sup> September, 2022.

The Company is primarily engaged in manufacturing of polished diamond and lab grown diamond.

**(B) Basis of Preparation of Financial Statement**

The Restated Statement of Assets and Liabilities of the Company as on September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020, and the Restated Statement of Profit and Loss and Restated Statements of Cash Flows for the financial year / period ended on September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 and the annexure thereto (collectively, the "Restated Financial Statements") have been compiled by the management from the Financial Statements of the Company for the financial year / period ended on September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020.

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**(C) Significant Accounting Policies**

**1) Use of Estimates:**

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and

liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include computation of percentage of completion which requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended, provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post-sales customer support and the use-full lives of fixed tangible assets and intangible assets. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

## **2) Fixed Assets & Depreciation:**

### **Tangible Assets:**

All items of fixed assets are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance expenses are charged to profit or loss during the reporting period in which they are incurred

Depreciation on fixed assets is provided on pro rata basis as per WDV method based on the estimated useful life of various assets, as specified in Schedule II of the Companies Act, 2013.

### **Intangible Assets:**

An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes and allocated incidental expenditure during development / acquisition and exclusive of Input tax credit (IGST/CGST and SGST) or other tax credit available to the Company.

Subsequent expenditure relating to intangible assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

**Assets Acquired as Lease:**

Leases under which the Entity assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense in the Profit and Loss Account on a straight-line basis over the lease term.

The cost of leasehold land is amortized over the period of the lease. Leasehold improvements and assets acquired on finance lease are amortized over the lease term or useful life, whichever is lower.

**Advances paid towards the acquisition of Property, Plant and Equipment**

Advances paid towards the acquisition of Property, Plant and Equipment, outstanding at each balance sheet date are shown under capital advances. The cost of the Property, Plant and Equipment not ready for its intended use on such date, is disclosed under capital work-in- progress.

**3) Impairment of Assets:**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. Impairment loss is charged to the Statement of Profit and Loss in the year / period in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**4) Investments:**

Investments, which are readily realizable and intended to be held for not more than 12 months from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments

**5) Inventories :** The inventories are valued on the following basis :

- a) Raw Materials : Valued at Cost Price.
- b) Finished goods : Valued at lower of Cost or Net Realizable Value.

c) Stock in Process : Valued at Cost Price.

#### **6) Employee Benefits:**

All short-term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

In the current accounting period company is qualified for the exemption of registration under the Provident fund and ESIC Act. Thus, company has not paid any contribution to Provident fund and ESIC.

The Company's liability towards gratuity and compensated absences, being defined benefit plans are accounted for on the basis of an independent actuarial valuation and actuarial gains/losses are charged to the Statement of Profit and Loss.

#### **7) Revenue Recognition:**

Revenue is recognised to the extent, that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

##### **Revenue from sale of goods**

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer and are recorded net of trade discounts, rebates, Goods and Service Tax.

##### **Revenue from services**

Revenue from services is recognised pro-rata over the period of the contract as and when services are rendered and the collectability is reasonably assured. The revenue is recognised net of Goods and service tax.

##### **Interest Income**

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate.

##### **Dividend Income**

Dividend is recognised when the company's right to receive dividend is established.

#### **8) Foreign Currency Transaction :**

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year / period are translated at year / period end rates.

The difference in translation of monetary assets and liabilities and realized gains and losses on foreign transactions are recognized in the Statement of Profit and Loss.

The premium or discount on forward exchange contracts is recognized in the statement of profit and loss over the period of the contract.

#### **9) Accounting For Government Grants/Refunds:**

Government grants/subsidies and refunds due from Government Authorities are accounted when there is reasonable certainty of their realization.

#### **10) Taxation**

Tax expenses comprise current tax (amount of tax for the period determined in accordance with the Income Tax Regulations in India) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future; however, when there is unabsorbed depreciation or carry forward losses under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably / virtually certain, as the case may be, to be realized

Tax credit is recognised in respect of Minimum Alternate Tax (MAT) as per the provisions of Section 115JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within the statutory time frame and is reviewed at each Balance Sheet date.

Company has policy of not considering MAT tax credit available to them under the Income Tax Act.

#### **11) Borrowing Cost:**

Borrowing Costs relating to the acquisition/construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charge to revenue.

#### **12) Earning Per Share:**

Basic earnings per share is calculated by dividing the net profit after tax for the year / period attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares outstanding at the end of the year / period. Diluted earnings per Share is

calculated by dividing net profit attributable to equity Shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding at the end of the year / period.

### **13) Provisions, Contingent Liabilities & Contingent Assets:**

The company recognizes as provisions, the liability being present obligations arising from past events, the settlement of which is expected to result in outflow of resources and which can be measured only by using a substantial degree of estimation. Contingent liabilities are disclosed by way of a note to the financial statement after careful evaluation by the management of the facts and legal aspect of the matters involved. Contingent assets are being neither recognized nor disclosed.

### **14) Current Assets, Loans And Advances**

The balance under items of Sundry Debtors, Loans and Advances and current liabilities are subject to confirmation and reconciliation and consequential adjustments, wherever applicable. However, in the opinion of the Management, the realisable value of the current assets, loans and advances in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

### **15) Cash Flow**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

### **16) Segment Reporting**

#### *Business Segment*

As the company is dealing in only one segment i.e. manufacturing of polished diamonds, hence segment reporting is not applicable. Company does not have distinguishable component of an enterprise that is engaged in providing an individual product or service or group of related product or services and that is subject to risks and returns that are different from those of other business segment.

#### *Geographical Segment*

The Company operates in two geographical area namely “Bhavnagar, Gujarat” and “Mumbai, Maharashtra”. Disclosure requirement as per AS-17 is given by way of notes to financial statement.

(D) **Changes in Accounting Policies in the Periods/Years Covered In The Restated Financials**

There is no change in significant accounting policies adopted by the Company.

(E) **NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS**

- 1) The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years / period.
- 2) The Company does not have information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006. Consequently, the liability, if any, of interest which would be payable under The Micro small and Medium Enterprise Development Act 2006, cannot be ascertained. However, the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.
- 3) The Company has not been following the provisions of Accounting Standard – 15 “Employee Benefits” issued by the Institute of Chartered Accountants of India in respect of recording provision for Gratuity in its Books of Accounts up to the Financial Year ended on March 31, 2022. However, in restated financial statements, the Company has made the necessary provision for gratuity as per the actuarial valuation reports obtained by them. Further, in the absence of information relating to fleet drivers on payroll of the Company (i.e. Date of birth, date of joining etc.), the provision for Gratuity recorded for
- 4) Contingent liabilities and commitments (to the extent not provided for) - A disclosure for a contingent liability is also made when there is a possible obligation that may, require an outflow of the Company's resources.
- 5) Figures have been rearranged and regrouped wherever practicable and considered necessary.
- 6) The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.
- 7) The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.
- 8) Realizations: In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.
- 9) Contractual liabilities: All other contractual liabilities connected with business operations of the Company have been appropriately provided for.
- 10) Amounts in the financial statements: Amounts in the financial statements are rounded off to nearest lakhs. Figures in brackets indicate negative values.

## Calcalaton of Deferred Tax

(Rs)

	<u>AS AT 30.09.2022</u>	<u>AS AT 31.03.2022</u>	<u>AS AT 31.03.2021</u>	<u>AS AT 31.03.2020</u>
unab. depr. & bus. Loss	0.00	29,46,099.00	79,68,009.00	90,10,648.00
Long term cap. Loss	50,58,675.00	53,79,098.00	53,79,098.00	53,79,098.00
CY LTCL	0.00	12,74,498.00	0.00	0.00
CY bus. Loss	0.00	0.00	0.00	0.00
Total	50,58,675.00	95,99,695.00	1,33,47,107.00	1,43,89,746.00
Busi. & Depr. Loss	0.00	29,46,099.00	79,68,009.00	90,10,648.00
LTCL	50,58,675.00	66,53,596.00	53,79,098.00	53,79,098.00
total prov for gratuity	5,45,220.00	6,07,981.00	3,93,836.00	2,96,706.00
wdv as per IT	4,00,82,809.50	36,58,514.00	42,67,950.00	49,49,651.00
wdv as per book	4,10,88,659.94	37,42,540.00	45,74,233.00	55,86,716.00
Difference	10,05,850.44	84,026.00	3,06,283.00	6,37,065.00
Tax Rate	20.80%	20.80%	20.80%	20.80%

(Rs in Lakhs)

	<u>AS AT 30.09.2022</u>	<u>AS AT 31.03.2022</u>	<u>AS AT 31.03.2021</u>	<u>AS AT 31.03.2020</u>
<b>Deferred Tax Assets :</b>				
Tax Impact of C/f. Business & Depr. Loss as per Income Tax	0.00	4.60	12.43	14.06
Tax Impact of C/f Long term capital loss	10.52	13.84	11.19	11.19
Tax Impact of dissallowed exps (Prov. For gratuity)	0.85	0.95	0.61	0.46
<b>Total.....</b>	<b>11.37</b>	<b>19.38</b>	<b>24.23</b>	<b>25.71</b>
<b>Deferred Tax Liabilities:</b>				
Tax Impact of difference between Book and Income Tax WDV	1.57	0.13	0.48	0.99
<b>Total.....</b>	<b>1.57</b>	<b>0.13</b>	<b>0.48</b>	<b>0.99</b>
<b>TOTAL: DEFERRED TAX ASSETS (NET)</b>	<b>9.80</b>	<b>19.25</b>	<b>23.76</b>	<b>24.71</b>

## **Reconciliation of profit and audit Profit**

	<b>2022-23 (Upto 30/09/202 2)</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>
Net Profit / (Loss) After Tax of Audited Statement of Profit & Loss	57.06	49.42	1.84	6.75
<u>Adjustments for:</u>				
Gratuity Provision (Note-1)	0.63	-2.14	-0.97	-2.97
(Short)/Excess Provision for Tax (Note-2)	0.11	0.72	-0.26	1.47
Interest on Income tax not debited to P&L	0.00	0.00	0.00	0.00
Interest Income not credited to P&L	0.00	0.00	0.00	0.00
Deferred Tax Liability / Asset Adjustments (Note-3)	6.33	-4.39	3.04	-5.22
<b>Net Profit / (Loss) after tax as restated</b>	<b>64.12</b>	<b>43.62</b>	<b>3.65</b>	<b>0.04</b>

Explanatory notes to the above restatements made in Audited Financial Statements of the company for the respective years / period.

### Adjustments having impact on

#### Profit:

#### **Note - 1**

The Company has not provided for Gratuity up to FY 2021-22 as per AS-15 in books of accounts. However, in restated financial statements, provision for gratuity has been made based on actuarial valuation.

#### **Note - 2**

The Company has provided excess or short provision of income tax in the year in which the income tax return has been filled. But in restated account, the company has provided excess or short provision in the year to which it relates.

#### **Note - 3**

There is change in Deferred Tax Assets / Liabilities as per audited books of accounts and as per restated financials and the same has been given effect in the year to which the same relate.

## Gratuity Calculation

1: Funded status of the plan		
Particulars	30-Sep-2022 (6 months)	31-Mar-2022 (12 months)
	Rs.	Rs.
Present value of unfunded obligations	5,45,220	6,07,981
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Unrecognised Past Service Cost	-	-
<b>Net Liability (Asset)</b>	<b>5,45,220</b>	<b>6,07,981</b>

2: Profit and loss account for the period		
Particulars	30-Sep-2022 (6 months)	31-Mar-2022 (12 months)
	Rs.	Rs.
Current service cost	1,30,286	2,71,820
Interest on obligation	20,865	24,756
Expected return on plan assets	-	-
Net actuarial loss/(gain)	(2,13,912)	(82,431)
Recognised Past Service Cost-Vested	-	-
Recognised Past Service Cost-Unvested	-	-
Loss/(gain) on curtailments and settlement	-	-
<b>Total included in 'Employee Benefit Expense'</b>	<b>(62,761)</b>	<b>2,14,145</b>

Loss/(gain) on obligation as per 3.3	(2,13,912)	(82,431)
Loss/(gain) on assets as per 3.4	-	-
<b>Net actuarial loss/(gain)</b>	<b>(2,13,912)</b>	<b>(82,431)</b>

3: Reconciliation of defined benefit obligation		
Particulars	30-Sep-2022 (6 months)	31-Mar-2022 (12 months)
	Rs.	Rs.
Opening Defined Benefit Obligation	6,07,981	3,93,836
Transfer in/(out) obligation	-	-
Current service cost	1,30,286	2,71,820
Interest cost	20,865	24,756
Actuarial loss (gain)	(2,13,912)	(82,431)
Past service cost	-	-

Loss (gain) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-
Exchange differences on foreign plans	-	-
Benefit paid from fund	-	-
Benefits paid by company	-	-
<b>Closing Defined Benefit Obligation</b>	<b>5,45,220</b>	<b>6,07,981</b>

\* Accrued gratuity of resigned employees amounting to Rs. 1,49,438/- been included in Defined Benefit Obligation.

4: Reconciliation of plan assets		
Particulars	30-Sep-2022 (6 months)	31-Mar-2022 (12 months)
	Rs.	Rs.
Opening value of plan assets	-	-
Transfer in/(out) plan assets	-	-
Expected return	-	-
Actuarial gain/(loss)	-	-
Assets distributed on settlements	-	-
Contributions by employer	-	-
Contribution by employee	-	-
Assets acquired in an amalgamation in the nature of purchase		
Exchange differences on foreign plans	-	-
Benefits paid	-	-
<b>Closing value of plan assets</b>	<b>-</b>	<b>-</b>

5: Composition of the plan assets		
Particulars	30-Sep-2022 (6 months)	31-Mar-2022 (12 months)
	%	%
Government of India Securities	0%	0%
State Government Securities	0%	0%
High quality corporate bonds	0%	0%
Equity shares of listed companies	0%	0%
Property	0%	0%
Special Deposit Scheme	0%	0%
Policy of insurance	0%	0%
Bank Balance	0%	0%
Other Investments	0%	0%
<b>Total</b>	<b>0%</b>	<b>0%</b>

6: Reconciliation of net defined benefit liability		
Particulars	30-Sep-2022 (6 months)	31-Mar-2022 (12 months)
	Rs.	Rs.
Net opening provision in books of accounts	6,07,981	3,93,836
Transfer in/(out) obligation	-	-
Transfer (in)/out plan assets	-	-
Employee Benefit Expense as per 3.2	(62,761)	2,14,145
	<b>5,45,220</b>	<b>6,07,981</b>
Benefits paid by the Company	-	-
Contributions to plan assets	-	-
<b>Closing provision in books of accounts</b>	<b>5,45,220</b>	<b>6,07,981</b>

7: Principle actuarial assumptions		
Particulars	30-Sep-2022 (6 months)	31-Mar-2022 (12 months)
Discount Rate	7.65% p.a.	7.00% p.a.
Expected Return on Plan Assets	Not Applicable	Not Applicable
Salary Growth Rate	7.00% p.a.	7.00% p.a.
Withdrawal Rates	10.00% p.a at younger ages reducing to 2.00% p.a at older ages	10.00% p.a at younger ages reducing to 2.00% p.a at older ages

8: Table of experience adjustments		
Particulars	30-Sep-2022 (6 months)	31-Mar-2022 (12 months)
	Rs.	Rs.
Defined Benefit Obligation	5,45,220	6,07,981
Plan Assets	-	-
<b>Surplus/(Deficit)</b>	<b>(5,45,220)</b>	<b>(6,07,981)</b>
Experience adjustments on plan liabilities	(1,87,697)	(50,758)
Actuarial loss/(gain) due to change in financial assumptions	(26,215)	(31,673)
Actuarial loss/ (gain) due to change in demographic assumption	-	-
Experience adjustments on plan assets	-	-
<b>Net actuarial loss/ (gain) for the year</b>	<b>(2,13,912)</b>	<b>(82,431)</b>

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

<b>Annexure No. 4(B) RECONCILIATION OF PROFIT &amp; AUDIT PROFIT :</b>				
	<b>2022-23 (Upto 30/09/2022)</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>
Net Profit / (Loss) After Tax of Audited Statement of Profit & Loss	57.06	49.42	1.84	6.75
<u>Adjustments for:</u>				
Gratuity Provision (Note-1)	0.63	-2.14	-0.97	-2.97
(Short)/Excess Provision for Tax (Note-2)	0.11	0.72	-0.26	1.47
Interest on Income tax not debited to P&L	0.00	0.00	0.00	0.00
Interest Income not credited to P&L	0.00	0.00	0.00	0.00
Deferred Tax Liability / Asset Adjustments (Note 3)	6.33	-4.39	3.04	-5.22
<b>Net Profit / (Loss) after tax as restated</b>	<b>64.12</b>	<b>43.62</b>	<b>3.65</b>	<b>0.04</b>

Explanatory notes to the above restatements made in Audited Financial Statements of the company for the respective years / period.

Adjustments having impact on Profit:

**Note - 1**

The Company has not provided for Gratuity up to FY 2021-22 as per AS-15 in books of accounts. However, in restated financial statements, provision for gratuity has been made based on actuarial valuation.

**Note - 2**

The Company has provided excess or short provision of income tax in the year in which the income tax return has been filled. But in restated account, the company has provided excess or short provision in the year to which it relates.

**Note - 3**

There is change in Deferred Tax Assets / Liabilities as per audited books of accounts and as per restated financials and the same has been given effect in the year to which the same relate.

Adjustments having no impact on Profit:

Appropriate adjustments have been made in the restated financial statements, wherever required by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with regroupings as per the audited financials of the company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

(Amount ₹ In Lakhs)

<b>Annexure No. 4(C) RECONCILIATION OF RESTATED EQUITY / NETWORTH :</b>				
	<b>2022-23 (Upto 30/09/2022)</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>
Equity / Networth as per audited financials	721.44	202.71	153.29	151.45
<u>Adjustments for:</u>				
Difference pertaining to changes in Profit / Loss due to Restated effect for the period covered in Restated Financial	7.07	-5.80	1.81	-6.71
Prior period adjustments (Note-1)	-10.65	-4.84	-6.65	0.06
<b>Equity / Networth as Restated</b>	<b>717.86</b>	<b>192.07</b>	<b>148.45</b>	<b>144.80</b>

Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years.

**Note - 1**

Amounts relating to the prior period have been adjusted in the year to which the same relates to and the same amount is arrived on account of change in Opening Balance of Reserve and Surplus due to the restated effect on the profit / (loss) of prior period.

**To give Explanatory Notes regarding Adjustments**

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of Income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial of the company for all the years and requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

**Annexure No. 5. RESTATED STATEMENT OF SHARE CAPITAL :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
<b>1 Authorised Shares:authorized;</b>				
70 Lakhs Equity Shares of Rs.10/- each.	700.00	0.00	0.00	0.00
30 Lakhs Equity Shares of Rs.10/- each.	0.00	300.00	0.00	0.00
2.50 Lakhs Equity Shares of Rs.10/- each.	0.00	0.00	25.00	25.00
	<u>700.00</u>	<u>300.00</u>	<u>25.00</u>	<u>25.00</u>
<b>2 Issued, subscribed and fully paid Shares</b>				
48.57 Lakhs Equity Shares of Rs.10/- each Fully paid up	485.69	0.00	0.00	0.00
12.57 Lakhs Equity Shares of Rs.10/- each Fully paid up	0.00	125.72	0.00	0.00
2.09 Lakhs Equity Shares of Rs.10/- each	0.00	0.00	20.95	20.95
	<u>485.69</u>	<u>125.72</u>	<u>20.95</u>	<u>20.95</u>

**3 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period;**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	(No of Shares) AS AT 31.03.2020
<b>Equity Shares</b>	<b>No. of Shares</b>	<b>No. of Shares</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
At the beginning of the period	12,57,180	2,09,530	2,09,530	2,09,530
Add : Issued during the period (Bonus Issue)	26,94,497	0	0	0
Add : Issued during the period	9,05,234	10,47,650	0	0
Outstanding at the end of the period	<u>48,56,911</u>	<u>12,57,180</u>	<u>2,09,530</u>	<u>2,09,530</u>

**4 Terms & Right attached to Equity Shares & Preference shares**

Equity Shares: The company has only one class of equity shares having a par value of Rs.10/- each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts and payment of preference shareholders, in proportionate to their shareholding.

**5A Details of Shareholding of Promoters**

Sr No	Name of Promotor	No of Shares	% of total shares	% change during the year
<b><u>As At 31st March, 2020</u></b>				
1	Jerambhai Lavjibhai Donda	62,160	29.67%	0.00%
2	Labhuben Jerambhai Donda	71,679	34.21%	0.00%
3	Jay jerambhai Donda	51,801	24.72%	27.62%
<b><u>As At 31st March, 2021</u></b>				
1	Jerambhai Lavjibhai Donda	62,160	29.67%	0.00%
2	Labhuben Jerambhai Donda	71,679	34.21%	0.00%
3	Jay jerambhai Donda	51,801	24.72%	0.00%
<b><u>As At 31st March, 2022</u></b>				
1	Jerambhai Lavjibhai Donda	4,20,960	33.48%	12.87%
2	Labhuben Jerambhai Donda	4,87,674	38.79%	13.39%
3	Jay jerambhai Donda	3,10,806	24.72%	0.00%
<b><u>As At 30th September, 2022</u></b>				
1	Jerambhai Lavjibhai Donda	17,35,192	35.73%	6.69%
2	Labhuben Jerambhai Donda	15,98,103	32.90%	-15.17%
3	Jay jerambhai Donda	10,63,183	21.89%	-11.45%

**5B Details of shareholders holding more than 5% shares in the company (in terms of No. of shares holding)**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
	<b>No. of Shares</b>	<b>No. of Shares</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
a) Equity Shares, fully paid up:				
Jerambhai Lavjibhai Donda	17,35,192	4,20,960	62,160	62,160
Labhuben Jerambhai Donda	15,98,103	4,87,674	71,679	71,679
Jay jerambhai Donda	10,63,183	3,10,806	51,801	51,801

**5C Details of shareholders holding more than 5% shares in the company (in terms of % of holding)**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
	<b>% of holding</b>	<b>% of holding</b>	<b>% of holding</b>	<b>% of holding</b>
a) Equity Shares, fully paid up:				
Jerambhai Lavjibhai Donda	35.73%	33.48%	29.67%	29.67%
Labhuben Jerambhai Donda	32.90%	38.79%	34.21%	34.21%
Jay jerambhai Donda	21.89%	24.72%	24.72%	24.72%

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

**Notes**

- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively

**Annexure No. 6. RESTATED STATEMENT OF RESERVE & SURPLUS :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
<b>a) Reserves and Surplus:</b>				
1 Capital Redemption Reserve:				
Opening Balance as per last financial statement	8.99	8.99	8.99	8.99
Add: During the year	0.00	0.00	0.00	0.00
<b>Closing Balance</b>	<b>8.99</b>	<b>8.99</b>	<b>8.99</b>	<b>8.99</b>
2 Securities Premium Reserve				
Opening Balance as per last financial statement	0.00	69.21	69.21	69.21
Add: During the year	371.15	0.00	0.00	0.00
Less: Utilised for issuing the Bonus Shaers	-221.05	-69.21	0.00	0.00
<b>Closing Balance</b>	<b>150.09</b>	<b>0.00</b>	<b>69.21</b>	<b>69.21</b>
<b>b) Surplus/(Deficit) in the statement of Profit &amp; Loss</b>				
Opening Balance	57.36	49.30	45.65	45.61
Add: Restated Profit/(Loss) for the year	64.12	43.62	3.65	0.04
<b>LESS:</b>				
Utilised for issuing the Bonus Shaers	48.40	35.56	0.00	0.00
<b>Closing Balance</b>	<b>73.09</b>	<b>57.36</b>	<b>49.30</b>	<b>45.65</b>
<b>TOTAL: RESERVES AND SURPLUS</b>	<b>232.17</b>	<b>66.35</b>	<b>127.50</b>	<b>123.84</b>

**Notes:**

- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 7. RESTATED STATEMENT OF LONG TERM BORROWINGS :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
<b>1 Secured</b>				
From Bank / Financial Institutions				
Term Loan From Cholamandalam Invt. & Finance	0.00	0.00	115.60	116.92
Term Loan - 1 From Axis Bank	19.88	20.06	0.00	0.00
Term Loan - 2 From Axis Bank	39.31	39.59	0.00	0.00
Term Loan - 3 From Axis Bank	51.20	51.53	0.00	0.00
Term Loan From HDFC Bank	0.00	3.04	5.89	0.00
	110.39	114.22	121.49	116.92
<b>2 Unsecured</b>				
From Promoters / Promoters Group / Group Companies / Other Related Parties				
Loans from Directors & their relatives				
Labhuben J Donda	0.00	0.00	16.90	0.00
	0.00	0.00	16.90	0.00
<b>TOTAL: LONG-TERM BORROWINGS</b>	<b>110.39</b>	<b>114.22</b>	<b>138.39</b>	<b>116.92</b>

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

**ANNEXURE - 7A : NATURE OF SECURITIES AND TERMS OF REPAYMENT FOR SECURED LONG TERM BORROWINGS INCLUDING CURRENT MATURITIES**

Sr No	Name of Lender, Nature of Facility, Amount Sanctioned, Rate of Interest & Repayment Terms	Amount Outstanding as at 30.09.2022 (Amount ₹ In Lakhs)	Amount Outstanding as at 31.03.2022 (Amount ₹ In Lakhs)	Securities offered / Principal terms & conditions
1	Term loan taken from Cholamandalam investment & finance co ltd during FY 2018-19, sanctioned of Rs. 123 Lakhs and carries interest @10% . The loan is re-payable in 180 monthly instalments of Rs. 132176/- each.	0.00	0.00	Term loan has been sanctioned against mortgage of following immovable properties: 1. Office No-301A, Pattani Plaza, Anantvadi, Nr Devubag, Bhavnagar 2. Flat No-401, Pattani Plaza, Anantvadi, Nr Devubag, Bhavnagar 3. Office No-301B, Pattani Plaza, Anantvadi, Nr Devubag, Bhavnagar. 4. Office No.-905, Princess plaza commercial complex, Sardar Chowk, Mini bazar, Surat.
2	Term loan -1 taken from Axis Bank Ltd during FY 2021-22, sanctioned of Rs. 22.67 Lakhs and carries floating interest @ 7.50 %. The loan is re-payable in 179 monthly instalments of Rs. 21013 each.	20.70	21.12	Term loan has been sanctioned against mortgage of following immovable properties: Flat No 401, Wing B, Pattani Plaza, 4Th Floor, Anantvadi, Devubaug, Nilambaug, Circle To Jewels Circle Road, Bhavnagar 364001 Gujarat
3	Term loan -2 taken from Axis Bank Ltd during FY 2021-22, sanctioned of Rs. 43.41 Lakhs and carries floating interest @ 7.50 %. The loan is re-payable in 189 monthly instalments of Rs. 40238 each.	40.77	41.54	Term loan has been sanctioned against mortgage of following immovable properties: Off No 301 A,Pattani Plaza, 3Rd Floor, Anantvadi, Devubaug, Nilambaug Circle To Jewels Circle Road, Bhavnagar 364001 Gujarat
4	Term loan -3 taken from Axis Bank Ltd during FY 2021-22, sanctioned of Rs. 56.11 Lakhs and carries floating interest @ 7.50 %. The loan is re-payable in 191 monthly instalments of Rs. 52010 each.	53.05	54.03	Term loan has been sanctioned against mortgage of following immovable properties: Off No 301 B, Pattani Plaza, 3rd Floor, Anantvadi, Devubaug, Nilambaug Circle To Jewels Circle Road, Bhavnagar 364001 Gujarat
5	Term loan taken from HDFC Bank Ltd during FY 2020-21, sanctioned of Rs. 7.57 Lakhs and carries interest @8.25 %. The loan is re-payable in 48 monthly instalments of Rs. 23804 each after moratorium period of 12 months from the date of sanctioned.	0.00	5.89	Term loan is sanctioned in terms of "Emergency credit line guaranteed scheme (ECLGS)" by creating second charge on property already mortgaged with HDFC Bank Ltd for dropline overdraft facility.

**Annexure No. 8. RESTATED STATEMENT OF LONG TERM PROVISIONS :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
1 Provision for employee benefits Provision for Gratuity	3.68	5.84	3.74	2.81

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NOTES TO FINANCIAL STATEMENT**

	(Amount Rs. In Lakhs)			
2 Others:	0.00	0.00	0.00	0.00
<b>TOTAL: LONG-TERM PROVISIONS</b>	<b>3.68</b>	<b>5.84</b>	<b>3.74</b>	<b>2.81</b>

**Notes :**

- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 9. RESTATED STATEMENT OF SHORT TERM BORROWINGS :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
1 <u>Current maturities of long-term debt</u>				
Term Loan From Cholamandalam Invt. & Finance	0.00	0.00	4.08	0.00
Term Loan - 1 From Axis Bank	0.81	1.06	0.00	0.00
Term Loan - 2 From Axis Bank	1.46	1.95	0.00	0.00
Term Loan - 3 From Axis Bank	1.86	2.50	0.00	0.00
Term Loan From HDFC Bank	0.00	2.86	1.67	0.00
2 <u>Loan Repayable on Demand</u>				
- From Bank (Secured)				
Dropline OD From HDFC Bank	0.00	0.00	33.39	37.13
<b>TOTAL: SHORT-TERM BORROWINGS</b>	<b>4.13</b>	<b>8.36</b>	<b>39.14</b>	<b>37.13</b>

**ANNEXURE - 9A : NATURE OF SECURITIES AND TERMS OF REPAYMENT FOR SECURED SHORT TERM BORROWINGS**

Sr No	Name of Lender, Nature of Facility, Amount Sanctioned, Rate of Interest & Repayment Terms	Amount Outstanding as at 31.03.2022 (Amount ₹ In Lakhs)	Amount Outstanding as at 31.03.2022 (Amount ₹ In Lakhs)	Securities offered / Principal terms & conditions
2	Dropline overdraft facility taken from HDFC Bank Ltd during FY 2014-15, sanctioned for Rs. 75.22 Lakhs for period of 120 months and carries interest rate 12.5 % Floating.	0.00	0.00	Dropline has been sanctioned against mortgage of following immovable properties: Prashant-11, Boudhi Vruksha Co-Operative Housing Society, Near RTO Road, Bhavnagar.

**Notes :**

- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
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**Annexure No. 10. RESTATED STATEMENT OF TRADE PAYABLES :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
<b>Trade Payable for Goods &amp; Services includes</b>				
Outstanding for less than 1 year				
(i) Dues of MSME	0.00	0.00	0.00	0.00
(ii) Dues of Other	284.75	528.14	351.18	330.13
(iii) Disputed Dues of MSME	0.00	0.00	0.00	0.00
(iv) Disputed Dues of Other	0.00	0.00	0.00	0.00
Outstanding for 1 to 2 years				
(i) Dues of MSME	0.00	0.00	0.00	0.00
(ii) Dues of Other	6.77	7.40	4.24	8.60
(iii) Disputed Dues of MSME	0.00	0.00	0.00	0.00
(iv) Disputed Dues of Other	0.00	0.00	0.00	0.00
Outstanding for 2 to 3 years				
(i) Dues of MSME	0.00	0.00	0.00	0.00
(ii) Dues of Other	1.00	0.00	5.87	0.00
(iii) Disputed Dues of MSME	0.00	0.00	0.00	0.00
(iv) Disputed Dues of Other	0.00	0.00	0.00	0.00
Outstanding for more than 3 years				
(i) Dues of MSME	0.00	0.00	0.00	0.00

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NOTES TO FINANCIAL STATEMENT**

	(Amount Rs. In Lakhs)			
(ii) Dues of Other	11.34	11.94	12.50	12.35
(iii) Disputed Dues of MSME	0.00	0.00	0.00	0.00
(iv) Disputed Dues of Other	0.00	0.00	0.00	0.00
<b>TOTAL: TRADE PAYABLES</b>	<b>303.86</b>	<b>547.49</b>	<b>373.79</b>	<b>351.08</b>

**Notes :**

- The Company does not have information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006.
- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 11. RESTATED STATEMENT OF OTHER CURRENT LIABILITIES :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
1 Other Payables:				
Statutory liabilities	0.39	0.49	0.63	0.83
Salary Payable	10.96	10.65	8.53	0.00
Other Liabilities	0.00	0.00	0.00	56.77
<b>TOTAL: OTHER CURRENT LIABILITIES</b>	<b>11.35</b>	<b>11.14</b>	<b>9.16</b>	<b>57.61</b>

**Notes :**

- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 12. RESTATED STATEMENT OF SHORT TERM PROVISIONS :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
1 Provision for employee benefits				
Provision for Gratuity	1.78	0.24	0.20	0.16
2 Others:				
Provision for Taxation	13.60	8.89	0.85	0.73
<b>TOTAL: SHORT-TERM PROVISIONS</b>	<b>15.37</b>	<b>9.13</b>	<b>1.05</b>	<b>0.89</b>

**Notes :**

- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

**Annexure No. 13. RESTATED STATEMENT OF PROPERTY, PLANT AND EQUIPMENT :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
<b>1 Land</b>				
Gross Block Opening Balance	0.00	25.24	24.88	24.30
Addition during the year	0.00	1.39	0.37	0.58
Reduction during the year	0.00	-26.63	0.00	0.00
<b>Gross Block Closing Balance.....A</b>	<b>0.00</b>	<b>0.00</b>	<b>25.24</b>	<b>24.88</b>
Opening Accumulated Depreciation	0.00	0.00	0.00	0.00
Depreciation charged during the year	0.00	0.00	0.00	0.00
Reduction / Adj during the year	0.00	0.00	0.00	0.00
<b>Accumulated Depreciation (Closing Balance).....B</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Net Block (A-B)</b>	<b>0.00</b>	<b>0.00</b>	<b>25.24</b>	<b>24.88</b>
<b>2 Office Building</b>				
Gross Block Opening Balance	53.15	53.15	53.07	52.02
Addition during the year	7.16	0.00	0.08	1.05
Reduction during the year	-27.30	0.00	0.00	0.00
<b>Gross Block Closing Balance.....A</b>	<b>33.01</b>	<b>53.15</b>	<b>53.15</b>	<b>53.07</b>
Opening Accumulated Depreciation	41.81	39.30	36.25	32.55
Depreciation charged during the year	1.30	2.51	3.05	3.71
Reduction / Adj during the year	-21.70	0.00	0.00	0.00
<b>Accumulated Depreciation (Closing Balance).....B</b>	<b>21.41</b>	<b>41.81</b>	<b>39.30</b>	<b>36.25</b>
<b>Net Block (A-B)</b>	<b>11.60</b>	<b>11.34</b>	<b>13.84</b>	<b>16.82</b>
<b>3 Plant &amp; Equipments</b>				
Gross Block Opening Balance	68.62	68.62	68.62	68.62
Addition during the year	397.67	0.00	0.00	0.00
Reduction during the year	0.00	0.00	0.00	0.00
<b>Gross Block Closing Balance.....A</b>	<b>466.29</b>	<b>68.62</b>	<b>68.62</b>	<b>68.62</b>
Opening Accumulated Depreciation	43.31	37.83	31.14	22.08
Depreciation charged during the year	25.08	5.48	6.69	9.06
Reduction / Adj during the year	0.00	0.00	0.00	0.00
<b>Accumulated Depreciation (Closing Balance).....B</b>	<b>68.40</b>	<b>43.31</b>	<b>37.83</b>	<b>31.14</b>
<b>Net Block (A-B)</b>	<b>397.89</b>	<b>25.31</b>	<b>30.79</b>	<b>37.48</b>
<b>4 Furniture &amp; Fixture</b>				
Gross Block Opening Balance	1.44	1.44	1.44	1.44
Addition during the year	0.06	0.00	0.00	0.00
Reduction during the year	0.00	0.00	0.00	0.00
<b>Gross Block Closing Balance.....A</b>	<b>1.50</b>	<b>1.44</b>	<b>1.44</b>	<b>1.44</b>
Opening Accumulated Depreciation	1.37	1.36	1.27	1.07
Depreciation charged during the year	0.01	0.01	0.09	0.20
Reduction / Adj during the year	0.00	0.00	0.00	0.00
<b>Accumulated Depreciation (Closing Balance).....B</b>	<b>1.39</b>	<b>1.37</b>	<b>1.36</b>	<b>1.27</b>
<b>Net Block (A-B)</b>	<b>0.11</b>	<b>0.07</b>	<b>0.08</b>	<b>0.18</b>
<b>5 Office Equipments</b>				
Gross Block Opening Balance	1.60	1.28	1.28	1.28
Addition during the year	0.06	0.31	0.00	0.00
Reduction during the year	0.00	0.00	0.00	0.00
<b>Gross Block Closing Balance.....A</b>	<b>1.65</b>	<b>1.60</b>	<b>1.28</b>	<b>1.28</b>
Opening Accumulated Depreciation	1.45	1.21	1.11	0.95
Depreciation charged during the year	0.05	0.24	0.10	0.15
Reduction / Adj during the year	0.00	0.00	0.00	0.00
<b>Accumulated Depreciation (Closing Balance).....B</b>	<b>1.50</b>	<b>1.45</b>	<b>1.21</b>	<b>1.11</b>
<b>Net Block (A-B)</b>	<b>0.15</b>	<b>0.15</b>	<b>0.08</b>	<b>0.18</b>
<b>6 Computer &amp; Data Processing Unit</b>				
Gross Block Opening Balance	1.03	1.03	0.55	0.55
Addition during the year	0.79	0.00	0.48	0.00
Reduction during the year	0.00	0.00	0.00	0.00
<b>Gross Block Closing Balance.....A</b>	<b>1.81</b>	<b>1.03</b>	<b>1.03</b>	<b>0.55</b>
Opening Accumulated Depreciation	0.92	0.56	0.53	0.53
Depreciation charged during the year	0.22	0.36	0.03	0.00
Reduction / Adj during the year	0.00	0.00	0.00	0.00
<b>Accumulated Depreciation (Closing Balance).....B</b>	<b>1.14</b>	<b>0.92</b>	<b>0.56</b>	<b>0.53</b>
<b>Net Block (A-B)</b>	<b>0.67</b>	<b>0.10</b>	<b>0.47</b>	<b>0.02</b>

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

**7 Other Assets**

Gross Block Opening Balance	9.02	9.02	9.02	8.83
Addition during the year	0.00	0.00	0.00	0.19
Reduction during the year	0.00	0.00	0.00	0.00
<b>Gross Block Closing Balance.....A</b>	<b>9.02</b>	<b>9.02</b>	<b>9.02</b>	<b>9.02</b>
Opening Accumulated Depreciation	8.57	8.54	7.82	5.89
Depreciation charged during the year	0.00	0.03	0.72	1.93
Reduction / Adj during the year	0.00	0.00	0.00	0.00
<b>Accumulated Depreciation (Closing Balance).....B</b>	<b>8.57</b>	<b>8.57</b>	<b>8.54</b>	<b>7.82</b>
<b>Net Block (A-B)</b>	<b>0.45</b>	<b>0.45</b>	<b>0.48</b>	<b>1.20</b>
<b>Total Gross Block Closing Balance.....A</b>	<b>513.29</b>	<b>134.85</b>	<b>159.79</b>	<b>158.86</b>
Total Opening Accumulated Depreciation	97.43	88.80	78.11	63.07
<b>Total Depreciation charged during the year</b>	<b>26.67</b>	<b>8.63</b>	<b>10.69</b>	<b>15.04</b>
Total Reduction / Adj during the year	-21.70	0.00	0.00	0.00
<b>Less :Total Accumulated Depreciation (Closing Balance).....B</b>	<b>102.40</b>	<b>97.43</b>	<b>88.80</b>	<b>78.11</b>
<b>Total Net Block (A-B)</b>	<b>410.89</b>	<b>37.43</b>	<b>70.99</b>	<b>80.75</b>

**Notes :**

- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 14. RESTATED STATEMENT OF DEFERRED TAX ASSETS (NET) :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
<u>Deferred Tax Assets</u>				
Tax Impact of C/f. Business & Depr. Loss as per Income Tax	0.00	4.60	12.43	14.06
Tax Impact of C/f Long term capital loss	10.52	13.84	11.19	11.19
Tax Impact of disallowed exps (Prov. For gratuity)	0.85	0.95	0.61	0.46
<b>Gross Deferred Tax Assets</b>	<b>11.37</b>	<b>19.38</b>	<b>24.23</b>	<b>25.71</b>
<u>Deferred Tax Liabilities</u>				
Tax Impact of difference between Book and Income Tax WDV	1.57	0.13	0.48	0.99
<b>Gross Deferred Tax Liabilities</b>	<b>1.57</b>	<b>0.13</b>	<b>0.48</b>	<b>0.99</b>
<b>TOTAL: DEFERRED TAX ASSETS (NET)</b>	<b>9.80</b>	<b>19.25</b>	<b>23.76</b>	<b>24.71</b>

**Notes :**

- In accordance with accounting standard 22, Accounting for taxes on Income, issued by the Institute of Chartered Accountants India, the Deferred Tax Assets (net of Liabilities) is provided in the books of account as at the end of the year.
- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 15. RESTATED STATEMENT OF OTHER NON-CURRENT ASSETS :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
<b>Security Deposits:</b>				
Unsecured, considered good;	1.41	1.36	4.02	4.02
<b>TOTAL: OTHER NON-CURRENT ASSETS</b>	<b>1.41</b>	<b>1.36</b>	<b>4.02</b>	<b>4.02</b>

**Notes:**

- None of the long term loans and advances as stated above are recoverable from Directors/ Promoters/ Promoter group /Associates/
- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

**Annexure No. 16. RESTATED STATEMENT OF INVENTORIES :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
- Raw Materials	192.49	42.10	179.54	215.89
- Finished goods	133.08	265.59	108.94	131.81
<b>TOTAL: INVENTORIES</b>	<b>325.57</b>	<b>307.69</b>	<b>288.48</b>	<b>347.70</b>
		<b>41.83</b>	<b>86.03</b>	<b>107.66</b>

**Notes:-**

- 1 Raw materials are valued at cost on FIFO method. Cost includes purchase value, freight, duties & taxes.
- 2 Finished goods are valued at lower of cost or net realisable value on FIFO method. Cost includes purchase value, freight, proportionate manufacturing expense, wages & salary to employees, duties and taxes.
- 3 The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- 4 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 17. RESTATED STATEMENT OF TRADE RECEIVABLES :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
Outstanding for less than 6 months				
(i) Undisputed trade receivable - considered good	261.77	407.48	298.42	227.30
(ii) Undisputed trade receivable - considered doubtful	0.00	0.00	0.00	0.00
(iii) Disputed trade receivable - considered good	0.00	0.00	0.00	0.00
(iv) Disputed trade receivable - considered doubtful	0.00	0.00	0.00	0.00
Outstanding for 6 months to 1 year				
(i) Undisputed trade receivable - considered good	0.28	0.14	0.28	0.00
(ii) Undisputed trade receivable - considered doubtful	0.00	0.00	0.00	0.00
(iii) Disputed trade receivable - considered good	0.00	0.00	0.00	0.00
(iv) Disputed trade receivable - considered doubtful	0.00	0.00	0.00	0.00
Outstanding for 1 to 2 years				
(i) Undisputed trade receivable - considered good	0.10	0.00	0.00	0.00
(ii) Undisputed trade receivable - considered doubtful	0.00	0.00	0.00	0.00
(iii) Disputed trade receivable - considered good	0.00	0.00	0.00	0.00
(iv) Disputed trade receivable - considered doubtful	0.00	0.00	0.00	0.00
Outstanding for 2 to 3 years				
(i) Undisputed trade receivable - considered good	0.00	0.00	0.00	0.00
(ii) Undisputed trade receivable - considered doubtful	0.00	0.00	0.00	0.00
(iii) Disputed trade receivable - considered good	0.00	0.00	0.00	0.00
(iv) Disputed trade receivable - considered doubtful	0.00	0.00	0.00	0.00
Outstanding for more than 3 years				
(i) Undisputed trade receivable - considered good	0.00	0.00	0.00	0.00
(ii) Undisputed trade receivable - considered doubtful	0.00	0.00	0.00	0.00
(iii) Disputed trade receivable - considered good	0.00	0.00	0.00	0.00
(iv) Disputed trade receivable - considered doubtful	0.00	0.00	0.00	0.00
<b>TOTAL: TRADE RECEIVABLES</b>	<b>262.15</b>	<b>407.62</b>	<b>298.71</b>	<b>227.30</b>

**Notes :-**

- 1 As per the view of the management of the company there is no doubtful debt and hence provision for doubtful debts have not been made.
- 2 Trade Receivable as on March 31, 2022 has been taken as certified by the management of the company.
- 3 The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- 4 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 18. RESTATED STATEMENT OF CASH AND CASH EQUIVALENTS :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
1 Balance With Banks: In Current Account	0.63	3.71	0.83	3.11
2 Cash on Hand	1.19	2.98	2.03	0.71
<b>TOTAL: CASH AND CASH EQUIVALENTS</b>	<b>1.82</b>	<b>6.69</b>	<b>2.86</b>	<b>3.82</b>

**DEV LABTECH VENTURE LIMITED**  
**(Formerly known as Jay Gems (India) Private Limited)**

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

**Notes :-**

- 1 The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- 2 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 19. RESTATED STATEMENT OF SHORT-TERM LOANS AND ADVANCES :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
<b>Other loans and advances:</b>				
a Advance to suppliers of goods & services (Related party)	0.00	0.27	0.00	0.00
b Advance to suppliers of goods & services (Other)	71.27	96.44	15.51	8.44
<b>TOTAL: SHORT-TERM LOANS AND ADVANCES</b>	<b>71.27</b>	<b>96.71</b>	<b>15.51</b>	<b>8.44</b>

**Notes :-**

- 1 Advance given to suppliers have been taken as certified by the management of the company.
- 2 No Securities have been taken by the company against the advance given to suppliers.
- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- 3
- 4 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 20. RESTATED STATEMENT OF OTHER CURRENT ASSETS :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
<b>Unsecured, considered good unless stated otherwise</b>				
<b>Other Assets:</b>				
1 Advance payment of Income tax (Net of Provisions)	0.99	0.43	0.19	0.00
2 Pre-paid Expense	0.00	0.00	0.00	0.01
3 Balances with Govt. Authorities	82.75	11.06	9.22	1.00
4 Other (Interest Receivable)	0.00	0.00	0.00	13.47
<b>TOTAL: OTHER CURRENT ASSETS</b>	<b>83.73</b>	<b>11.49</b>	<b>9.41</b>	<b>14.48</b>

**Notes :-**

- The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.
- 1
- 2 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

**Annexure No. 21. RESTATED STATEMENT OF REVENUE FROM OPERATIONS :**

	2022-23 (Upto 30/09/2022)	2021-22	2020-21	2019-20
<b>Sales of Products</b>				
Finished Goods Sold during the year	934.51	2,685.13	1,220.73	1,046.85
Raw Materials Sold during the year	0.00	0.00	0.00	124.57
	<b>934.51</b>	<b>2,685.13</b>	<b>1,220.73</b>	<b>1,171.42</b>
<b>Other Operating Revenue</b>				
Trade Discount	0.00	0.00	0.00	0.00
Labour Charges Jobwork	5.60	0.00	3.12	7.43
	<b>5.60</b>	<b>0.00</b>	<b>3.12</b>	<b>7.43</b>
<b>TOTAL: REVENUE FROM OPERATIONS</b>	<b>940.12</b>	<b>2,685.13</b>	<b>1,223.85</b>	<b>1,178.85</b>

**Details of Sales of Products:**

Diamonds	934.51	2,685.13	1,220.73	1,171.42
	0.00	0.00	0.00	0.00
<b>Total</b>	<b>934.51</b>	<b>2,685.13</b>	<b>1,220.73</b>	<b>1,171.42</b>

**Notes:**

- The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.
- Bifercation of domestic and export sales are as under:

Sr No	Country	2022-23 (Upto 30/09/2022)	2021-22	2020-21	2019-20
1	India	610.22	1,938.48	1,125.73	1,171.42
2	HongKong	324.30	746.65	95.01	0.00

**Annexure No. 22. RESTATED STATEMENT OF OTHER INCOME :**

	2022-23 (Upto 30/09/2022)	2021-22	2020-21	2019-20
Interest Income	0.00	0.01	0.02	0.00
Exchange Rate Difference	25.68	12.51	3.22	0.00
Rent Income	0.00	0.36	1.02	0.00
Reversal of Gratuity Provision	0.63	0.00	0.00	0.00
Profit on Sales of Investments	0.00	0.00	0.00	0.00
<b>TOTAL: OTHER INCOME</b>	<b>26.31</b>	<b>12.88</b>	<b>4.26</b>	<b>0.00</b>

**Notes:**

- The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.
- Other Income includes Interest income from deposits & FDR which are recurring in nature while profit on sale of vehicle is non recurring in nature.

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

<b>Annexure No. 23. RESTATED STATEMENT OF COST OF MATERIAL CONSUMED :</b>				
	<b>2022-23 (Upto 30/09/2022)</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>
<b>Raw Materials Consumed</b>				
Inventory at the beginning of the year	42.10	179.54	215.89	98.65
Add: Purchases	491.69	2,348.86	290.23	683.83
	<b>533.79</b>	<b>2,528.40</b>	<b>506.12</b>	<b>782.48</b>
Less: Inventory at the end of the year	-192.49	-42.10	-179.54	-215.89
<b>TOTAL: COST OF RAW MATERIAL</b>	<b>341.30</b>	<b>2,486.30</b>	<b>326.58</b>	<b>566.59</b>
<b>Details of Raw Materials Consumed:</b>				
Rough Diamonds	341.30	2,486.30	326.58	566.59
Other	0.00	0.00	0.00	0.00
<b>Total</b>	<b>341.30</b>	<b>2,486.30</b>	<b>326.58</b>	<b>566.59</b>

**Notes:**

- 1 The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- 2 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

<b>Annexure No. 24. RESTATED STATEMENT OF PURCHASES OF STOCK-IN-TRADE :</b>				
	<b>2022-23 (Upto 30/09/2022)</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>
Trading Goods	192.01	0.00	502.35	10.06
Less : Purchase Return	0.00	0.00	0.00	0.00
<b>TOTAL:</b>	<b>192.01</b>	<b>0.00</b>	<b>502.35</b>	<b>10.06</b>
<b>Particulars of Purchases of Stock in Trade</b>				
Polished Diamonds	192.01	0.00	502.35	10.06

<b>Annexure No. 25. RESTATED STATEMENT OF CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE :</b>				
	<b>2022-23 (Upto 30/09/2022)</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>
<b>Inventories at the end of the year</b>				
Finished Good	133.08	265.59	108.94	131.81
Semi-Finished Good	0.00	0.00	0.00	0.00
<b>Inventories at the beginning of the year</b>				
Finished Good	265.59	108.94	131.81	219.91
Semi-Finished Good	0.00	0.00	0.00	0.00
<b>TOTAL CHANGE (Net)</b>	<b>132.51</b>	<b>-156.66</b>	<b>22.87</b>	<b>88.10</b>

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

**Notes:**

- 1 The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- 2 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 26. RESTATED STATEMENT OF EMPLOYEE BENEFIT EXPENSE :**

	2022-23 (Upto 30/09/2022)	2021-22	2020-21	2019-20
Salary and Wages	58.50	119.39	100.99	103.92
Bonus	0.00	0.00	0.00	0.00
Remuneration to Directors	3.00	8.64	7.92	7.87
Provision for Gratuity	0.00	2.14	0.97	2.97
<b>TOTAL: EMPLOYEE BENEFITS EXPENSE</b>	<b>61.50</b>	<b>130.17</b>	<b>109.88</b>	<b>114.76</b>

**Notes:**

- 1 Provision for gratuity has been made as per the actuarial valuation report issued by Kapadia Global Acturies.
- 2 The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- 3 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 27. RESTATED STATEMENT OF FINANCE COSTS :**

	2022-23 (Upto 30/09/2022)	2021-22	2020-21	2019-20
Interest on Long term borrowings to Banks	4.64	6.24	12.01	11.91
Interest on Short term borrowings to Banks	0.30	6.94	3.56	4.01
Other Interest	0.05	0.00	0.11	0.18
Bank charges & Processing Fees	0.03	0.76	0.23	1.97
<b>TOTAL: FINANCE COSTS</b>	<b>5.02</b>	<b>13.94</b>	<b>15.90</b>	<b>18.06</b>

**Notes:**

- 1 The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- 2 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

<b>Annexure No. 28. RESTATED STATEMENT OF DEPRECIATION AND AMORTIZATION EXPENSE :</b>				
	<b>2022-23 (Upto 30/09/2022)</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>
Depreciation on tangible assets	26.67	8.63	10.69	15.04
<b>TOTAL: DEPRECIATION AND AMORTIZATION EXPS</b>	<b>26.67</b>	<b>8.63</b>	<b>10.69</b>	<b>15.04</b>

**Notes:**

- The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

<b>Annexure No. 29. RESTATED STATEMENT OF OTHER EXPENSES :</b>				
	<b>2022-23 (Upto 30/09/2022)</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>
<b>Manufacturing expenses</b>				
Electric Expenses	8.90	4.02	3.16	9.80
Die Expenses	0.00	0.00	0.00	1.69
Factory Expenses	0.00	0.00	0.03	0.04
Contract Work Expenses	113.93	155.46	227.37	323.79
Machinery Repairs & Maintenance	0.05	0.00	0.00	0.00
Stores & Spares	0.06	0.00	0.00	0.00
Import Export Expenses	0.32	0.89	0.26	0.65
Traders Expenses	0.00	0.00	0.00	0.25
Rate Difference	0.00	0.00	0.00	17.30
<b>Administrative expenses</b>				
Auditors Remuneration	0.60	0.25	0.30	0.30
Legal expense	7.81	5.26	0.48	0.67
Brokerage Charges	0.00	1.57	0.51	0.00
Communication Expense	0.36	0.15	0.00	0.00
Export Expense	0.36	0.00	0.00	0.00
Electric Expense	1.63	0.00	0.00	0.00
Interest on late payment of TDS & TCS	0.00	0.03	0.00	0.00
Interes & Late Payment Charges	0.00	0.01	0.00	0.00
Insurance Expense	0.00	0.24	0.00	0.00
Kasar/Discount Written Off	0.00	0.00	0.00	0.00
Rent, Rates & Taxes	1.18	1.50	1.96	0.04
Office expense	0.33	0.62	0.32	1.06
Service charges	0.00	0.00	0.00	1.74
Traveling & Conveyance	0.68	0.00	0.00	0.81
Rent Expense	0.00	0.00	0.00	1.94
Computer Exp	0.00	0.00	0.00	0.68
Municipal tax	0.00	0.00	0.00	0.27
Maintenance Expense	0.00	0.00	0.00	0.33
Gst Expense	0.00	0.00	0.00	0.24
<b>TOTAL: OTHER EXPENSES</b>	<b>136.21</b>	<b>170.00</b>	<b>234.38</b>	<b>361.58</b>
<b>Payment to Auditor includes</b>				
Statutory Audit Fees	0.60	0.25	0.30	0.30
Other Fees	0.00	0.00	0.00	0.00
<b>Expenditure in Foreign Currency</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

**Notes:**

- 1 The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- 2 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 30. RESTATED STATEMENT OF EXTRAORDINARY ITEMS :**

	2022-23 (Upto 30/09/2022)	2021-22	2020-21	2019-20
Profit on Sale of Asset	15.95	11.38	0.00	0.00
<b>TOTAL: EXTRAORDINARY ITEMS</b>	<b>15.95</b>	<b>11.38</b>	<b>0.00</b>	<b>0.00</b>

**Notes:**

- 1 The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- 2 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 31. RESTATED STATEMENT OF DEFERRED TAX :**

	2022-23 (Upto 30/09/2022)	2021-22	2020-21	2019-20
Gross Deferred tax asset as per Annexure 14	-11.37	-19.38	-24.23	-25.71
Gross Deferred tax liability as per Annexure 14	1.57	0.13	0.48	0.99
Op. balance of Net Deferred tax asset / liability	19.25	23.76	24.71	28.60
<b>NET DEFERRED TAX :</b>	<b>9.45</b>	<b>4.50</b>	<b>0.96</b>	<b>3.89</b>

**Notes:**

- 1 The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- 2 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**Annexure No. 32. RESTATED STATEMENT OF CONTINGENT LIABILITIES :**

	2022-23 (Upto 30/09/2022)	2021-22	2020-21	2019-20
<u>Contingent liabilities in respect of:</u>				
1 Claims against the company not acknowledged as debts	0.00	0.00	0.00	0.00
2 Bank Gaurantee issued by bank	0.00	0.00	0.00	0.00
3 Bills discounted from bank	0.00	0.00	0.00	0.00
4 Letter of credit outstanding	0.00	0.00	0.00	0.00

**Notes:**

- 1 The figures disclosed above are based on the restated standalone statement of profit & loss of the Company.
- 2 The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.
- 3 The company has system of providing accumulating compensating absences non-vesting and hence no provision is made in the books of accounts for the leaves.

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

**Annexure No. 33. RESTATED STATEMENT OF ACCOUNTING RATIOS :**

	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
Net Worth (A)	717.86	192.07	148.45	144.80
Net Worth excluding Preference Share Capital (A-1)	717.86	192.07	148.45	144.80
Restated Profit after tax	64.12	43.62	3.65	0.04
Less: Prior Period Item	0.00	0.00	0.00	0.00
<b>Adjusted Profit after Tax (B)</b>	<b>64.12</b>	<b>43.62</b>	<b>3.65</b>	<b>0.04</b>
Number of Equity Share outstanding as on the End of Year/Period (C)	48,56,911	12,57,180	2,09,530	2,09,530
Weighted average no of Equity shares at the time of end of the year (Pre Bonus) (D)(i)	45,02,604	12,57,180	2,09,530	2,09,530
Weighted average no of Equity shares at the time of end of the year (Post Bonus) (D)(ii)	57,16,832	51,65,905	51,65,905	51,65,905
Current Assets (E)	744.55	830.21	614.97	601.75
Current Liabilities (F)	30.86	28.63	49.36	95.62
Face Value per Share	10.00	10.00	10.00	10.00
<b>EBITDA Ratio</b>				
Restated Profit after tax	64.12	43.62	3.65	0.04
Add : Finance Cost	4.96	13.94	15.79	17.89
Add : Provision for Tax	23.05	13.40	1.81	4.62
Add : Depreciation	26.67	8.63	10.69	15.04
Add : Amortization Expenses	0.00	0.00	0.00	0.00
<b>EBITDA</b>	<b>118.80</b>	<b>79.58</b>	<b>31.94</b>	<b>37.58</b>
<u>Earnings Per Share</u>				
Restated Basic and Diluted Earnings Per Share (Pre-Bonus) ( ₹ ) (B/D(i))	1.42	3.47	1.74	0.02
Restated Basic and Diluted Earnings Per Share (Post-Bonus) ( ₹ ) (B/D(ii))	1.12	0.84	0.07	0.00
<b>OTHER RATIO</b>				
Return on Net worth (%) (B/A) (Note-7)	8.93%	22.71%	2.46%	0.03%
% Change in ratio	-60.67%	823.18%	8794.04%	-99.48%
Return on Equity Net worth % (B/A-1) (Note-7)	8.93%	22.71%	2.46%	0.03%
% Change in ratio	-60.67%	823.18%	8794.04%	-99.48%
Net asset value per share (A/C) (Face Value of ₹ 10 Each) (Note-8)	14.78	15.28	70.85	69.11
% Change in ratio	-3.26%	-78.44%	2.52%	0.03%
Current Ratio (E/F) (Note-8)	24.13	29.00	12.46	6.29
% Change in ratio	-16.79%	132.73%	98.00%	100.94%
Debt-Equity Ratio (Note-9)	0.16	0.64	1.20	1.06
% Change in ratio	-75.00%	-46.64%	12.41%	-6.07%
Debt Service Coverage Ratio (Note-10)	7.89	1.94	1.87	1.95
% Change in ratio	306.33%	3.66%	-3.99%	46.21%
Return on Equity Ratio (%) (Before Tax) (Note-11)	12.14%	29.68%	3.68%	3.22%
% Change in ratio	-59.09%	706.64%	14.43%	-12.13%
Inventory turnover ratio (Note-12)	2.89	8.73	4.24	3.39
% Change in ratio	-66.91%	105.70%	25.13%	-58.37%
Trade Receivables Turnover Ratio (Note-13)	0.28	0.15	0.24	0.19
% Change in ratio	83.68%	-37.80%	26.58%	529.74%
Trade Payables Turnover Ratio (Note-13)	0.32	0.20	0.31	0.30
% Change in ratio	58.52%	-33.24%	2.55%	403.05%
Net Capital Turnover Ratio (Note-12)	2.29	10.57	6.38	7.60
% Change in ratio	-78.29%	65.63%	-16.09%	-60.41%
Net Profit Ratio (%) (Before Tax) (Note-14)	7.58%	1.70%	0.45%	0.40%
	345.71%	280.77%	13.00%	93.41%
Return on Capital Employed (Note-7)	0.11	0.22	0.07	0.08
% Change in ratio	-50.74%	209.20%	-7.29% NA	

Return on Investment (%) (Not-15)		8.93%	22.71%	2.46%	0.03%
	% Change in ratio	-60.67%	823.18%	8794.04%	-99.48%

1) The ratios have been computed as below:

a. Basic and Diluted earnings per share (₹) =	$\frac{\text{Net profit available for appropriation ( as restated)}}{\text{Weighted average number of equity shares outstanding at the end of the period or year}}$
b. Return on net worth (%) =	$\frac{\text{Net profit available for appropriation ( as restated)}}{\text{Net worth at the end of the period/year}}$
c. Net assets value per share =	$\frac{\text{Net Worth at the end of the period/year}}{\text{Number of equity shares outstanding at the end of the period/ year}}$

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting 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.

3) Net Worth means the aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account.

4) The figures disclosed above are based on the standalone restated summary statements of the Company.

5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures 1, 2, 3 and 4.

6) EBITDA represents earnings (or profit / loss) before interest, income taxes, and depreciation and amortisation expenses.

7)(a) Half year ended on 30th September,2022 : Return on net worth, return on equity net worth and return on capital employed has been decreased due to reduce in turnover.

7)(b) FY 2021-22 : Return on net worth, return on equity net worth and return on capital employed has been increased due to increase in profit margin during the year as well as profit on sale fixed assets.

7)(c) FY 2020-21 : Return on net worth and return on equity net worth has been increased due to effect of reversal of deferred tax Asset in FY-2019-20.

7)(d) FY 2019-20 : Return on net worth and return on equity net worth has been reduced due to effect of reversal of deferred tax Asset in FY-2019-20.

8) FY 2021-22 : Net asset value per share has been decreased due to issue of bonus shares.

9) Debt Equity Ratio for FY-2021-22 and half year ended on 30/09/2022 is decreased due to increase in share capital by way of right issue and bonus issue.

10)(a) Debt Service Coverage Ratio for half year ended on 30/09/2022 is decreased due to increase in net operating income in rupees term.

10)(b) Debt Service Coverage Ratio for FY-2019-20 is increased due to repayment of unsecured loan accepted from directors and their relatives.

11)(a) Half year ended on 30th September,2022 : Return on equity ratio(before tax) has been decreased due to reduce in turnover.

11)(b) FY 2021-22 : Return on equity ratio(before tax) has been increased due to increase in profit margin during the year as well as profit on sale fixed assets.

12)(a) Half year ended on 30th September,2022 : Inventory turnover ratio and Net Capital Turnover Ratio is decreased due to decrease in

12)(b) FY 2021-22 : Increase in Inventory Turnover ratio and Net Capital Turnover Ratio is due to increase in turnover.

12)(c) FY 2019-20 : Inventory turnover ratio and Net Capital Turnover Ratio is decreased due to decrease in turnover.

- 13)(a)** Half year ended on 30th September,2022 : Trade receivable turnover ratio and trade payable turnover ratio is increased due to decrease in turnover.
- 13)(b)** FY 2021-22 : Trade receivable turnover ratio and trade payable turnover ratio is decreased due to increase in turnover.
- 13)(c)** FY 2020-21 : Trade receivable turnover ratio is increased due to change in credit period of trade receivable.
- 13)(d)** FY 2019-20 : Trade receivable turnover ratio and trade payable turnover ratio is increased due to reduction in turnover.
- 14)** Net profit ratio for FY-2019-20, FY-2021-22 and Half year ended on 30th September,2022 is increased due to increase in profit margin and profit on sales of fixed assets.
- 15)(a)** Half year ended on 30th September,2022 : Return on investment has been decreased due to reduce in turnover.
- 15)(b)** FY 2021-22 : Return on investment has been increased due to increase in profit margin during the year as well as profit on sale fixed assets.

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

**Annexure No. 34. RESTATED STATEMENT OF RELATED PARTY TRANSACTIONS :**

Name	Relation	Nature Of Transaction	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
Jay Jerambhai Donda	Director	Director's Remuneration	3.00	4.20	3.85	3.79
		Re-imbursement of Exp.	0.44	0.23	0.00	0.00
		Loan Received	0.00	11.80	14.05	0.00
		Loan Paid	0.00	11.80	14.05	0.00
		Closing balance-Salary	1.33	4.98	1.60	0.50
Labhuben Jerambhai Donda	Director	Director's Remuneration	0.00	4.44	4.07	4.08
		Loan Received	24.00	2.30	16.90	0.00
		Loan Paid	24.00	19.20	0.00	0.00
		Closing balance-Loan a/c	0.00	0.00	16.90	0.00
		Closing balance-Salary	0.21	1.71	3.02	3.60
Jay Gems	Significant Interest held by Director	Re-imbursement of Exp.	0.00	0.36	0.00	1.40
		Labour Charges	5.52	0.00	0.00	0.00
		Rent Expense	0.00	1.27	1.27	1.35
		Closing balance-Trade Payable	0.00	2.96	1.43	0.43
Sealand Shipping & Exports Private Limited	Significant Interest held by Director					
		Closing balance-Trade Payable	8.74	8.74	8.74	8.74
UG Diam	Significant Interest held by Director	Purchase	85.90	17.62	0.00	0.00
		Rent Income	0.00	0.42	0.28	0.00
		Closing balance-Rent Receivable	0.00	0.42	0.28	0.00
		Closing balance-Trade Payable	0.06	-10.88	0.00	0.00
Dimple J Donda	Director's Wife	Advance Money Refunded	0.00	1.70	0.00	0.00
		Salary Paid	0.00	0.00	0.00	3.77
		Loan Paid	0.00	0.00	3.75	0.00
		Closing balance-Salary	0.00	0.00	0.00	2.05
		Closing balance-Loan a/c	0.00	0.00	-1.70	0.00

**Notes :**

1. The figures disclosed above are based on the restated standalone statement of assets and liabilities of the Company.
2. The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.
3. List Company/entity owned or significantly influenced by directors, Key Management Personnels and Relative of Key Management Personnels have been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

**Annexure No. 35. RESTATED STATEMENT OF SEGMENT REPORTING :**

Considering the Geographies of operation of the Company named business activity operates from the unit at Bhavnagar and Mumbai, the Information by Geographies as per segment disclosure under AS-17 are as under:

Sr No	Particulars	2022-23 (Upto 30/09/2022)		2021-22		2020-21		2019-20	
		Bhavnagar Unit	Mumbai Unit	Bhavnagar Unit	Mumbai Unit	Bhavnagar Unit	Mumbai Unit	Bhavnagar Unit	Mumbai Unit
1	<b>SEGMENT REVENUE</b>								
	External Sales & Operating Revenue	249.22	690.90	260.05	2,425.08	40.75	1,183.10	247.38	931.46
	Inter-segment Sales & Operating Revenue	399.39	0.00	1,272.92	0.00	689.38	0.00	869.22	0.00
	Other Income	26.31	0.00	12.88	0.00	4.26	0.00	0.00	0.00
	<b>Total Revenue from Operations</b>	<b>674.92</b>	<b>690.90</b>	<b>1,545.85</b>	<b>2,425.08</b>	<b>734.39</b>	<b>1,183.10</b>	<b>1,116.60</b>	<b>931.46</b>
2	<b>SEGMENT RESULT</b>								
	Operating Expenses from Segments	593.87	669.04	2,628.38	1,274.35	1,195.91	689.53	1,140.28	870.02
	Profit from Segments before Interest, Taxes, Depreciation and Exceptional Items	81.05	21.86	-1,082.53	1,150.73	-461.53	493.58	-23.68	61.44
3	<b>OTHER INFORMATION</b>								
	Segment Assets	1,166.65	0.00	888.24	0.00	688.61	25.11	653.48	57.75
	Segment Liabilities	448.79	0.00	696.18	0.00	565.28	0.00	566.43	0.00

**Reconciliation of Segment Profit with Profit After Tax as per Profit and Loss Acc.**

Sr No	Particulars	2022-23 (Upto 30/09/2022)	2021-22	2020-21	2019-20
	Profit from Segments before Interest, Taxes, Depreciation and Exceptional Items :-				
	Bhavnagar Unit (A)	81.05	-1,082.53	-461.53	-23.68
	Mumbai Unit (B)	21.86	1,150.73	493.58	61.44
	Sub-Total (C) = (A)+(B)	<b>102.91</b>	<b>68.20</b>	<b>32.05</b>	<b>37.76</b>
	Adjustment for :-				
	Finance Costs	-5.02	-13.94	-15.90	-18.06
	Depreciation and Amortization Expense	-26.67	-8.63	-10.69	-15.04
	Extraordinary Items	15.95	11.38	0.00	0.00
	Tax Exepnse	-23.05	-13.40	-1.81	-4.62
	<b>Profit/(Loss) After Tax as per Restated Financial Statement</b>	<b>64.12</b>	<b>43.62</b>	<b>3.65</b>	<b>0.04</b>

**Notes :**

- The figures disclosed above are based on the restated standalone statement of assets and liabilities and profit & loss of the Company.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**DEV LABTECH VENTURE LIMITED**  
**(Formerly known as Jay Gems (India) Private Limited)**

**NOTES TO FINANCIAL STATEMENT**

**Annexure No. 36. RESTATED STATEMENT OF CAPITALIZATION :**

(Amount Rs. In Lakhs)		
Particulars	Pre-Issue figures	As Adjusted for the proposed issue
<b>Debt</b>		
Short Term Debt	4.13	4.13
Long Term Debt	110.39	110.39
<b>Total Debt</b>	<b>114.52</b>	<b>114.52</b>
<b>Shareholder's Funds</b>		
Share Capital	485.69	827.11
Reserve and Surplus-As Restated	232.17	972.74
<b>Total Shareholder's Fund</b>	<b>717.86</b>	<b>1,799.86</b>
<b>Long Term Debt/Shareholder's Fund</b>	<b>0.15</b>	<b>0.06</b>
<b>Total Debt/Shareholder's Fund</b>	<b>0.16</b>	<b>0.06</b>

**Notes:**

(1) Short term Debts represent the debts which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.

(2) Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under "Other Current Liabilities".

(3) The figures disclosed above are based on restated standalone statement of Assets and Liabilities of the Company as at 30th September, 2022.

(4) The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NOTES TO FINANCIAL STATEMENT**

(Amount Rs. In Lakhs)

**Annexure No. 37. RESTATED STATEMENT OF TAX SHELTER :**

Sr No.	Particulars	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
<b>A</b>	Profit before taxes as restated	87.17	57.02	5.46	4.66
<b>B</b>	Normal Corporate Tax Rate (%)	26.00%	26.00%	26.00%	26.00%
<b>C</b>	MAT Rate (%)	15.60%	15.60%	15.60%	15.60%
	<b>Adjustments:</b>				
<b>D</b>	<b>Permanent Differences</b>				
	Expenses Disallowed under the Income Tax Act, 1961	0.05	0.03	0.23	0.18
	Interest on Income Tax	0.00	0.00	0.00	0.00
	Donation	0.00	0.00	0.00	0.00
	<b>Total Permanent Differences</b>	<b>0.05</b>	<b>0.03</b>	<b>0.23</b>	<b>0.18</b>
<b>E</b>	<b>Income Considered Separately</b>	<b>-15.95</b>	<b>-11.40</b>	<b>-0.02</b>	<b>0.00</b>
<b>F</b>	<b>Timing Difference</b>				
	Depreciation as per Books	26.67	8.63	10.69	15.04
	Depreciation as per Income Tax	-32.63	-6.41	-7.38	-8.54
	Gratuity	-0.63	2.14	0.97	2.97
	<b>Total Timing Differences</b>	<b>-6.58</b>	<b>4.36</b>	<b>4.28</b>	<b>9.46</b>
<b>G</b>	<b>Net Adjustment (D+E+F)</b>	<b>-22.48</b>	<b>-7.01</b>	<b>4.49</b>	<b>9.64</b>
<b>H</b>	<b>Tax Expenses / (Saving) thereon (G x B)</b>	<b>-5.84</b>	<b>-1.82</b>	<b>1.17</b>	<b>2.51</b>
<b>I</b>	<b>Income from other sources</b>	<b>15.95</b>	<b>0.02</b>	<b>0.02</b>	<b>0.00</b>
<b>J</b>	<b>Exempt Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>K</b>	<b>Income / (Loss) (A+G+I-J)</b>	<b>80.64</b>	<b>50.03</b>	<b>9.98</b>	<b>14.30</b>
<b>L</b>	Brought Forward Loss Set off				
	- Ordinary Business Loss	21.63	50.20	10.40	13.28
	- Long Term Capital Loss	15.95	0.00	0.00	0.00
	- Unabsorbed Depreciation	7.83	0.02	0.02	0.00
	<b>Total (L)</b>	<b>29.46</b>	<b>50.22</b>	<b>10.43</b>	<b>13.28</b>
<b>M</b>	Allowable Deduction under the Income Tax Act	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>N</b>	Profit/(Loss) as per Income tax (K-L)	51.18	-0.19	-0.45	1.02
<b>O</b>	Tax as per Normal Provision	13.31	0.00	0.00	0.27
<b>P</b>	MAT Credit Utilized	0.00	0.00	0.00	0.00
<b>Q</b>	<b>Tax Liability, After Considering the effect of MAT Credit (O-P)</b>	13.31	0.00	0.00	0.27
<b>R</b>	Book Profit as per MAT	87.17	57.02	5.46	4.66
<b>S</b>	Tax liability as per MAT (R x C)	13.60	8.89	0.85	0.73
	Current tax being higher of "O" or "S"	13.60	8.89	0.85	0.73
	Loss to be carried forward	0.00	-0.19	-0.45	0.00
	MAT credit entitlement	0.29	8.89	0.85	0.46
	Total Tax as per Return of Income (Before interest under section 234A, B and C of the Income Tax Act, 1961)	(Note-3)	(Note-3)	1.07	1.03
<b>T</b>	<b>Tax paid as per "MAT" or "Normal Provision"</b>	MAT	MAT	MAT	MAT

**Notes:-**

- The aforesaid statement of tax shelters has been prepared as per the restated standalone statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax return of the respective years stated above. The changes in the tax liability and the interest thereon arising on account of assessment proceedings, notices, appeals etc. has been adjusted in the tax liability of the year to which the liability pertains.
- The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.
- As the Income Tax return can not be filed by the Company for the period of March 31, 2022, the actual tax payment in Income tax return filed by the company can not be determined.

**DEV LABTECH VENTURE LIMITED**  
(Formerly known as Jay Gems (India) Private Limited)

**NET WORTH STATEMENT**

(Amount Rs. In Lakhs)

Particulars	As at 30.09.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
<b>Authorised</b>				
70 Lakhs Equity Shares of Rs.10/- each.	700.00	0.00	0.00	0.00
30.00 Lakhs Equity Shares of Rs.10/- each.	0.00	300.00	0.00	0.00
2.50 Lakhs Equity Shares of Rs.10/- each.	0.00	0.00	25.00	25.00
<b>Total</b>	<b>700.00</b>	<b>300.00</b>	<b>25.00</b>	<b>25.00</b>
<b>Issued,Subscribed and Paid up</b>				
48.57 Lakhs Equity Shares of Rs.10/- each Fully paid up	485.69	0.00	0.00	0.00
12.57 Lakhs Equity Shares of Rs.10/- each Fully paid up	0.00	125.72	0.00	0.00
2.09 Lakhs Equity Shares of Rs.10/ each Fully paid up	0.00	0.00	20.95	20.95
<b>Total</b>	<b>485.69</b>	<b>125.72</b>	<b>20.95</b>	<b>20.95</b>
<b>Capital Redemptio Reserve</b>				
Closing Balance	<b>8.99</b>	<b>8.99</b>	<b>8.99</b>	<b>8.99</b>
<b>General Reserve</b>				
Closing Balance	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Securities Premium Reserve</b>				
Closing Balance	<b>150.09</b>	<b>0.00</b>	<b>69.21</b>	<b>69.21</b>
<b>Profit/(Loss) Brought Forward</b>	57.36	49.30	45.65	45.61
Add:Profit/(Loss) for the year	64.12	43.62	3.65	0.04
Less : Utilised for Bonus Shares	48.40	35.56	0.00	0.00
Less : Prior Period Adjustment	0.00	0.00	0.00	0.00
Closing Balance	<b>73.09</b>	<b>57.36</b>	<b>49.30</b>	<b>45.65</b>
<b>Reserve &amp; Surplus</b>	232.17	66.35	127.50	123.84
<b>Net Worth</b>	<b>717.86</b>	<b>192.07</b>	<b>148.45</b>	<b>144.80</b>



## OTHER FINANCIAL INFORMATION

(Amount in Lakhs)

Particulars	AS AT 30.09.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2020
Net Worth (A)	717.86	192.07	148.45	144.80
Net Worth excluding Preference Share Capital (A-1)	717.86	192.07	148.45	144.80
Restated Profit after tax	64.12	43.62	3.65	0.04
Less: Prior Period Item	0.00	0.00	0.00	0.00
<b>Adjusted Profit after Tax (B)</b>	<b>64.12</b>	<b>43.62</b>	<b>3.65</b>	<b>0.04</b>
Number of Equity Share outstanding as on the End of Year/Period (C)	48,56,911	12,57,180	2,09,530	2,09,530
Weighted average no of Equity shares at the time of end of the year (Pre Bonus) (D)(i)	45,02,604	12,57,180	2,09,530	2,09,530
Weighted average no of Equity shares at the time of end of the year (Post Bonus) (D)(ii)	57,16,832	51,65,905	51,65,905	51,65,905
Current Assets (E)	744.55	830.21	614.97	601.75
Current Liabilities (F)	30.86	28.63	49.36	95.62
Face Value per Share	10.00	10.00	10.00	10.00
<b>EBITDA Ratio</b>				
Restated Profit after tax	64.12	43.62	3.65	0.04
Add : Finance Cost	4.96	13.94	15.79	17.89
Add : Provision for Tax	23.05	13.40	1.81	4.62
Add : Depreciation	26.67	8.63	10.69	15.04
Add : Amortization Expenses	0.00	0.00	0.00	0.00
<b>EBITDA</b>	<b>118.80</b>	<b>79.58</b>	<b>31.94</b>	<b>37.58</b>
<b>Earnings Per Share</b>				
Restated Basic and Diluted Earnings Per Share (Pre-Bonus) ( ` ) (B/D(i))	1.42	3.47	1.74	0.02
Restated Basic and Diluted Earnings Per Share (Post-Bonus) ( ` ) (B/D(ii))	1.12	0.84	0.07	0.00
<b>OTHER RATIO</b>				
Return on Net worth (%) (B/A) (Note-7)	8.93%	22.71%	2.46%	0.03%
% Change in ratio	-60.67%	823.18%	8794.04%	-99.48%
Return on Equity Net worth % (B/A-1) (Note-7)	8.93%	22.71%	2.46%	0.03%
% Change in ratio	-60.67%	823.18%	8794.04%	-99.48%
Net asset value per share (A/C) (Face Value of ` 10 Each) (Note-8)	14.78	15.28	70.85	69.11
% Change in ratio	-3.26%	-78.44%	2.52%	0.03%
Current Ratio (E/F) (Note-8)	24.13	29.00	12.46	6.29
% Change in ratio	-16.79%	132.73%	98.00%	100.94%
Debt-Equity Ratio (Note-9)	0.16	0.64	1.20	1.06
% Change in ratio	-75.00%	-46.64%	12.41%	-6.07%
Debt Service Coverage Ratio (Note-10)	7.89	1.94	1.87	1.95
% Change in ratio	306.33%	3.66%	-3.99%	46.21%
Return on Equity Ratio (%) (Before Tax) (Note-11)	12.14%	29.68%	3.68%	3.22%
% Change in ratio	-59.09%	706.64%	14.43%	-12.13%
Inventory turnover ratio (Note-12)	2.89	8.73	4.24	3.39
% Change in ratio	-66.91%	105.70%	25.13%	-58.37%



Trade Receivables Turnover Ratio (Note-13)	0.28	0.15	0.24	0.19
% Change in ratio	83.68%	-37.80%	26.58%	529.74%
Trade Payables Turnover Ratio (Note-13)	0.32	0.20	0.31	0.30
% Change in ratio	58.52%	-33.24%	2.55%	403.05%
Net Capital Turnover Ratio (Note-12)	2.29	10.57	6.38	7.60
% Change in ratio	-78.29%	65.63%	-16.09%	-60.41%
Net Profit Ratio (%) (Before Tax) (Note-14)	7.58%	1.70%	0.45%	0.40%
	345.71%	280.77%	13.00%	93.41%
Return on Capital Employed (Note-7)	0.11	0.22	0.07	0.08
% Change in ratio	-50.74%	209.20%	-7.29%	NA
Return on Investment (%) (Not-15)	8.93%	22.71%	2.46%	0.03%
% Change in ratio	-60.67%	823.18%	8794.04%	-99.48%
<b>1) The ratios have been computed as below:</b>				
a. Basic and Diluted earnings per share (₹) =	Net profit available for appropriation ( as restated)			
	Weighted average number of equity shares outstanding at the end of the period or year			
b. Return on net worth (%) =	Net profit available for appropriation ( as restated)			
	Net worth at the end of the period/year			
c. Net assets value per share =	Net Worth at the end of the period/year			
	Number of equity shares outstanding at the end of the period/ year			
<b>2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting 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.</b>				
<b>3) Net Worth means the aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account.</b>				
<b>4) The figures disclosed above are based on the standalone restated summary statements of the Company.</b>				
<b>5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures 1, 2, 3 and 4.</b>				
<b>6) EBITDA represents earnings (or profit / loss) before interest, income taxes, and depreciation and amortisation expenses.</b>				
<b>7)(a) Half year ended on 30th September,2022 : Return on net worth, return on equity net worth and return on capital employed has been decreased due to reduce in turnover.</b>				
<b>7)(b) FY 2021-22 : Return on net worth, return on equity net worth and return on capital employed has been increased due to increase in profit margin during the year as well as profit on sale fixed assets.</b>				
<b>7)(c) FY 2020-21 : Return on net worth and return on equity net worth has been increased due to effect of reversal of deferred tax Asset in FY-2019-20.</b>				
<b>7)(d) FY 2019-20 : Return on net worth and return on equity net worth has been reduced due to effect of reversal of deferred tax Asset in FY-2019-20.</b>				



<b>8)</b> FY 2021-22 : Net asset value per share has been decreased due to issue of bonus shares.
<b>9)</b> Debt Equity Ratio for FY-2021-22 and half year ended on 30/09/2022 is decreased due to increase in share capital by way of right issue and bonus issue.
<b>10)(a)</b> Debt Service Coverage Ratio for half year ended on 30/09/2022 is decreased due to increase in net operating income in rupees term.
<b>10)(b)</b> Debt Service Coverage Ratio for FY-2019-20 is increased due to repayment of unsecured loan accepted from directors and their relatives.
<b>11)(a)</b> Half year ended on 30th September,2022: Return on equity ratio (before tax) has been decreased due to reduce in turnover.
<b>11)(b)</b> FY 2021-22 : Return on equity ratio(before tax) has been increased due to increase in profit margin during the year as well as profit on sale fixed assets.
<b>12)(a)</b> Half year ended on 30th September,2022 : Inventory turnover ratio and Net Capital Turnover Ratio is decreased due to decrease in turnover.
<b>12)(b)</b> FY 2021-22 : Increase in Inventory Turnover ratio and Net Capital Turnover Ratio is due to increase in turnover.
<b>12)(c)</b> FY 2019-20 : Inventory turnover ratio and Net Capital Turnover Ratio is decreased due to decrease in turnover.
<b>13)(a)</b> Half year ended on 30th September,2022 : Trade receivable turnover ratio and trade payable turnover ratio is increased due to decrease in turnover.
<b>13)(b)</b> FY 2021-22 : Trade receivable turnover ratio and trade payable turnover ratio is decreased due to increase in turnover.
<b>13)(c)</b> FY 2020-21 : Trade receivable turnover ratio is increased due to change in credit period of trade receivable.
<b>13)(d)</b> FY 2019-20 : Trade receivable turnover ratio and trade payable turnover ratio is increased due to reduction in turnover.
<b>14)</b> Net profit ratio for FY-2019-20, FY-2021-22 and Half year ended on 30th September,2022 is increased due to increase in profit margin and profit on sales of fixed assets.
<b>15)(a)</b> Half year ended on 30th September, 2022: Return on investment has been decreased due to reduce in turnover.
<b>15)(b)</b> FY 2021-22 : Return on investment has been increased due to increase in profit margin during the year as well as profit on sale fixed assets.



## **MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITIONS & RESULTS OF OPERATIONS**

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Prospectus. You should also read the section entitled “Risk Factors” beginning on page 20 and “Forward Looking Statements” beginning on page 14, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations.*

*The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the stub period ended on September 30, 2022 and for the years ended March 31, 2022, March 31, 2021 and 2020 including the schedules and notes thereto and the reports thereto, which appear in the section titled “Financial Information of our company” on Page No. 136 of the Draft Prospectus. The financial statements presented and discussed herein have been prepared to comply in all material respects with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations. Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year/financial year are to the twelve-month period ended on March 31 of that year. The forward-looking statements contained in this discussion and analysis is subject to a variety of factors that could cause actual results to differ materially from those contemplated by such statements*

### **Overview**

Our Company is in business of manufacturing, marketing and sourcing of diamonds – natural and lab grown having wide application in Jewellery. We are equipped with all facilities to execute all types of manufacturing activities from rough natural stone to finished polished diamonds and from Seed to finished lab grown diamonds with various sizes, shapes, clarity and colours.

Our Company was originally incorporated on April 29, 1993 as “Gandhinagar Plastronics Private Limited” under the provisions of the Companies Act, 1956 with the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. The Name of our company changed from “Gandhinagar Plastronics Private Limited” to “Jay Gems (India) Private Limited” and fresh certificate of incorporation dated February 05, 2010 was issued by Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Further the name of our company was changed from “Jay Gems (India) Private Limited” to “Dev Labtech Venture Private Limited” and fresh certificate of incorporation dated June 22, 2022 was issued by Registrar of Companies, Ahmedabad. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Dev Labtech Venture Private Limited” to “Dev Labtech Venture Limited” vide fresh certificate of incorporation dated September 23, 2022 issued by the Registrar of Companies, Ahmedabad.

Our registered office is situated at Bhavnagar and our sales office is situated at Bhavnagar, Surat and Mumbai. The company establishes a long-term relationship with its customers by providing good quality product, which will go a long way and benefit the company. The company is backed by a team of creative for creating innovative designs. The company's team has been a major strength as it understands the varied needs of the customers and works accordingly.

Our Company has recently started manufacturing of lab grown diamonds before that our company was engaged in processing of natural diamonds only. Our Company has developed the skill and expertise with application of computer software and laser technology for mapping, designing, cutting, polishing with innovation & optimum output with less wastage in rough to natural polish diamonds. Further, we have also developed the In-house technical & Design team to make Laboratory grown diamonds. This technology and process has immense advantage to our company to produce the Lab grown diamonds with more purity & clarity and required sizes and shapes with much cheaper than natural diamonds. With the background and experience in natural diamonds we have developed in-house team with manufacturing facilities new and innovative lab grown diamonds. The technology known as – Microwave Plasma Chemical Vapour Deposition (MPCVD) to make lab grown Diamonds from Diamond Seed. This technology well tested and used in large scale in China. MPCVD is a pure and fast diamond deposition process, hence best suited for commercial uses.

Our company has developed the regular clients for supply of diamonds through our own sales team in Bhavnagar, Surat, Mumbai, and for exports. Our company has established own distribution and marketing network through e-mails, telephone, attending exhibitions, and connecting through social media platform. With its own network, company has developed the reputation and goodwill for timely supply of material to their reputed customers. Our diversified product portfolio enables us to cater to a wide range of preferences and consumer segments. Our products are primarily targeted to customers engaged in natural and lab grown diamonds jewellery manufacturers. Our diversified product portfolio is therefore, relatively less susceptible to shifts in consumer preferences, market trends and risks of operating in a particular product segment.

We undertake extremely stringent quality checks at every level of the manufacturing processes. We are constantly striving to expand our line of products and we are always on the lookout for complementary products that will add to our portfolio. We would



seek product lines which have better scope for value addition and therefore offer us higher than average margins. The company provides the right kind of size, clarity and shape of diamonds that is practical and affordable as well as attractive and enduring. It can be tailored as per unique needs. The company is using latest machineries and technology. The company keeps on up-grading its Manufacturing set-up, design capabilities and workmanship to deliver superior quality products with on-time deliveries and without any compromise on quality.

Our Promoter, Mr. Jerambhai Lavjibhai Donda has experience of more than 41 years, have been prominent is growing the diamonds business Under the guidance of promoter, our company has successfully launched wide products range, established goodwill for quality products and have the regular customers for lab grown diamonds. Our company has developed and launched wide range in different sizes, carats, colours suitable for different application.

## STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to Annexure V of Restated Financial Statements under chapter titled “Restated Financial Statements” beginning on page 136 of this Draft Prospectus.

## 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 20 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. Disruption in our business process.
2. Our ability to successfully implement our strategy, our growth and expansion, technological changes.
3. Fail to attract, retain and manage the transition of our management team and other skilled & unskilled employees;
4. Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
5. Ability to respond to technological changes;
6. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
7. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
8. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
9. Recession in the market;
10. Changes in laws and regulations relating to the industries in which we operate;
11. Effect of lack of infrastructure facilities on our business;
12. Our ability to meet our capital expenditure requirements;
13. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
14. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
15. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
16. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
17. Conflicts of interest with affiliated companies, the promoter group and other related parties;
18. The performance of the financial markets in India and globally;
19. Any adverse outcome in the legal proceedings in which we are involved;
20. Our ability to expand our geographical area of operation;
21. Concentration of ownership among our Promoters.

## RESULTS OF OUR OPERATIONS

(Amount in Lakhs)

Particulars	For the period ended		For the year ended		For the year ended			
	September 30, 2022	% of Total Income	March 31, 2022	% of Total Income	March 31, 2021	% of Total Income	March 31, 2020	% of Total Income
<b>INCOME</b>								
Revenue from Operations	940.12	97.28	2,685.13	99.52	1223.85	99.65	1178.85	100.00
Other Income	26.31	2.72	12.88	0.48	4.26	0.35	0.00	0.00



Particulars	For the period ended		For the year ended		For the year ended			
	September 30, 2022	% of Total Income	March 31, 2022	% of Total Income	March 31, 2021	% of Total Income	March 31, 2020	% of Total Income
<b>Total Income (A)</b>	<b>966.43</b>	100.00	<b>2,698.01</b>	100.00	<b>1,228.11</b>	100.00	<b>1,178.85</b>	100.00
<b>EXPENDITURE</b>								
Cost of Material Consumed	341.30	35.32	2,486.30	92.15	326.58	26.59	566.59	48.06
Purchase of Stock in trade	192.01	19.87	-	0.00	502.35	40.90	10.06	0.85
Change in Inventories of Finished Goods, Stock in Trade & WIP	132.51	13.71	(156.66)	-5.81	22.87	1.86	88.10	7.47
Employee benefit Expenses	61.50	6.36	130.17	4.82	109.88	8.95	114.76	9.73
Finance Costs	5.02	0.52	13.94	0.52	15.90	1.29	18.06	1.53
Depreciation And Amortization Expense	26.67	2.76	8.63	0.32	10.69	0.87	15.04	1.28
Other Expenses	136.21	14.09	170.00	6.30	234.38	19.08	361.58	30.67
<b>Total Expenses (B)</b>	<b>895.22</b>	92.63	<b>2,652.38</b>	98.31	<b>1,222.65</b>	99.56	<b>1,174.19</b>	99.60
<b>Extraordinary Items (C)</b>	<b>-15.95</b>	-1.65	<b>-11.38</b>	-0.42%	<b>0.00</b>	0.00	0.00	0.00
<b>Profit before tax (A-B)</b>	<b>87.17</b>	9.02	<b>57.02</b>	2.11	<b>5.46</b>	0.44	<b>4.66</b>	0.40
<b>Tax expense :</b>								
(i) Current tax	13.60	1.41	8.89	0.33	0.85	0.07	0.73	0.06
(ii) Deferred tax	9.45	0.98	4.50	0.17	0.96	0.08	3.89	0.33
<b>Total Tax Expense</b>	<b>23.05</b>	<b>2.39</b>	<b>13.39</b>	<b>0.50</b>	<b>1.81</b>	<b>0.15</b>	<b>4.62</b>	<b>0.39</b>
<b>Profit for the year</b>	<b>64.12</b>	6.63	<b>43.62</b>	1.62	<b>3.65</b>	0.30	<b>0.04</b>	0.00

#### Review of Restated Financials,

#### Key Components of Company's Profit And Loss Statement

**Revenue from Sale of Services:** Revenue from operations mainly consists from Sales of Goods.

**Other Income:** Other Income Consist of Exchange Difference, Interest Income etc.

**Expenses:** Company's expenses consist of Cost of Material Consumed, Purchase of Stock in Trade, Change in Inventories of Finished Goods, Employee benefit expenses, Finance Cost, Depreciation and Amortization expenses & Other Expenses.

**Employee Benefits Expense:** Employee benefit expenses includes Salaries and Wages, Directors Remuneration & Contribution to Statutory Funds etc.

**Depreciation and Amortization Expense:** We recognize Depreciation and Amortization expense on a WDV Basis as per the rates set forth in the Companies Act, 2013/ Companies Act, 1956, as applicable.

**Other Expenses:** Other expenses includes Manufacturing Expenses, Legal & Professional Expenses, Rent Rates & Taxes, Travelling & Conveyance Expenses etc.

#### Financial Performance Highlights for the stub period ended 30<sup>th</sup> September, 2022

##### **Total Income:**

The company's total income which includes from Sale of Goods during the stub period ended on September 30, 2022 was Rs. 966.43 Lakhs.

##### **Total Expenses:**

The total expenditure during the stub period ended on September 30, 2022 was Rs. 895.21 Lakhs. The total expenditure represents 92.63% of the total revenue. The total expenses are represented by Cost of Material Consumed, Purchase of Stock in Trade, Change in Inventories of Finished Goods, WIP & Stock in Trade, Employee benefit expenses, Finance Cost, Depreciation and



Amortization expenses & Other Expenses. The main constituent of total expenditure is Cost of Material Consumed, Purchase of Stock in Trade, Changes in Inventories of Finished Goods, WIP & Stock in Trade & Other Expenses.

**Profit/ (Loss) after tax:**

The restated net profit during the stub period ended on September 30, 2022 was Rs. 64.12 Lakhs representing 6.63% of the total revenue of the Company.

**Fiscal 2022 compared with Fiscal 2021**

***Revenue from Operation***

Revenue from operations had increased by 119.40% from ₹ 1223.85 lakhs in Fiscal 2021 to ₹ 2685.13 lakhs in Fiscal 2022. The change was primarily due to increase in sales.

***Other Income***

Other income had increased by 202.35% from ₹ 4.26 lakhs in Fiscal 2021 to ₹ 12.88 lakhs in Fiscal 2022.

***Cost of Material Consumed***

Cost of Material Consumed had increased by 661.31% from ₹ 326.58 lakhs in Fiscal 2021 to ₹ 2486.30 Lakhs in the Fiscal 2022. This change was primarily due to increase in Revenue from Operations.

***Purchase of Stock in Trade***

Purchase of Stock in Trade had decreased by 100.00% from ₹ 502.35 lakhs in Fiscal 2021 to ₹ NIL Lakhs in the Fiscal 2022. This change was primarily due to NIL Sales of Stock in Trade.

***Changes in Inventories of Finished Goods, WIP & Stock in Trade***

Changes in Inventories of Finished Goods, WIP & Stock in Trade had decreased by 785.00% from ₹ 22.87 lakhs in Fiscal 2021 to ₹ (156.66) Lakhs in the Fiscal 2022. This change was primarily due to increase in Revenue from Operations.

***Employee Benefit Expenses***

Employee benefit expenses had increased by 18.47% from ₹ 109.88 lakhs in Fiscal 2021 to ₹ 130.17 lakhs in Fiscal 2022. This decrease was primarily due to higher salary expenses.

***Finance Costs***

Finance Costs had decreased from ₹ 15.90 lakhs in Fiscal 2021 to ₹ 13.94 in Fiscal 2022. This was primarily due to decrease of borrowing resulting into higher interest paid during the financial year.

***Depreciation and Amortization Expenses***

Depreciation had decreased by 19.27% from ₹ 10.69 lakhs in Fiscal 2021 to ₹ 8.63 lakhs in Fiscal 2022.

***Other Expenses***

Other expenses had decreased by 27.47% from ₹ 234.38 lakhs in Fiscal 2021 to ₹ 170.00 lakhs in Fiscal 2022. The decrease was primarily due to decrease in manufacturing expenses.

***Tax Expenses***

The Company's tax expenses had increased by 639.78% from ₹ 1.81 lakhs in the Fiscal 2021 to ₹ 13.39 lakhs in Fiscal 2022. This was primarily due to higher profit before tax during the financial year.



### ***Profit after Tax***

After accounting for taxes at applicable rates, our Company reported a net profit of ₹ 43.62 lakhs in Fiscal 2022 as compared to a net profit of ₹ 3.65 lakhs in Fiscal 2021.

### **Fiscal 2021 compared with Fiscal 2022**

#### ***Revenue from Operation***

Revenue from operations had increased by 3.82% from ₹ 1178.85 lakhs in Fiscal 2020 to ₹ 1223.85 lakhs in Fiscal 2021. The change was primarily due to increase in sales.

#### ***Other Income***

Other income had increased by 100.00% from ₹ 0.00 lakhs in Fiscal 2020 to ₹ 4.26 lakhs in Fiscal 2021.

#### ***Cost of Material Consumed***

Cost of Material Consumed had decreased by 42.36% from ₹ 566.59 lakhs in Fiscal 2020 to ₹ 326.58 Lakhs in the Fiscal 2021. This change was primarily due to decrease in raw material consumption.

#### ***Purchase of Stock in Trade***

Purchase of Stock in Trade had increased by 4893.54% from ₹ 10.06 lakhs in Fiscal 2020 to ₹ 502.35 Lakhs in the Fiscal 2021. This change was primarily due to Higher Sales of Stock in Trade.

#### ***Changes in Inventories of Finished Goods, WIP & Stock in Trade***

Changes in Inventories of Finished Goods, WIP & Stock in Trade had decreased by 74.04% from ₹ 88.10 lakhs in Fiscal 2020 to ₹ 22.87 Lakhs in the Fiscal 2021. This change was primarily due to increase in raw material consumption.

#### ***Employee Benefit Expenses***

Employee benefit expenses had decreased by 4.25% from ₹ 114.76 lakhs in Fiscal 2020 to ₹ 109.88 lakhs in Fiscal 2021. This decrease was primarily due to lower salary expenses.

#### ***Finance Costs***

Finance Costs had decreased from ₹ 18.06 lakhs in Fiscal 2020 to ₹ 15.90 in Fiscal 2021. This was primarily due to decrease of borrowing resulting into higher interest paid during the financial year.

#### ***Depreciation and Amortization Expenses***

Depreciation had decreased by 28.92% from ₹ 15.04 lakhs in Fiscal 2020 to ₹ 10.69 lakhs in Fiscal 2021.

#### ***Other Expenses***

Other expenses had decreased by 35.18% from ₹ 361.58 lakhs in Fiscal 2020 to ₹ 234.38 lakhs in Fiscal 2021. The decrease was primarily due to decrease in manufacturing expenses.

#### ***Tax Expenses***

The Company's tax expenses had decreased by 60.82% from ₹ 4.62 lakhs in the Fiscal 2020 to ₹ 1.81 lakhs in Fiscal 2021. This was primarily due to lower deferred tax liabilities during the year.

### ***Profit after Tax***

After accounting for taxes at applicable rates, our Company reported a net profit of ₹ 3.65 lakhs in Fiscal 2021 as compared to a net profit of ₹ 0.04 lakhs in Fiscal 2022.



## Cash Flows

(₹ in lakhs)

Particulars	September 30, 2022	For the year ended March 31,		
		2022	2021	2020
Net Cash from Operating Activities	(69.31)	35.64	(7.87)	29.61
Net Cash from Investing Activities	(384.18)	36.32	(0.91)	(1.81)
Net Cash used in Financing Activities	448.63	(68.14)	7.81	(26.00)

### *Cash Flows from Operating Activities*

Net cash from operating activities for fiscal 2022 was at ₹ 35.64 lakhs as compared to the Profit Before Tax at ₹ 57.02 lakhs while for fiscal 2021 Net cash from operating activities was at ₹ (7.87) lakhs as compared to the Profit Before Tax at ₹ 5.46 Lakhs. This was primarily due to adjustments against adjustments against, changes in Working Capital.

Net cash from operating activities for fiscal 2021 was at ₹ (7.87) lakhs as compared to the Profit Before Tax at ₹ 5.46 lakhs while for fiscal 2020, net cash from operating activities was at ₹ 29.61 lakhs as compared to the Profit Before Tax of ₹ 4.66 lakhs. This was primarily due to adjustments against, changes in Working Capital.

Net cash from operating activities for fiscal 2020 was at ₹ 29.61 lakhs as compared to the Profit Before Tax at ₹ 4.66 lakhs.

### *Cash Flows from Investment Activities*

In fiscal 2022, the net cash invested in Investing Activities was ₹ 36.32 lakhs. This was mainly on account of Sales of Tangible Assets.

In fiscal 2021, the net cash invested in Investing Activities was ₹ (0.91) lakhs. This was mainly on account of Acquisition of tangible Assets.

In fiscal 2020, the net cash invested in Investing Activities was ₹ (1.81) lakhs. This was on account of Acquisition of Tangible Assets.

### *Cash Flows from Financing Activities*

In fiscal 2022, the net cash from financing activities was ₹ (68.14) lakhs. This was on account of payment of Pincipal & Interest of Borrowings.

In fiscal 2021, the net cash from financing activities was ₹ 7.81 lakhs. This was on account of Proceeds from Borrowings.

In fiscal 2020, the net cash from financing activities was ₹ (26.00) lakhs. This was on account of payment of Pincipal & Interest of Borrowings.

## **Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:**

### **An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

#### **1. Unusual or infrequent events or transactions**

There has not been any unusual trend on account of our business activity. There are no Unusual or infrequent events or transactions in our Company. The transactions are as per usual business operations.

#### **2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Except for any change in economic policy affecting the Diamond industry in India, there are no other significant economic changes that may materially affect or likely to affect income from continuing operations.



**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section “Risk Factors” beginning on page 20 in the Draft 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.

**4. Future changes in relationship between costs and revenues**

Our Company’s future costs and revenues will be determined by growth of industry in which we operate.

**5. Increases in net sales or revenue and Introduction of new products or services or increased sales prices**

Increases in revenues are by and large linked to increases in volume of our business.

**6. Status of any publicly announced New Products or Business Segment**

Our Company has not announced any new Product.

**7. Seasonality of business**

Our Company’s business is not seasonal in nature.

**8. Dependence on few customers/ clients**

The percentage of contribution of our Company’s Top Customers/Clients for the year ended September 30, 2022 is as follows:

Particulars	Customers
Top Ten (%)	72.64%

**9. Competitive conditions**

Competitive conditions are as described under the Chapters “Industry Overview” and “Business Overview” beginning on pages 86 and 96 respectively of the Draft Prospectus.

**10. Details of material developments after the date of last balance sheet i.e. September 30, 2022**

After the date of last Balance sheet i.e. September 30, 2022, the following material events have occurred after the last audited period:

- a. Issue of Bonus Shares in ratio of 1:4 (One Equity shares for four equity shares held) in Extra-Ordinary Meeting held on December 17, 2022.



## CAPITALISATION STATEMENT

(Amount in Lakhs)

Particulars	Pre-Issue figures	As Adjusted for the proposed issue
<b>Debt</b>		
Short Term Debt	4.13	4.13
Long Term Debt	110.39	110.39
<b>Total Debt</b>	<b>114.52</b>	<b>114.52</b>
<b>Shareholder's Funds</b>		
Share Capital	485.69	827.11
Reserve and Surplus-As Restated	232.17	972.74
<b>Total Shareholder's Fund</b>	<b>717.86</b>	<b>1,799.86</b>
<b>Long Term Debt/Shareholder's Fund</b>	<b>0.15</b>	<b>0.06</b>
<b>Total Debt/Shareholder's Fund</b>	<b>0.16</b>	<b>0.06</b>
<b>Notes:</b>		
(1) Short term Debts represent the debts which are expected to be paid/payable within 12 months and excludes instalment of term loans repayable within 12 months.		
(2) Long term Debts represent debts other than Short Term Debts as defined above but includes instalment of term loans repayable within 12 months grouped under "Other Current Liabilities".		
(3) The figures disclosed above are based on restated standalone statement of Assets and Liabilities of the Company as at 30th September, 2022.		
(4) The above statement should be read with the restated standalone statement of assets and liabilities, restated standalone statement of profit and loss, restated standalone statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.		



## **SECTION X - LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

*Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors, Promoters or Group Companies. Our Board, in its meeting held on May 17, 2022, determined that all pending litigation involving our Company, holding, Subsidiary, Directors, Promoters and Group Companies, other than criminal proceedings and statutory or regulatory actions, disciplinary actions including penalty imposed by SEBI or stock exchanges, claims related to direct and indirect taxes, 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 Rs. 1,00,000/- ("Material Litigation").*

*As per the materiality policy adopted by the Board of our Company in its meeting held on September 29, 2022, creditors of our Company The outstanding dues to creditors in excess of Rs. 1,00,000/- will be considered material. Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI Regulations have been disclosed on our website at [www.devlabtechventure.com](http://www.devlabtechventure.com)*

*Our Company, Directors, Promoter and Group Companies are not Wilful Defaulters or fraudulent borrower and there have been no violations of securities laws in the past or pending against them.*

### **OUTSTANDING MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTERS AND SUBSIDIARIES**

#### **PART 1: LITIGATION RELATING TO OUR COMPANY**

##### **A. FILED AGAINST OUR COMPANY**

###### **1) Litigation involving Criminal Laws**

NIL

###### **2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

###### **3) Disciplinary Actions by Authorities**

NIL

###### **4) Litigation involving Tax Liability**

Indirect Tax – NIL

Direct Tax – NIL

###### **5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

##### **B. CASES FILED BY OUR COMPANY**

###### **1) Litigation involving Criminal Laws**

NIL

###### **2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

###### **3) Disciplinary Actions by Authorities**



NIL

**4) Litigation involving Tax Liability**

NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTERS OF THE COMPANY**

**A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTERS**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTERS**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**PART 3: LITIGATION RELATING TO OUR SUBSIDIARIES AND GROUP COMPANIES**

**A. LITIGATION AGAINST OUR SUBSIDIARIES AND GROUP COMPANIES**

**1) Litigation involving Criminal Laws**



NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax: NIL**

**Direct Tax: NIL**

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. LITIGATION FILED BY OUR SUBSIDIARIES AND GROUP COMPANIES**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTER, DIRECTORS, GROUP COMPANIES AND PROMOTOR GROUP DURING THE LAST 5 FINANCIAL YEARS**

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters, Directors or Group Companies during the last 5 financial years including outstanding actions except as disclosed above.

**PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of this Draft Prospectus in the case of our Company, Promoter, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Draft Prospectus.

**OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

As on the date of the Draft Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.



### **PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES**

There are no proceedings initiated against our Company for any economic offences.

### **NON-PAYMENT OF STATUTORY DUES**

As on the date of the Draft Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

### **MATERIAL FRAUDS AGAINST OUR COMPANY**

There have been no material frauds committed against our Company in the five years preceding the year of this DRHP.

### **DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoters, nor Group Companies and nor Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

### **DISCLOSURES PERTAINING TO FRAUDULENT BORROWER**

Our Company or any of our Promoters or Group Companies or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

### **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 140 there have been no material developments that have occurred after the Last Balance Sheet Date.

### **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 140 there have been no material developments that have occurred after the Last Balance Sheet Date.

### **OUTSTANDING DUES TO CREDITORS**

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on March 31, 2022: -

<b>Name</b>	<b>Balance as on 30.09.2022 (in Lakhs)</b>
Total Outstanding dues to Micro and Small & Medium Enterprises	--
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	303.86



## **GOVERNMENT AND OTHER APPROVALS**

*We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Draft Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.*

*In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Prospectus.*

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

### **Approvals In Relation to Our Company's incorporation**

1. Certificate of Incorporation dated April 29, 1993 from the Registrar of Companies, Gujarat, Dadra & Nagar Haveli, under the Companies Act, 1956 as "GANDHINAGAR PLASTRONICS PRIVATE LIMITED" (Company registration no. U36100GJ1993PLC019374)
2. Fresh Certificate of Incorporation dated February 05, 2010 pursuant to Change of the Name of the Company from GANDHINAGAR PLASTRONICS PRIVATE LIMITED to JAY JEMS (INDIA) PRIVATE LIMITED, (Corporate Identification No.: U36100GJ1993PTC019374) issued by the Registrar of Companies, Ahmedabad, Gujarat.
3. Fresh Certificate of Incorporation dated June 22, 2022 pursuant to Change of the Name of the Company from JAY JEMS (INDIA) PRIVATE LIMITED to DEV LABTECH VENTURE PRIVATE LIMITED, (Corporate Identification No.: U36100GJ1993PTC019374) issued by the Registrar of Companies, Ahmedabad, Gujarat.
4. Certificate of Incorporation dated September 23, 2022 from the Registrar of Companies, Gujarat, Dadra & Nagar Haveli, consequent to conversion of the Company 'DEV LABTECH VENTURE PRIVATE LIMITED' to "DEV LABTECH VENTURE LIMITED" (Corporate Identification No. - U36100GJ1993PLC019374)

### **Approvals in relation to the Issue**

#### ***Corporate Approvals***

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on September 24, 2022 authorized the Issue, subject to the approval by the shareholders of our Company under section 62(1) (c) of the Companies Act, 2013.
2. Our shareholders have, pursuant to a resolution dated September 28, 2022 under Section 62(1) (c) of the Companies Act, 2013, authorized the Issue.
3. Our Board of Directors has, pursuant to a resolution dated January 12, 2023 and [●] authorized our Company to take necessary action for filing the Draft Prospectus and Prospectus respectively with BSE SME.

#### ***Approvals from Stocks Exchange***

1. Our Company has received in- principle listing approval from the SME Platform of BSE Limited dated [●] for listing of Equity Shares issued pursuant to the issue.

#### ***Other Approvals***

1. The Company has entered into a tripartite agreement dated October 11, 2022 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Link Intime Services Private Limited for the dematerialization of its shares.



2. The Company has entered into an agreement dated October 17, 2022 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Link Intime Services Private Limited for the dematerialization of its shares.

### **APPROVALS / LICENSES / PERMISSIONS IN RELATION TO OUR BUSINESS:**

#### **Tax Related Approvals**

S.No	Description	Address of Place of Business / Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Permanent Account Number (PAN)	NA	AACCG0736E	Income Tax Department	29.04.1993	Valid till Cancelled
2.	Tax Deduction Account Number (TAN)	M/S. Jay Gems (India) Private Limited, 11, Prashant Opp Jewels Circle, Boudhivruksha Socie, Bhavnagar, Gujarat-364001	AHMJ05581C	Income Tax Department	17.07.2013	Valid till Cancelled
3.	GST Registration Certificate (Gujarat)	M/S. Jay Gems (India) Private Limited, Gf/22-23, Pattani Plaza, Near Nillambaug, Dairy Road, Anantwadi, Bhavnagar, Gujarat-364001	24AACCG0736 E1Z5	Goods and Services Tax department	08.04.2022	Valid till Cancelled
4.	GST Registration Certificate (Maharashtra)	M/S. Jay Gems (India) Private Limited, 4 <sup>th</sup> Floor, 403 D, Green Wood, Andheri Kurla Road, Chakala, Andher East, Mumbai-Zone3, Mumbai City, Maharashtra-400059	27AACCG0736 E1ZZ	Goods and Services Tax department	09.07.2018	Valid till Cancelled

#### **Registrations related to Labour Laws:**

S.No.	Description	Address	License Number	Issuing Authority	Date of issue	Date of Expiry
1.	DIC / MSME certificate	M/S. Jay Gems India Pvt Ltd, 301-Pantni Plaza, Devbaug, Bhavnagar-364003	No. DIC/BAV/EM/Part-2/4893	District Industries Center, Bhavnagar	13.04.2010	Valid till Cancelled

#### **Business Related Approvals:**

S.No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Importer-Exporter Code (IEC)	M/S. Jay Gems (India) Private Limited, Gf/22-23, Pattani Plaza, Dairy Road, Near Nillambaug Circle, Bhavnagar, Gujarat-364002	2410001106	Ministry Of Commerce And Industry, Office Of Jt. Director General Of Foreign Trade, Rajkot-360001	11.05.2010	Valid till Cancelled
2.	Udyam Registration Certificate	M/S. Jay Gems (India) Private Limited, Gf/22-23, Pattani Plaza, Near Nillambaug, Dairy	UDYAM-GJ-05 0010493	Government Of India, Ministry Of Micro, Small	17.09.2021	Valid till Cancelled



		Road, Anantwadi, Bhavnagar, Gujarat-364002		and Medium Enterprises		
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### **Intellectual Property**

#### **Domain Name**

S.No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	<a href="https://www.devlabtechventure.com/">https://www.devlabtechventure.com/</a>	2702714656_DOMAIN_COM-VRSN	GoDaddy.com, LLC	10.06.2022	10.06.2032

#### **Registration/ License applied for:**

S.No	Description	Address of Premises	Application Number	Application Date
1.	Shop & Establishment, Bhavnagar Municipal Corporation	GF 22/23, Pattani Plaza, Near Nilamba ug Circle, Dairy Road, Bhavnagar, Gujarat	005INT202200560	31-12-2022
2.	Shop & Establishment, Maharashtra Shops & Establishment (Regulation of Employment and condition of Service) Act, 2017	Flat No. D/403, 4th floor, Green wood, Andheri Kurla Road, Chakala, Andheri (East), Zone 3, Mumbai – 400059, Maharashtra, India	890678310 / KE Ward / COMMERCIAL II	31-12-2022
3.	Shop & Establishment, Surat Municipal Corporation	Plot No 53-54, 1st Floor, Thakordwar Society, Mini Bazaar, Varachha, Surat – 395006, Gujarat, India	2023010400060	05/01/2022

#### **Licenses to be applied for:**

S. No.	Description	Authority to which application to be made	Current Status
1.	Professions Tax Enrollment certificate (P.T.E.C.):	Professions Tax Officer, Municipal Corporation, Surat	To be applied
2.	Registration under the Employees Provident fund (EPF)	Employees' Provident Fund Organization, Regional Office, Gujarat	To be applied
3.	Registration under State Insurance Act (ESIC)	Regional Office, ESIC, Gujarat	To be applied
4.	Shop & Establishment, Surat Municipal Corporation (for branch at Surat)	Surat Municipal Corporation	To be applied

In addition to above licenses and approvals and except as stated in this chapter, it is hereby mentioned that no application has been made for license / approvals required by the Company and no approval is pending in respect of any such application made with any of the authorities except that for change of name of the Company pursuant to change of its constitution from Private Limited to Public Limited.



## **INFORMATION WITH RESPECT TO GROUP COMPANIES**

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group companies with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and stub period and other Companies as considered material by our Board. Further, pursuant to a resolution of our Board dated September 29, 2022 for the purpose of disclosure in relation to Group companies in connection with the Issue, a company shall be considered material and disclosed as a Group companies if such company fulfills both the below mentioned conditions: -

- i. Such company that forms part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations; and
- ii. Our Company has entered into one or more transactions with such company in in any of the last three financial years and stub period as the case of the company as per Restated Financial Statements.

Based on the above, the following Companies are identified as our Group Companies: -

1. Sea Land Shipping and Exports Pvt Ltd.

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Company for the previous three financial years, extracted from its audited financial statements (as applicable) is available at the website indicated below.

Our Company is providing a link to such website solely to comply with the requirements specified under the SEBI ICDR Regulation.

### **Details of our Group Companies:**

#### **1. SEA LAND SHIPPING AND EXPORTS PVT. LTD. (SLSEPL)**

##### ***Corporate Information***

Sea Land Shipping and Exports Pvt. Ltd. was incorporated on August 16, 1995 under the Companies Act, 1956 as a Private Limited Company, bearing Registration No. 027107. The CIN of Sea Land Shipping and Exports Private Limited is U01119GJ1995PTC027107. The Registered Office is situated at 11, Prashant, Opp. Jewels Circle, Boudhivruksha Society, Nr. R.T.O. Road Bhavnagar-364003, Gujarat, India.

##### ***Financial Information***

The details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited financial statements of SLSEPL for financial years ended March 31, 2022, March 31, 2021 and March 31, 2020 available in terms of the SEBI ICDR Regulations are available on its website at [www.devlabtechventure.com](http://www.devlabtechventure.com).

##### ***Litigations***

Except as disclosed in the chapter titled 'Outstanding Litigations and Material developments' on page 148 of this Draft prospectus, there is no other pending litigations against our Group Companies which can have a material impact on our Company.

##### ***Common Pursuits***

As on the date of this Draft Prospectus, our Group Company is not engaged in similar line of business.

##### ***Related business transactions within our Group Companies and significance on the financial performance of the Company***

Except as disclosed in the Related Party Transactions in the chapter titled "Financial Information of our company" on page 136 of this Draft prospectus, there are no other related business transactions between Group Company and our company.



## **Business Interest**

Except as disclosed in the Related Party Transactions in the chapter titled “Financial Information of our company” on page 136 of this Draft prospectus, our Group Company do not have any business interest in our company.

For further details on risks in relation to transactions being entered into with related parties, see “Risk Factors”-We have in the past entered into related-party transactions and may continue to do so in the future” on page 20 of this Draft Prospectus.

### **Nature and Extent of Interest of Group Company**

#### ***a) In the promotion of our Company:***

Our Group Company 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 before filing the Prospectus with stock exchange:***

Our Group Company do not have any interest in the properties acquired or proposed to be acquired by our Company in the past three years before filing the Draft Prospectus with Stock Exchange.

#### ***c) In transactions for acquisition of land, construction of building and supply of machinery:***

Our Group Company is not interested in any transactions for the acquisition of land, construction of building or supply of machinery.



## **SECTION XII - OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

#### **Fresh Issue**

This Issue in terms of this Draft Prospectus has been authorized by the Board of Directors pursuant to a resolution dated September 24, 2022 and by the shareholders pursuant to a special resolution in an Extra Ordinary General Meeting held on September 28, 2022 under section 62 (1) (c) of the Companies Act, 2013.

Our Company has obtained in-principle approval from the BSE SME; for using its name in the Draft Prospectus/Prospectus pursuant to letter dated [●] BSE Limited is the Designated Stock Exchange.

#### **Prohibition by the SEBI or other Governmental Authorities**

Our Company, our Group Company, our Promoters, our Promoter Group, our Directors, Person in control of Promoter or Company, have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

None of our Directors are associated with the securities market and there are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which our director was associated have been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

#### **Association with Securities Market**

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or directors.

#### **Prohibition by RBI**

Neither our Company, our subsidiary, our Promoter, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a wilful defaulter or fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “Outstanding Litigations And Material Development” beginning on page 148 of the Draft Prospectus.

#### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of the Draft Prospectus.

#### **Eligibility for the Issue**

Our Company is eligible in terms of Regulations 230 of SEBI ICDR Regulations for this Issue.

Our Company is eligible for the Issue in accordance with the Regulation 229 (1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, whereby, an issuer whose post issue paid-up capital is less than ten crore rupees. Our Company shall issue shares to the public and has proposed to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE Limited i.e., BSE SME).

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of BSE Limited in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations.



We confirm that:

1. In accordance with regulation 260 of the SEBI (ICDR) Regulations, this Issue was 100% underwritten and shall not restrict to the minimum subscription level. The LM shall underwrite at least 15% of the total Issue size. For further details pertaining to underwriting please refer to chapter titled “General Information” beginning on page 42 of this Draft Prospectus.
2. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. In accordance with Regulation 246 of the SEBI (ICDR) Regulations, we will file Draft Prospectus with SEBI as well as stock exchange (s). However, Board shall not issue any observation pursuant to Regulation 246(2) of the SEBI (ICDR) Regulations.
4. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the LM and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the market making arrangement see chapter titled “General Information” beginning on page 42 of this Draft Prospectus.
5. The Post Issue paid up capital of the company will be less than ₹ 25 Crore.
6. The Company has a track record of at least 3 years as on the date of filing Draft Prospectus.
7. The Net-worth of our Company is Positive as per latest audited financial statement.
8. Our Company’s net worth, Cash accruals (earnings before depreciation and tax) and Net Tangible Assets based on the Restated Financial Statements included in this Draft Prospectus for the stub period ended on September 30, 2022 and as at Fiscals ended March 31, 2022, March 31, 2021 and 2020 are set forth below:

(Rs. in Lakhs)

Particulars	September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Net Worth	717.86	192.07	148.45	144.80
Cash Accruals	113.84	65.64	16.15	19.70
Net Tangible Assets	717.86	192.07	148.45	144.80

- (i) Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.
- (ii) Cash accruals has been defined as the earnings before depreciation and tax.
- (iii) Net Tangible Assets is calculated as total tangible assets less outside liabilities.

9. The Company has mandatorily facilitate trading in demat securities and has enter into agreement with both the depositories.
10. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
11. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
12. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
13. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the company.
14. Our Company has a website i.e., [www.devlabtechventure.com](http://www.devlabtechventure.com)



#### Other Disclosures:

- 1) We have Disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the applicant company in the Draft Prospectus.
- 2) There are no Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years. An auditor's certificate will be provided by the issuer to the exchange, in this regard.
- 3) We have Disclosed the details of the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation, For details, please refer the chapter “Outstanding Litigations & Material Developments” on page no. 148 of this Draft Prospectus.
- 4) We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For Details, refer the chapter “Outstanding Litigation & Material Developments” on page no. 148 of this Draft Prospectus.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Draft Prospectus has been filed with BSE Limited and our Company has made an application to BSE Limited for listing of its Equity Shares on the SME platform. BSE Limited is the Designated Stock Exchange.
- Our Company has entered into an agreement dated October 17, 2022 with NSDL and agreement dated October 11, 2022 with CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoters will be in dematerialized form.
- Our Company has made firm arrangements of finance through verifiable means towards seventy-five per cent of the stated means of finance for funding from the issue proceeds, excluding the amount to be raised through the proposed public offer or through existing identifiable internal accruals – Not required as the object of Issue is working capital requirement, general corporate purpose and issue expenses, for details, please refer the chapter “Objects of the Issue” on page no. 75 of this Draft Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- (a) Neither our Company nor our Promoter, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- (b) None of our Promoter or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- (c) Neither our Company nor our Promoters or Directors is a wilful defaulter or fraudulent borrower.
- (d) None of our Promoters or Directors is a fugitive economic offender.

We further confirm that we shall be complying with all other requirements as laid down for such offer under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### DISCLAIMER CLAUSE OF SEBI

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MERCHANT BANKER, BEELINE CAPITAL ADVISORS**



**PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, BEELINE CAPITAL ADVISORS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●]**

**THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS.**

*Note:*

*All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Delhi in terms of sections 26, 32 and 33 of the Companies Act,*

#### **Disclaimer from our Company and the Lead Manager**

Our Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The LM accept no responsibility, save to the limited extent as provided in the MOU entered between the LM (Beeline Capital Advisors Private Limited) and our Company on December 15, 2022 and the Underwriting Agreement dated December 17, 2022 entered into between the Underwriters and our Company and the Market Making Agreement dated December 17, 2022 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our subsidiary, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

#### **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 majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself



or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Bhavnagar, Gujarat.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company 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**

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 under 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 outside the United States in compliance with Regulation S of the 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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares 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.

#### **Disclaimer Clause of the SME Platform of BSE Limited**

BSE Limited ("BSE") has vide its letter dated [●] given permission to use its name in the Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform ("SME platform") the Company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company.

BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE 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 for any other reason whatsoever.
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use



of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai”.

### **Filing**

This Draft Prospectus is being filed with BSE Limited, 25th Floor, P. J. Towers, Dalal Street, Fort, Mumbai – 400001, Maharashtra, India.

The copy of the Draft Prospectus will not have filed with SEBI and SEBI will not issue any observation on the Draft Prospectus in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI Circular No SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India

### **Listing**

The Equity Shares of our Company are proposed to be listed on BSE SME. Our Company has obtained in-principle approval from BSE Limited by way of its letter dated [●] for listing of equity shares on BSE SME (BSE SME).

BSE Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE Limited, our Company shall forthwith repay, all moneys received from the applicants in pursuance of this Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

### **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
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013

### **Consents**

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Peer Review Auditor, Our Banker(s) to the Company; (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue\*, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

*\* The consent will be taken while registering the Prospectus with Roc.*



In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/S. V. Dhamsania & Associates, Chartered Accountants, Peer Review Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in this Draft Prospectus/Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Prospectus.

### **Experts Opinion**

Except for the reports in the section “Financial information of our Company” and “Statement of Possible Tax Benefits” on page 136 and 82 of this Draft Prospectus from the Peer Review Auditors and Statutory Auditor, our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

### **Particulars regarding Public or Rights Issues during the last five (5) years**

Our Company has not made any previous public or rights issue in India or abroad the five (5) years preceding the date of this Draft Prospectus except as disclosed in this Draft Prospectus.

### **Previous issues of Equity Shares otherwise than for cash**

For detailed description please refer to section titled “Capital Structure” beginning on page 50 of this Draft Prospectus.

### **Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

### **Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:**

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made / Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

### **Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies/ Subsidiaries and Associates of our Company**

Except as stated in the chapter titled “Capital Structure” beginning on page 50 of this Draft Prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies/ Entities or associates of our Company are listed on any stock exchange.

### **Performance vis-a-vis objects - Last Issue of Group/Associate Companies**

Except as disclosed in this Draft Prospectus, all of our Group/ Associate are unlisted and have not made a public issue of shares.

### **Outstanding Debentures or Bond Issues or Redeemable Preference Shares and other instruments**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Prospectus.

### **Outstanding Convertible Instruments**

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Prospectus.

### **Option to Subscribe**

Equity Shares being offered through the Draft Prospectus can be applied for in dematerialized form only.



## **Stock Market Data of the Equity Shares**

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

## **Mechanism for Redressal of Investor Grievances**

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or refund orders, demat credit or where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Draft Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Prospectus.

All grievances relating to the Issue 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, Depository Participant, and the bank branch or collection centre where the application was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

## **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible. Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on September 29, 2022. For further details on the Stakeholders Relationship Committee, please refer to section titled “Our Management” beginning on page 118 of this Draft Prospectus.

**Our Company has appointed Mr. Pratik Ashokbhai Patel, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:**

**Mr. Pratik Ashokbhai Patel**

GF/22-23, Pattani Plaza, Dairy Road,  
Near Nilambaug Circle, Bhavnagar, Gujarat-364002 India

**Tel. No.:** +91-0278-2995027

**E-mail:** [cs@devlabtechventure.com](mailto:cs@devlabtechventure.com)

**Website:** [www.devlabtechventure.com](http://www.devlabtechventure.com)

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system “**SCORES**”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

## **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

## **Disposal of investor grievances by listed companies under the same management as our Company**

We do not have any listed company under the same management.



### **Change in Auditors during the last three (3) years**

Except as disclosed in Chapter titled “General Information” beginning on Page 42 of this Draft Prospectus; there are no changes in the Auditors of the company during the last three years.

### **Capitalization of Reserves or Profits**

Except as disclosed under section titled “Capital Structure” beginning on page 50 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

### **Revaluation of Assets**

Our Company has not revalued its assets in five (5) years preceding the date of this Draft Prospectus.

### **Tax Implications**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “Statement of Possible Tax Benefits” beginning on page 82 of this Draft Prospectus.

### **Purchase of Property**

Other than as disclosed in Section “Business Overview” on page 96 of the Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of the Draft Prospectus, other than property, in respect of which:

The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the Draft Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

### **Servicing Behavior**

Except as stated in this Draft Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

### **Payment or benefit to officers of Our Company**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled “Our Management” beginning on page 118 and Restated Statement of Related Party Transactions” under chapter titled “Financial Information of our Company” beginning on page 136 of the Draft Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

### **Exemption from complying with any provision of security laws, if any granted by SEBI**

As on date of Draft Prospectus, our company has not availed any exemption from complying with any provision of security laws granted by SEBI

### **Statement on Price Information of Past Issues handled by Beeline Capital Advisors Private Limited:**

Sr No.	Issue name	Issue size (Rs in Cr.)	Issue Price (Rs.)	Listing date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing	+/- % change in closing price, [+/- % change in closing	+/- % change in closing price, [+/- % change in closing
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						benchmark]- 30 <sup>th</sup> calendar days from listing	benchmark]- 90 <sup>th</sup> calendar days from listing	closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	Jay Jalaram Technologies Limited	10.80	36.00	September 08, 2022	50.00	64.44% (-2.72%)	468.33% (4.74%)	-
2.	Viviana Power Tech Limited	8.80	55.00	September 16, 2022	90.00	67.36% (-1.97%)	72.73% (6.44%)	-
3.	Kandarp Digi Smart BPO Limited	8.10	30.00	September 28, 2022	30.00	-49.33% (5.21%)	-49.83% (6.86%)	-
4.	Trident Lifeline Limited	35.34	101.00	October 10, 2022	105.00	28.71% (5.51%)	-	-
5.	Vital Chemtech Limited	64.64	101.00	November 14, 2022	164.00	39.06% (1.52%)	-	-
6.	RBM Infracon Limited	8.37	36.00	January 04, 2023	52.50	-	-	-

Source: Price Information [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

#### Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount- 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at Premium- 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount- 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at Premium- 180 <sup>th</sup> calendar days from listing		
			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%
2022-23	6	136.05	-	1	-	2	2	-	-	-	-	-	-	-
2021-22	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2020-21	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2019-20	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Note:

1. Opening price information as disclosed on the website of BSE/NSE.
2. Change in closing price over the issue/offer price as disclosed on BSE/NSE.
3. Change in closing price over the closing price as on the listing date for benchmark index viz. BSE SENSEX/NIFTY 50.
4. In case of reporting dates falling on a trading holiday or a day on which there was no trading in the scrip, values for the trading day immediately preceding the trading holiday/ no trading day for the scrip/benchmark, have been considered.
5. 30<sup>th</sup> calendar day has been taken as listing date plus 29 calendar days; 90<sup>th</sup> calendar day has been taken as listing date plus 89 calendar days; 180<sup>th</sup> calendar day has been taken as listing date plus 179 calendar days.

#### Track Record of past issues handled by Beeline Capital Advisors Private Limited

For details regarding track record of BRLM 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 LM at: [www.beelinemb.com](http://www.beelinemb.com)



**Note:**

**Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and 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 Equity Shares of our Company and 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 and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.**



## **SECTION XIII – ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2018, our Memorandum and Articles of Association, the terms of the Draft Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

For details in relation to Issue expenses, see “Objects of the Issue” and “Other Regulatory and Statutory Disclosures” on pages 75 and 157, respectively.

#### **Authority for the Issue**

The present Public Issue which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on September 24, 2022 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on September 28, 2022 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company 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 refer to "Description of Equity Shares and terms of the Articles of Association" on page 221 of the Draft 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 recommended by the Board of Directors and 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. For further details, please refer to “Dividend Policy” on page 135 of the Draft Prospectus.

#### **Face Value and Issue Price**

The Equity Shares having a Face Value of ₹10.00 each are being offered in terms of the Draft Prospectus at the price of ₹51.00 per equity Share (including premium of ₹41.00 per 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” on page 80 of the Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

#### **Compliance with SEBI (ICDR) Regulations**

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 & 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;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;



- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to Section titled “Description of Equity Shares and terms of the Articles of Association” beginning on page 221 of the Draft Prospectus.

### **Allotment only in Dematerialised Form**

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

1. Tripartite agreement dated October 17, 2022 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
2. Tripartite agreement dated October 11, 2022 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

### **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 the SME platform of BSE Limited from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 2000 Equity Shares and is 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.

*Further, in accordance with SEBI (ICDR) Regulations 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 the Issue shall be 50 shareholders in case the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

### **Joint Holders**

Where 2 (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.

### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 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 the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or



- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue 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.

#### **Withdrawal of the Issue**

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

#### **Period of Operation of Subscription List of Public Issue**

<b>ISSUE OPENS ON</b>	<input type="checkbox"/>
<b>ISSUE CLOSES ON</b>	<input type="checkbox"/>

#### **Minimum Subscription**

*In accordance with Regulation 260 (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through the draft Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than Rs. 1,00,000 (Rupees One Lakh) per application.*

As per section 39 of the Companies Act 2013, if the “stated minimum amount” has not been subscribed and the sum payable on Application is not received within a period of 30 days from the date of issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If the issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within 60 (sixty) days from the date of closure of the issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond 8 (eight) days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under Section 39 read with Rule 11 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013 and other applicable laws, if any.

In accordance with SEBI ICDR Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

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.

#### **Arrangements for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of 2000 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 Exchange.



### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### **As per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

### **Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the section titled "Capital Structure" beginning on page 50 of the Draft Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer sub-heading " Description of Equity Shares and terms of the Articles of Association " on page 221 of the Draft Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Managers 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 to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

### **Allotment of Securities in Dematerialised Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

### **Migration to Main Board**

Our Company may migrate to the main board of BSE on a later date, subject to the following:

If the paid up Capital of the company is more than ₹ 10 crores and up to ₹ 25 crores, we may migrate equity shares to the main board of the stock exchanges if shareholders approve such a migration by passing a special resolution through postal ballot to this effect and if Company fulfils the eligibility criteria for listing laid down by the Main Board

Provided that the special resolution shall be acted upon if and only if the votes cast by shareholders other than promoters 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.

OR

Where the post-issue face value capital of the Company listed on a SME exchange is likely to increase beyond twenty five crore rupees by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its specified securities listed on a SME exchange to the Main Board and seek listing of the specified securities proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board:

Provided that no further issue of capital by the Company shall be made unless;

a) the shareholders of the Company have approved the migration by passing a special resolution through postal ballot wherein the votes cast by shareholders other than promoters 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;



b) the Company has obtained an in-principle approval from the Main Board for listing of its entire specified securities on it.

### **Market Making**

The shares offered through 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 Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of BSE Limited. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to “General Information” on page 42 of the Draft Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

<b>Issue size</b>	<b>Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size)</b>	<b>Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)</b>
Upto ₹20 Crore	25%	24%

Further, the Market Maker shall give (2) Two ways quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) 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 the Registered Office of our Company is situated.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Bhavnagar, Gujarat.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S 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.



## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up face value capital is less than Rs. 10 Crores, 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 chapter titled "Terms of the Issue" and "Issue Procedure" on page 168 and 175 of the Draft Prospectus.

The Issue comprise of a Public Issue of 22,00,000 Equity Shares of Face Value of ₹10/- each fully paid (The “Equity Shares”) for cash at a price of ₹ 51.00 per Equity Shares (*including a premium of ₹41.00 per equity share*) aggregating to ₹ 1122.00 lakhs (“*the issue*”) by our Company of which 1,12,000 Equity Shares of ₹10/- each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of 20,88,000 Equity Shares of ₹10/- each is hereinafter referred to as the net issue. The Issue and the Net Issue will constitute 26.60% and 25.24% respectively of the post issue paid up Equity Share Capital of the Company.

The Issue is being made by way of Fixed Price Issue Process

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	20,88,000 Equity Shares	1,12,000 Equity Shares
Percentage of Issue Size available for allocation	94.90 of the Issue Size	5.10 of the Issue Size
Basis of Allotment	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 “Issue Procedure” on page 175 of this Draft Prospectus.	Firm Allotment
Mode of Application	All the applications shall make the application (Online or Physical) through ASBA Process Only	Through ASBA Process Only
Mode of Allotment	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
Minimum Application Size	<p><b><u>For Other than Retail Individual Investors:</u></b> Such number of Equity Shares in multiples of 2000 Equity Shares at an Issue price of ₹51.00 each, such that the Application Value exceeds ₹2.00 Lakh.</p> <p><b><u>For Retail Individuals Investors:</u></b> 2000 Equity Shares at an Issue price of ₹51.00 each</p>	1,12,000 Equity Shares
Maximum Application Size	<p><b><u>For Other than Retails Individual Investors:</u></b> The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.</p> <p><b><u>For Retail Individuals Investors:</u></b> Such number of Equity Shares in multiples of 2000 Equity Shares such that the Application Value does not exceed ₹2,00,000/-</p>	1,12,000 Equity Shares
Trading Lot	2000 Equity Shares	1,12,000 Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Application lot Size	2000 Equity Shares thereafter Equity Shares and in multiples of 2000	



Terms of Payment	The entire Application Amount shall be blocked by the SCSBs in the bank account of the Applicants, or by the Sponsor Banks through UPI mechanism (for RIIs using the UPI Mechanism) at the time of the submission of the Application Form
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This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to “*Issue Structure*” on page 173 of the Draft Prospectus.

\*As per Regulation 253(2) 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 investors; and
- b) Remaining to
  - (i) Individual Applicant other than retail Individual Investors; and
  - (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

### **Withdrawal of the Issue**

The Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If the Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, the Company will file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final RoC approval to the Prospectus after it is filed with the RoC.

### **Issue Programme:**

<b>ISSUE OPENING DATE</b>	[●]
<b>ISSUE CLOSING DATE</b>	[●]

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the issue closing date:

- a) A standard cut-off time of 3.00 p.m. for acceptance of applications.
- b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE Limited after taking into account the total number of applications received up to the closure of timings and reported by LM to BSE Limited within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).



## **ISSUE PROCEDURE**

All Applicants shall review the “General Information Document for Investing in Public Issues” prepared and issued in accordance with the circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 notified by SEBI, suitably modified from time to time, if any, and the UPI Circulars (“General Information Document”), highlighting the key rules, procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations.

The General Information Documents will be updated to reflect the enactments and regulations including the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document will also be available on the websites of the Stock Exchange and the Lead Manager, before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure w.r.t. SMS Alerts, Web portal to CUG etc shall be applicable to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) Allocation of shares; (iii) Payment Instructions for ASBA Applicants; (iv) Issuance of CAN and Allotment in the Offer; (v) General instructions (limited to instructions for completing the Application Form); (vi) Submission of Application Form; (vii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (vi) mode of making refunds; and (vii) interest in case of delay in Allotment or refund.

SEBI through UPI Circulars, has introduced 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 Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days (“**UPI Phase I**”). The UPI Phase I was effective till June 30, 2019.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“**UPI Phase III**”), as may be prescribed by SEBI. Accordingly, the Offer has been undertaken under UPI Phase II, till any further notice issued by SEBI.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stock Brokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by BSE Limited to act as intermediaries for submitting Application Forms are provided on [www.bseindia.com](http://www.bseindia.com). For details on their designated branches for submitting Application Forms, please see the above-mentioned website of BSE Limited.

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 to include any amendment, modification or change in applicable law, which may occur after the date of Prospectus. Applicants are advised to make their independent investigations and ensure that their Application 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 and the Prospectus.



This section applies to all the Applicants.

## **FIXED PRICE ISSUE PROCEDURE**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI (ICDR) Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(1) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via Fixed Price Issue method. In terms of Regulation 253(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be issued to Non Retail Category i.e. 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.

Subject to the valid Applications being received at Issue Price, allocation to all categories in the Net Offer, 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 would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange. However, if the retail individual investor category is entitled to more than fifty per cent of the net Issue on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered 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.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant’s depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.**

## **PHASED IMPLEMENTATION OF UPI FOR BIDS BY RETAIL INDIVIDUAL BIDDERS AS PER THE UPI CIRCULAR**

SEBI has issued UPI Circular in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circular, UPI will be 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 RIIs 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 Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 and till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediaries 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 has become applicable from July 1, 2019 and the continuation of this phase has been extended until March 31, 2020. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Further, pursuant to SEBI circular dated March 30, 2020, this phase has been extended till further notice.



**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.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The issuers are 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 Bidders into the UPI Mechanism.

For further details, refer to the General Information Document to be available on the website of the Stock Exchange and the Lead Manager.

### **Electronic registration of Bids**

a) The Designated Intermediary registered the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries could also set up facilities for off-line electronic registration of Bids, subject to the condition that they would subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Offer.

b) On the Bid/Offer Closing Date, the Designated Intermediaries uploaded the Bids till such time as were permitted by the Stock Exchanges and as disclosed in this Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform were considered for allocation/Allotment. The Designated Intermediaries were given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchanges' Platform during the Bid/Offer Period after which the Stock Exchange(s) sent the bid information to the Registrar to the Offer for further processing.

### **AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. An electronic copy of the Application Form will also be available for download on the website of the Stock Exchange (BSE Limited) i.e. [www.bseindia.com](http://www.bseindia.com) at least one day prior to the Issue Opening Date.

All the investors (except Retail Individual Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, Retail Individual Investors applying in public Issue through intermediaries shall use only UPI payment mechanism for application. The application form submitted by NIIs and QIBs must provide applicant's bank account details and authorization to block funds in the relevant space provided in the Application Form. Further, Retail Individual Investors submitting application form using UPI shall mention the UPI of his/her own Bank account in the application form in the relevant space. The Application Forms that do not contain applicant's bank account details or UPI of own Bank Account, as the case may be, are liable to be rejected. All the investors were also required to ensure that the ASBA Account had sufficient credit balance as an amount equivalent to the full Bid Amount which could have been blocked by the SCSB.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the syndicate member/ SCSBs/ RTA/ DPs/ stock brokers, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID were liable for rejection.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

*\*excluding electronic Application Forms downloaded by the Applicants.*

### **SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS**

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account or UPI linked Bank



Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

- i. An SCSB, with whom the bank account to be blocked, is maintained
- ii. A syndicate member (or sub-syndicate member)
- iii. A stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
- iv. A depository participant (“DP”) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v. A registrar to an issuer and share transfer agent (“RTA”) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retail investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), shall enter their UPI ID in the application form.

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 (other than SCSBs) after accepting application form submitted by NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the applicants has a bank account and shall not submit it to any non-SCSB Bank.

For applications submitted to Designated Intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of Stock Exchange. Further, Intermediaries shall retain physical application forms submitted by retail individual investors with UPI as a payment mechanism, for a period of six months and thereafter forward the same to the issuer/Registrar to the Issue. However, in case of Electronic forms, “printouts” of such applications need not be retained or sent to the issuer. Intermediaries shall, at all times, maintain the electronic records relating to such forms for a minimum period of three years.

SCSB, after accepting the form, shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and blocked funds available in the bank account specified in the form, to the extent of the application money specified.

It is clarified that Retail Individual Investors may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form submitted by RIIs (without using UPI for payment), NIIs and QIBs, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors (other than Retail Individual Investors) to intermediaries other than SCSBs without use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Offer.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	<p>After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).</p> <p>Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis through API integration, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.</p>



	Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor shall accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.
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Stock exchange(s) shall validate the electronic application details with depository's records for DP ID/Client ID and PAN Combination, on a real time basis through API Integration and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the application details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants have 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?

**As per the existing RBI 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 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 to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

**Subject to the above, an illustrative list of Applicants is as follows:**

- a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) QIBs;
- e) Mutual Funds registered with SEBI;
- f) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- g) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- h) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- i) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- j) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional



applicant's category;

- k) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- l) Foreign Venture Capital Investors registered with the SEBI;
- m) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- n) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- o) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- p) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- r) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- s) Insurance funds set up and managed by army, navy or air force of the Union of India;
- t) Multilateral and bilateral development financial institution;
- u) Eligible QFIs;
- v) Insurance funds set up and managed by army, navy or air force of the Union of India;
- w) Insurance funds set up and managed by the Department of Posts, India;
- x) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

- |                                       |  |
|---------------------------------------|--|
| 1. Minors (except under guardianship) | 2. Partnership firms or their nominees |
| 3. Foreign Nationals (except NRIs)    | 4. Overseas Corporate Bodies           |

***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.***

**PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER**

The Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, in the Non-Institutional Category where the allocation 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 Lead Manager and syndicate members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Promoter and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the Issue.

**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, 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 MUTUAL FUNDS**

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

- No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any 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.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

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.

#### **APPLICATIONS BY ELIGIBLE NRIS ON REPATRIATION BASIS**

##### **ELIGIBLE NRIS APPLYING ON A REPATRIATION BASIS ARE ADVISED TO USE THE APPLICATION FORM MEANT FOR NON-RESIDENTS (BLUE IN COLOUR).**

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. Companies are required to file declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants making application 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) or ASBA Accounts.

**Eligible NRI Bidders bidding 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.**

Allotment of Equity Shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.



## APPLICATIONS BY ELIGIBLE FPIs INCLUDING FIIs ON REPATRIATION BASIS

### FPIs INCLUDING FIIs WHO WISH TO PARTICIPATE IN THE ISSUE ARE ADVISED TO USE THE APPLICATION FORM FOR NON- RESIDENTS (BLUE IN COLOUR).

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. Foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies'(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of FEMA Act, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
  - (a). A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
  - (b). Nothing contained in clause (a) shall apply to:
    - i. Any transactions in derivatives on a recognized stock exchange;
    - ii. Short selling transactions in accordance with the framework specified by the Board;
    - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    - iv. Any other transaction specified by the Board.
  - (c). No transaction on the stock exchange shall be carried forward;
  - (d). The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board;

Provided nothing contained in this clause shall apply to:

- i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
- ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
- iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 2018;
- v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depositary Receipts or Global Depositary Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;



- vi. Any Application for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
- vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- viii. Any other transaction specified by the Board.

(e). A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of FEMA Act, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

- 4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
- 5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
- 6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
- 7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.
- 8. No foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

(a). Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;

(b). Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

- 9. A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.
- 10. Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.
- 11. Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.
- 12. A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.



13. A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
14. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.
15. The issue of Equity Shares to a single FII should not exceed 10% of our post Issue Paid up Capital of the Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.
16. In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its board of Directors followed by the special resolution to that effect by its shareholders in their General Meeting. As on the date of filing the Prospectus, no such resolution has been recommended to the shareholders of the Company for adoption.
17. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of “Know Your Client” requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.
18. In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

#### **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The SEBI (Venture Capital Funds) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. Further, the SEBI, AIF Regulations prescribes, among others, the investment restrictions on AIFs.

The holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI 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 the SEBI Regulations shall continue to be regulated by the VCF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicants on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all such Applicants will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.



#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (The “IRDA Investment Regulations”), are broadly set forth below:

- (a.) Equity shares of a Company: the least of 10% of the investee Company’s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b.) The entire group of the investee Company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c.) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS**

In case of applications made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, 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 any application, without assigning any reason thereof.

#### **APPLICATION UNDER POWER OF ATTORNEY**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI’s, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- a.) With respect to applications by VCFs, FVCIs, FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- b.) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- c.) With respect to applications made by provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our



Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

- d.) With respect to 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.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the lead manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

*The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the 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.*

## INDICATIVE PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE

### ASBA PROCESS

**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 the 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 [www.sebi.gov.in](http://www.sebi.gov.in). For details on designated branches of SCSB collecting the Application Form, please refer the below mentioned SEBI link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>  
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

A 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 DP's 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.



## CHANNELS OF SUBMISSION OF APPLICATION FORMS

From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

Category of Investor	Channel I	Channel II	Channel III	Channel IV
Retail Individual Investor (RII)	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	Not Applicable	RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.
Non- Institutional Investor (NII) including Qualified Institutional Buyer (QIB)	For such applications the existing process of uploading the Application and blocking of funds in the RIIs account by the SCSB would continue.		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds.  For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	Not Applicable

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such Applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Applications and shall not upload such Applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each Application into the electronic bidding system as a separate Application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be.

Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.



## PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE SUBMITTED BY RETAIL INDIVIDUAL INVESTOR

In addition to application to be submitted to SCSB, with whom the bank account to be blocked, is maintained, a RII would also have the option to submit application form with any of the intermediary and use his / her bank account linked UPI ID for the purpose of blocking of funds with effect from January 01, 2019.

The detailed process in this regard is as detailed hereunder:

### Application and validation process

- (a). submission of the application with the intermediary, the RII would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- (b). RII will fill in the Application details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediary.
- (c). The intermediary upon receipt of form will upload the Application details along with UPI ID in the stock exchange bidding platform.
- (d). Once the Application has been entered in the bidding platform, the exchange will undertake validation of the PAN and Demat Account details of RII with the depository.
- (e). Depository will validate the aforesaid Application details on a real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.
- (f). SMS from exchange to RII for applying: Once the Application details are uploaded on the stock exchange platform, the stock exchange shall send an SMS to the RII regarding submission of his / her application, daily at the end of day basis, during bidding period. For the last day of applying, the SMS may be sent out the next working day.

### The Block Process

- (a). Post undertaking validation with depository, the stock exchange will, on a continuous basis, electronically share the Application details along with RIIs UPI ID, with the Sponsor Bank appointed by the issuer.
- (b). The Sponsor Bank will initiate a mandate request on the RII i.e. request the RII to authorize blocking of funds equivalent to application amount and Subsequent debit of funds in case of allotment. For all pending UPI Mandate Requests, the Sponsor Bank will initiate requests for blocking of funds in the ASBA Accounts of relevant investors with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date (“**Cut-Off Time**”). Accordingly, RIIs using the UPI Mechanism need to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests after the Cut-Off Time will lapse.
- (c). The request raised by the Sponsor Bank, would be electronically received by the RII as a SMS / intimation on his / her mobile no. / Mobile app, associated with UPI ID linked bank account.
- (d). The RII would be able to view the amount to be blocked as per his / her Application in such intimation. The RII would also be able to view an attachment wherein the IPO Application details submitted by RII will be visible. After reviewing the details properly, RII would be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the IPO.
- (e). Upon successful validation of block request by the RII, as above, the said information would be electronically received by the RIIs’ bank, where the funds, equivalent to application amount, would get blocked in RIIs account. Intimation regarding confirmation of such block of funds in RIIs account would also be received by the RII.
- (f). The information containing status of block request (e.g. – accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with stock exchange. The block request status would also be displayed on stock exchange platform for information of the intermediary.
- (g). The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.



- (h). RIIs would continue to have the option to modify or withdraw the Application till the closure of the Issue period. For each such modification of Application, RII will submit a revised Application and shall receive a mandate request from sponsor bank to be validated as per the process indicated above.

Post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

#### **NUMBER OF APPLICATIONS PER BANK ACCOUNT**

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.

#### **HOW TO APPLY?**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **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.

Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by applicant and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount.

However, Non Retail Applicants 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 Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 and all related circulars issued thereafter, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

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.

In case of applications made by using any of channels under UPI Payments Mechanism, post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.



The RTA, based on information of Applications and blocking received from stock exchange, would undertake reconciliation of the Applications data and block confirmation corresponding to the Applications by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.

Upon approval of basis of allotment, RTA will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

Upon confirmation of receipt of funds in the public issue account, shares would be credited to the RII's account. RII will be notified for full/partial/no allotment. For partial allotment the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the RII.

## **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.

In case of applications made by using any of channels under UPI Payments Mechanism, Registrar to the Issue will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

However, the Application Amount may be unblocked in the ASBA Account or Bank Account link in UPI Mechanism 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 or Application made through UPI Mechanism, as the case may be.

## **MAXIMUM AND MINIMUM APPLICATION SIZE**

The applications in this Issue, being a fixed price issue, will be categorized into two;

### **1. For Retail Individual Applicants**

The Application must be for a minimum of 2000 Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed ₹ 2,00,000.

### **2. For Other Applicants (Non Institutional Applicants and QIBs):**

The Application must be for a minimum of 2000 Equity Shares so as to ensure that the Application Amount exceeds ₹ 2,00,000 and in multiples of 2000 Equity Shares thereafter.

A person shall not make an application in the net Issue category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the issue less total number of specified securities offered in the issue to qualified institutional buyers.

Further, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non Institutional 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 form 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 the Prospectus.**



## OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

**Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. 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.

## INFORMATION FOR THE APPLICANTS

- a.) The Company will file the Prospectus with the RoC at least 3 (three) working days before the Issue Opening Date.
- b.) The Lead Manager will circulate copies of the Prospectus along with the Application Form to potential investors.
- c.) Any investor, being eligible to invest in the Equity Shares offered, who would like to obtain the Prospectus and/ or the Application Form can obtain the same from the Company's Registered Office or from the Registered Office of the Lead Manager.
- d.) Applicants who are interested in subscribing to the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their Applications.
- e.) Applications made in the name of Minors and/or their nominees shall not be accepted.

## PRE-ISSUE ADVERTISEMENT

As provided in Section 30 of the Companies Act, 2013 and 264(2) of the SEBI (ICDR) Regulations, 2018, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English national daily newspaper; one widely circulated Hindi national daily newspaper and one widely circulated Gujarati newspaper.

## SIGNING OF UNDERWRITING AGREEMENT

The issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manager on December 17, 2022

## FILING OF THE PROSPECTUS WITH THE ROC

The Company will file a copy of the Prospectus with the RoC in terms of Section 32 of Companies Act, 2013.

## INFORMATION FOR THE APPLICANTS

- a.) **Designated Date and Allotment of Equity Shares Designated Date:** On the Designated date, the SCSBs or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.
- b.) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload it on its website. On the basis of approved basis of allotment, the Issuer shall make 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.
- c.) 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. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d.) Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 5 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful



Applicants Depository Account is completed within two working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**Designated Date:** On the Designated date, the SCSBs or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

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 5 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.

## **INTEREST AND REFUNDS**

### **COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE Limited where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

## **GROUND 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 the Prospectus.

In case, our Company fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, our Company shall refund through verifiable means the entire monies received within seven days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities. 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 any such money is not repaid within eight days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent. per annum.

## **MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the “Stated Minimum Amount” has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of issue of the Prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (1) shall be returned within such time and manner as may be prescribed under that section. If the Issuer does not received the subscription of 100% of the Issue through this Prospectus including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 39 of the Companies Act, 2013.

## **MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of proposed Allottees to whom Equity Shares may be allotted shall not be less than 50 (Fifty), failing which the entire application monies may be refunded forthwith.



## MODE OF REFUND

Within six Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs or in case of Applications by RIIs applying through the UPI mechanism to the Sponsor Bank, to revoke the mandate and for unblocking the amount in ASBA Accounts of unsuccessful Applicants and also for any excess amount blocked on Applications.

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Applications or in the event of withdrawal or failure of the Issue.

## LETTERS OF ALLOTMENT OR REFUND ORDERS OR INSTRUCTIONS TO THE SCSBS

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within 6 Working Days from the Issue Closing Date. The Registrar shall instruct the Sponsor Bank or relevant SCSBs to, on the receipt of such instructions from the Registrar, revoke the mandate and for unblocking the amount in ASBA Accounts to the extent of the Application Amount specified in the Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within 6 Working Days of the Issue Closing Date.

## INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND:

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 eight 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.

1. **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Manager or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.
2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above shall be deemed a valid, binding and irrevocable contract for the Applicant.

## GENERAL INSTRUCTIONS

### Do's:

- Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that the details about the PAN, DP ID and Client ID, UPI ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the signature of the First Applicants in case of joint Applications, is included in the Application Forms;
- QIBs, Non-Institutional Applicants and the Retail Applicants should submit their Applications through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their Application by using UPI mechanism for payment.
- Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicants whose name should also appear as the first holder of the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Application;
- Ensure that you have funds equal to the Application Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to



the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);

- Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- 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;
- Ensure that the category and the investor status is indicated;
- Ensure that in case of Application under power of attorney or by limited companies, corporates, trust etc, relevant documents are submitted;
- Ensure that Application submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are 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;
- Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
- Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
- Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
- Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization 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;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form;
- Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not make Application on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not make Application at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
- Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not make Application for Application Amount exceeding ₹ 2,00,000 (for Applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Net 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 the Prospectus;
- Do not submit the General Index Register number instead of the PAN;
- Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- Do not submit Application on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicants;
- Do not submit Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant



- constitutional documents or otherwise;
- Do not make 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 depository);
- Do not submit Application by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

#### **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 4, 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's Centre is available on the websites of BSE Limited i.e. [www.bseindia.com](http://www.bseindia.com).

Applicants may note that forms not filled completely or correctly as per instructions provided in this Prospectus, the General Information Document which shall be made available on the website of the Stock Exchange, the Issuer and the BRLM, are liable to be rejected. Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below;

#### **A. INSTRUCTION FOR FILLING THE APPLICATION FORM**



COMMON APPLICATION FORM	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b> Registered Office: Tel. No.:      Fax No.:      Email:      Website: Contact Person:      CIN:		FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, NON INSTITUTIONAL INVESTORS, RETAIL INDIVIDUAL INVESTORS AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> <b>ISIN : XXXXXXXX</b>	Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/CDP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	SCSB BRANCH STAMP & CODE	Mr. / Ms.
		Address
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	Email
		Tel. No (with STD code) / Mobile
		2. PAN OF SOLE/FIRST APPLICANT

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS	<input type="checkbox"/> NSDL	<input type="checkbox"/> CDSL	6. INVESTOR STATUS
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.			
4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off")		5. CATEGORY	<input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Non-Resident Indians (Non-Repatriation Basis) - NRI <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> National Investment Funds - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please Specify) - OTH
No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [•]/- per share <sup>1</sup> <input type="checkbox"/> "Cut-Off" Price (In Figures)      (In Words)		<input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB	
ALLOTMENT WILL BE IN DEMAT MODE ONLY <sup>2</sup>			
<sup>1</sup> Please note that applications must be made in minimum of [•] shares and further multiples of [•] shares accordingly. <sup>2</sup> Please note that the equity shares on allotment will be allotted only in the dematerialized mode on the SME Platform of BSE.			

7. PAYMENT DETAILS	PAYMENT OPTION : Full Payment
Amount Blocked (₹ in Figures)	(₹ in words)
ASBA Bank A/c No.	
Bank Name & Branch	
OR	
UPI Id	
(Maximum 45 characters)	
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.	
8 A. SIGNATURE OF SOLE / FIRST APPLICANT	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)
Date: ....., 2019	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue
	1)
	2)
	3)
SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)	

TEAR HERE

LOGO	<b>XYZ LIMITED</b> <b>INITIAL PUBLIC ISSUE - R</b>	Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Application Form No.
DPID / CLID		PAN of Sole/First Applicant	
Amount Blocked (₹ in figures)	ASBA Bank & Branch	Stamp & Signature of SCSB Branch	
ASBA Bank A/c No./UPI Id			
Received from Mr./Ms.			
Telephone / Mobile	Email		

<b>XYZ LIMITED -</b> <b>INITIAL</b> <b>PUBLIC ISSUE - R</b>	In Figures	In Words	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Name of Sole / First Applicant	
	No. of Equity Shares				
	Amount Blocked (₹)				
	ASBA Bank A/c No. / UPI Id:				
Bank & Branch:					
Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.				Acknowledgement Slip for Applicant Application Form No.	



COMMON APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR		FOR ELIGIBLE NRIs, FIIs/FPIs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS
	Registered Office: Tel. No.:      Fax No.:      Email:      Website: Contact Person:      CIN:		

LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	FIXED PRICE SME ISSUE ISIN : XXXXXXXX	Application Form No.
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SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/CDP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT Mr. / Ms. _____ _____ _____ Address _____ _____ Email _____ Tel. No (with STD code) / Mobile _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	SCSB BRANCH STAMP & CODE	
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	
2. PAN OF SOLE/FIRST APPLICANT _____ _____		

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS	<input type="checkbox"/> NSDL	<input type="checkbox"/> CDSL	6. INVESTOR STATUS <input type="checkbox"/> Non-Resident Indians - NRI (Repatriation basis) <input type="checkbox"/> Foreign Institutional Investor - FII/ <input type="checkbox"/> Foreign Portfolio Investor - FPI <input type="checkbox"/> Foreign Venture Capital Investor - FVCI <input type="checkbox"/> FII Sub Account Corporate / Individual - FIISA <input type="checkbox"/> Others - OTH (please specify)
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.			
4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off")		5. CATEGORY	
No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [•]/- per share <sup>1</sup> <input type="checkbox"/> "Cut-Off" Price (In Figures) _____ (In Words) _____ ALLOTMENT WILL BE IN DEMAT MODE ONLY <sup>2</sup>		<input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB	

<sup>1</sup> Please note that applications must be made in minimum of [•] shares and further multiples of [•] shares accordingly.  
<sup>2</sup> Please note that the equity shares on allotment will be allotted only in the dematerialized mode on the SME Platform of BSE.

7. PAYMENT DETAILS		PAYMENT OPTION : Full Payment	
Amount Blocked (₹ in Figures)	_____	(₹ in words) _____	
ASBA Bank A/c No.	_____		
Bank Name & Branch	_____		
OR	_____		
UPI Id	_____		
(Maximum 45 characters)	_____		
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.			
8 A. SIGNATURE OF SOLE / FIRST APPLICANT	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)	
Date: _____, 2019	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue		
	1) _____		
	2) _____		
	3) _____		

TEAR HERE

LOGO	XYZ LIMITED INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Application Form No.
DPID / CLID	_____	PAN of Sole/First Applicant	_____
Amount Blocked (₹ in figures)	ASBA Bank & Branch	Stamp & Signature of SCSB Branch	
ASBA Bank A/c No./UPI Id	_____		
Received from Mr./Ms.	_____		
Telephone / Mobile	Email		

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR	In Figures	In Words	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Name of Sole / First Applicant
	No. of Equity Shares	_____		_____
	Amount Blocked (₹)	_____		_____
	ASBA Bank A/c No. / UPI Id: _____ Bank & Branch: _____			Acknowledgement Slip for Applicant
Application Form No.				_____

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.



### 1. FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT:

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- a.) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (letters notifying the unblocking of the bank accounts of Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- b.) **Joint Applicants:** In the case of Joint Applicants, the Application should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

### 2. FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT:

- a.) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- b.) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Application on behalf of the Central or State Government, Application by officials appointed by the courts and Application by Applicant residing in Sikkim ("PAN Exempted Applicant"). Consequently, all Applicants, other than the PAN Exempted Applicant, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Application by the Applicant whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- c.) The exemption for the PAN Exempted Applicant 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.
- d.) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e.) Applications by Applicant whose demat accounts have been "suspended for credit" are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

### 3. FIELD NUMBER 3: APPLICANT'S DEPOSITORY ACCOUNT DETAILS

- a.) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Application Form is liable to be rejected.
- b.) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- c.) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.
- d.) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.



#### 4. FIELD NUMBER 4: APPLICATION OPTIONS

- a.) Since, this is the Fixed Price Issue and the Price has already been disclosed in the Prospectus, the Applicants should make application at the Issue Price only. For the purpose of this Issue, the Price has been Determined as ₹51.00 per equity shares (including premium of ₹41.00 per equity share).
- b.) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can make application at the Cut-off Price indicating their agreement to apply for and purchase the Equity Shares at the Issue Price as determined in terms of Prospectus. Making Application at the Cut-off Price is prohibited for QIBs and NIIs and such Applications from QIBs and NIIs may be rejected.
- c.) **Minimum Application Value and Application Lot:** For Application made by Retail Individual Investors, minimum application of 2000 Equity Shares to ensure that the minimum Application value is not exceeding ₹ 2,00,000 and not less than ₹ 1,00,000. For Application made by QIBs and Non – Institutional Investors, minimum application of 2000 Equity Shares and in multiples of 2000 Equity Shares thereafter to ensure that the minimum Application value is exceeding ₹ 2,00,000.
- d.) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum application Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. Also, in case if the RII category is entitled to more than the allocated equity shares on proportionate basis, the RII category shall be allotted that higher percentage.

##### Maximum and Minimum Application Size

- e.) The Applicants may apply for the desired number of Equity Shares in multiple of 2000 equity shares at Issue Price. Applications by Retail Individual Investors and Retail Individual Shareholders must be for 2000 equity shares, so as to ensure that the Application Amount, payable by the Applicants does not exceed ₹ 2,00,000.

In case the Application Amount exceeds ₹ 2,00,000 due to revision of the Application or any other reason, the Application may be considered for allocation under the Non-Institutional Category or if it is at the Cut-off Price, then such Application may be rejected.

For NRIs, Application Amount of up to ₹ 2,00,000 may be considered under the Retail Category for the purposes of allocation and Application Amount exceeding ₹ 2,00,000 may be considered under the Non-Institutional Category for the purposes of allocation.

- f.) Application by QIBs and NIIs must be for 4000 equity shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of 2000 Equity Shares thereafter, as may be disclosed in the Application Form and the Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to make application at Cut off Price.
- g.) RII may revise or withdraw their application until Issue Closing Date. QIBs and NII's cannot withdraw or lower their Application (in terms of quantity of Equity Shares or the Application Amount) at any stage after making application and are required to pay the Application Amount upon submission of the Application.
- h.) In case the Application Amount reduces to ₹ 2,00,000 or less due to a revision of the Price, Application by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- i.) An Application cannot be submitted for more than the net issue size.
- j.) The maximum application by any applicant including QIB applicant should not exceed the investment limits prescribed for them under the applicable laws.

##### Multiple Applications

- k.) Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Application Forms bearing the same application number shall be treated as multiple Applications and are liable to be rejected.
- l.) Applicants are requested to note the following procedures that may be followed by the Registrar to the Issue to detect multiple Applications:



- i. All Applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN may be treated as multiple Application by Applicants and may be rejected.
- ii. For Application from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Application on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. Such Applications which have the same DP ID and Client ID may be treated as multiple applications and are liable to be rejected.

**m.) The following Applications may not be treated as multiple Applications:**

- i. Applications by Reserved Categories making application in their respective Reservation Portion as well as application made by them in the Issue portion in public category.
- ii. Separate Applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
- iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

**5. FIELD NUMBER 5: CATEGORY OF APPLICANTS**

- a.) The categories of Applicants are identified as per the SEBI (ICDR) Regulations, 2018 for the purpose of Applications, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- b.) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI (ICDR) Regulations, 2018. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.
- c.) The SEBI (ICDR) Regulations, 2018, specify the allocation or allotment that may be made to various categories of Application in an issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form.
- d.) For Issue specific details in relation to allocation, Applicants may refer to the Prospectus.

**6. FIELD NUMBER 6: INVESTOR STATUS**

- a.) Each Applicants should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue follows the investment restrictions under applicable law.
- b.) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- c.) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- d.) Applicants should ensure that their investor status is updated in the Depository records.

**7. FIELD NUMBER 7: PAYMENT DETAILS**

- a.) Applicants are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Applicants doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Applicants providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.
- b.) The full Application Amount shall be blocked based on the authorization provided in the Application Form.
- c.) RIIs who make application at Cut-off price shall be blocked on the Cap Price.



- d.) All Applicants (other than Anchor Investors) can participate in the Issue only through the ASBA mechanism.
- e.) RIIs submitting their applications through Designated Intermediaries can participate in the Issue through the UPI mechanism, through their UPI ID linked with their bank account.
- f.) Application Amount cannot be paid in cash, cheque, and demand draft, through money order or through postal order.

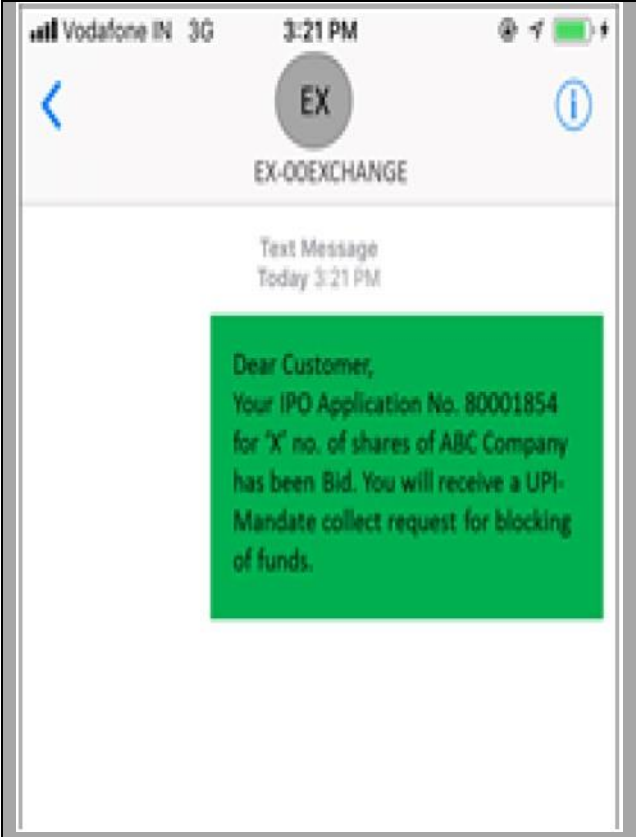
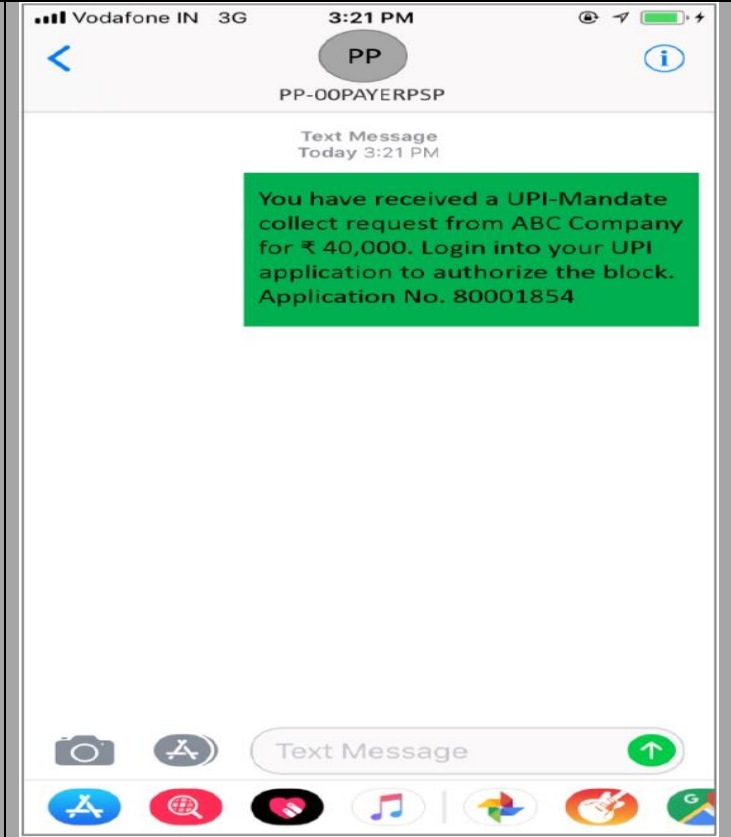
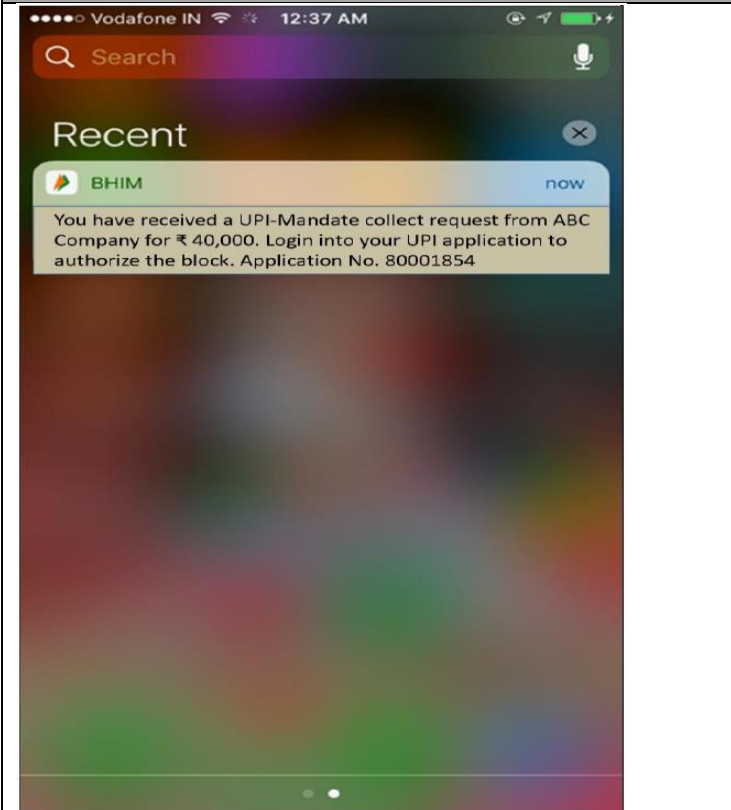
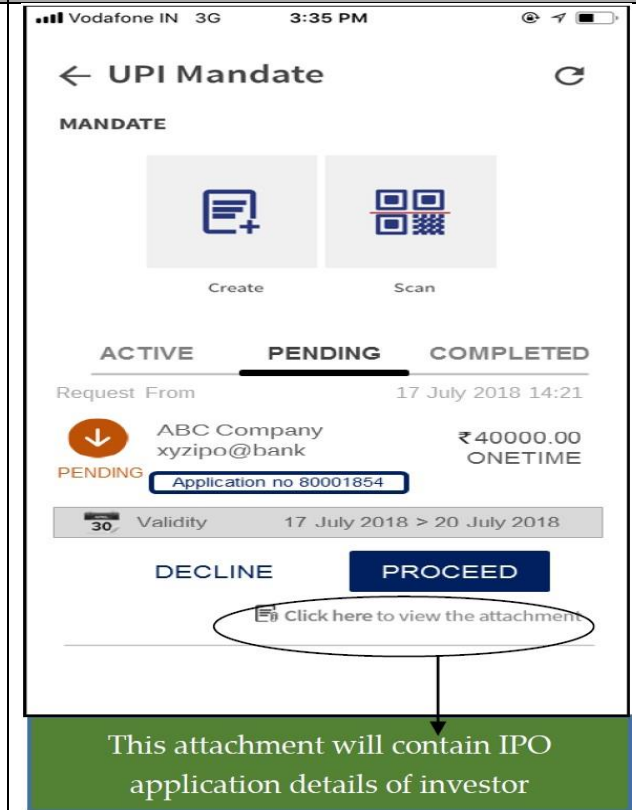
**Payment instructions for Applicants (other than Anchor Investors)**

- a.) From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

Category of Investor	Channel I	Channel II	Channel III	Channel IV
Retail Individual Investor (RII)	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.		RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.
Non- Institutional Investor (NII)	For such applications the existing process of uploading the Application and blocking of funds in the RIIs account by the SCSB would continue.		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds.  For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	Not Applicable

Please see below a graphical illustrative process of the investor receiving and approving the UPI mandate request:



ILLUSTRATIVE SMS	BLOCK REQUEST SMS TO INVESTOR
 <p>Vodafone IN 3G 3:21 PM</p> <p>EX EX-00EXCHANGE</p> <p>Text Message Today 3:21 PM</p> <p>Dear Customer, Your IPO Application No. 80001854 for 'X' no. of shares of ABC Company has been Bid. You will receive a UPI-Mandate collect request for blocking of funds.</p>	 <p>Vodafone IN 3G 3:21 PM</p> <p>PP PP-00PAYERPSP</p> <p>Text Message Today 3:21 PM</p> <p>You have received a UPI-Mandate collect request from ABC Company for ₹ 40,000. Login into your UPI application to authorize the block. Application No. 80001854</p>
BLOCK REQUEST INTIMATION THROUGH UPI APPLICATION	BLOCK REQUEST SMS TO INVESTOR
 <p>Vodafone IN 12:37 AM</p> <p>Search</p> <p>Recent</p> <p>BHIM now</p> <p>You have received a UPI-Mandate collect request from ABC Company for ₹ 40,000. Login into your UPI application to authorize the block. Application No. 80001854</p>	 <p>Vodafone IN 3G 3:35 PM</p> <p>← UPI Mandate</p> <p>MANDATE</p> <p>Create Scan</p> <p>ACTIVE PENDING COMPLETED</p> <p>Request From 17 July 2018 14:21</p> <p>ABC Company xyzipo@bank ₹40000.00 ONETIME</p> <p>PENDING Application no 80001854</p> <p>Validity 17 July 2018 &gt; 20 July 2018</p> <p>DECLINE PROCEED</p> <p>Click here to view the attachment</p> <p>This attachment will contain IPO application details of investor</p>



## SAMPLE OF IPO DETAILS IN ATTACHMENT

Secure | https://

1 Enter Details

Investor Details

Depository Name	DP ID	Client ID
NSDL	IN300513	14871468

Beneficiary No.	PAN Card	Investor's Name
-	AAMPF7581P	SHYAM SHARAM

IPO Details

Company Name	IPO Symbol	Bid Lot
IPO	SUPREMEENG	40000

Face Value	Maximum Price	Minimum Price
10.00	₹ 32.00	₹ 27.00

Cut Off Price	IPO Start Date	IPO End Date
₹ 32.00	20 July 2018	27 July 2018

Discount Amount	Discount Category
NA	-

## POST VERIFICATION OF DETAILS ABOVE

Vodafone IN 3G 5:43 PM

← Create Mandate

TO

ABC Company

✓ xyzipo@bank Verified Merchant

Mandate Amount

₹ 40000.00

The Amount entered will be blocked immediately & debited from payer account as per your Mandate inputs

Frequency

ONETIME

Validity

31 Start Date 20 JULY 2018 > 31 End Date 27 JULY 2018

Users account will be debited within validity period.

REMARKS

Application no 80001834

Click here to view the attachment

PROCEED

## PRE-CONFIRMATION PAGE

Vodafone IN 3G 3:48 PM

Please check the below details as the amount will be **blocked** for the validity period and will be debited as per the mandate inputs. In case of non-execution of the Mandate, the amount will be unblocked

**Mandate Details**

To

ABC Company

✓ xyzipo@bank

AMOUNT

₹ 0000.00

FREQUENCY

ONETIME

VALIDITY

20 JULY 2018 to 27 JULY 2018

REMARKS

Application no 80001854

CANCEL CONFIRM

## ENTERING OF UPI PIN

Vodafone IN 3G 1:39 AM

CANCEL

STATE BANK OF INDIA

UPI

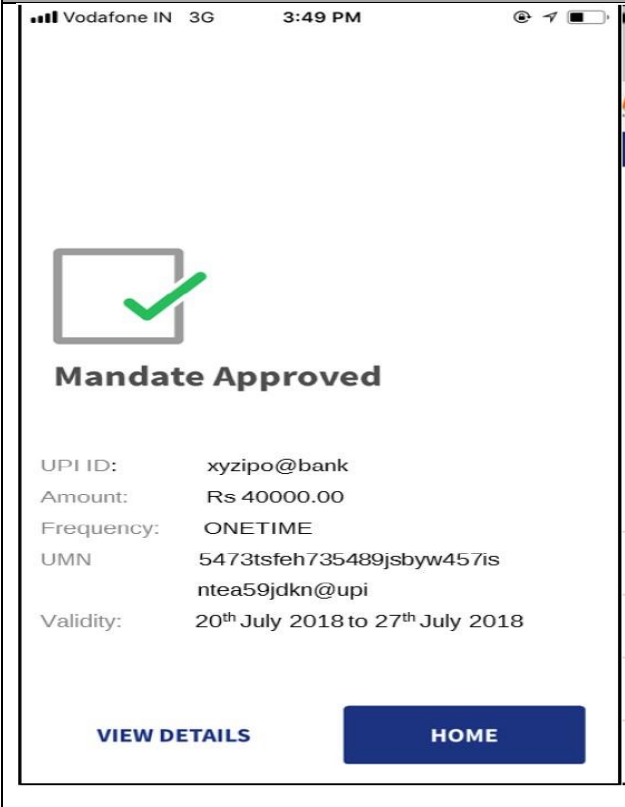
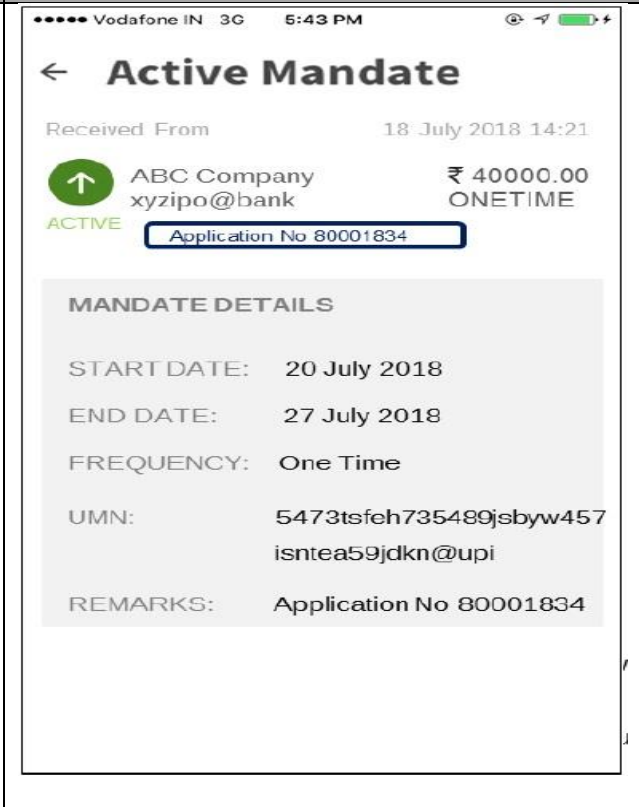
ABC Company ₹ 40000

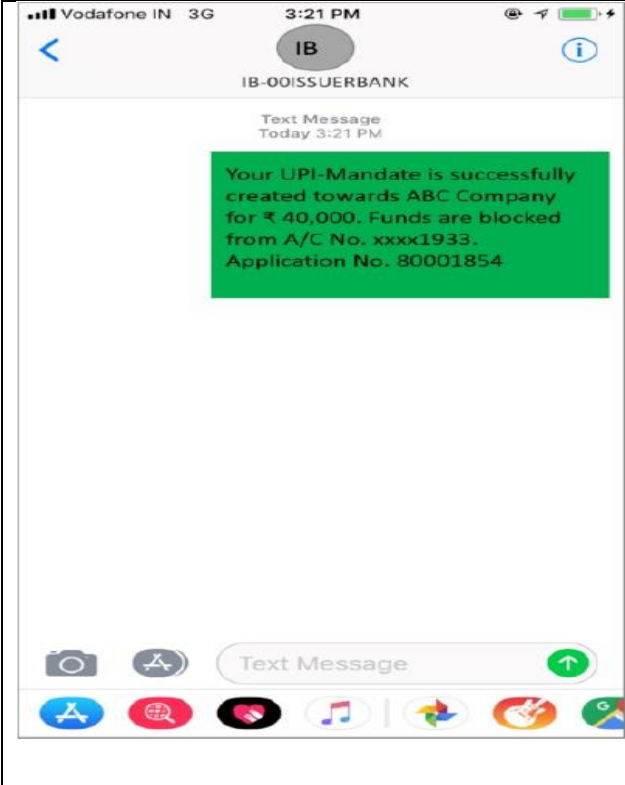

ENTER UPI PIN

— — — —

1	2	3
4	5	6
7	8	9
✕	0	SUBMIT



CONFIRMATION PAGE	APPROVED MANDATES VISIBLE IN UPI APPLICATION
	

BLOCK CONFIRMATION SMS TO INVESTOR	BLOCK CONFIRMATION APPLICATION INTIMATION
	



- b.) QIB and NII Applicants may submit the Application Form either;
- i. to SCSB in physical or electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Application Form, or
  - ii. in physical mode to any Designated Intermediary.
- c.) Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by Applicants and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted.
- d.) Applicants should note that application made using third party UPI ID or ASBA Bank account are liable to be rejected.
- e.) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the ASBA Account.
- f.) Applicants should submit the Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centers, the RTA at the Designated CRTA Locations or CDP at the Designated CDP Locations.
- g.) **Applicants making application through Designated Intermediaries** other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.
- h.) **Applicants making application directly through the SCSBs** should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- i.) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- j.) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and for application directly submitted to SCSB by investor, may enter each application details into the electronic bidding system as a separate application.
- k.) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Application on the Stock Exchange platform and such Applications are liable to be rejected.
- l.) Upon submission of a completed Application Form each Applicants (not being a RII who has opted for the UPI payment mechanism and provided a UPI ID with the Application Form) may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs. For details regarding blocking of Application Amount for RIIs who have provided a UPI ID with the Application Form, please refer to graphical illustrative process of the investor receiving and approving the UPI mandate request provided in clause (a).
- m.) The Application Amount may remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- n.) SCSBs making application in the Issue must apply through an Account maintained with any other SCSB; else their Applications are liable to be rejected.

## **8. FIELD NUMBER 8: UNBLOCKING OF ASBA ACCOUNT**

- a.) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB or the Sponsor Bank, as the case may be, along with instructions to unblock the relevant ASBA Accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant ASBA Account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, (iv) the



amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Application, if any, along with reasons for rejection and details of withdrawn or unsuccessful Application, if any, to enable the SCSBs or the Sponsor Bank, as the case may be, to unblock the respective ASBA Accounts.

- b.) On the basis of instructions from the Registrar to the Issue, the SCSBs or the Sponsor Bank, as the case may be, may transfer the requisite amount against each successful Applicants to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c.) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB or to the Sponsor Bank to revoke the mandate and, as the case may be, to unblock the Application Amount in the Relevant Account within four Working Days of the Issue Closing Date.

#### **Additional Payment Instructions for RIIs applying through Designated Intermediaries using the UPI mechanism**

- d.) Before submission of the application form with the Designated Intermediary, an RII shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.
- e.) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>
- f.) RIIs shall mention his / her UPI ID along with the application details in the Application Form in capital letters and submit the Application Form to any of the Designated Intermediaries.
- g.) The Designated Intermediary upon receipt of the Application Form will upload the application details along with UPI ID in the stock exchange bidding platform.
- h.) Once the application has been entered into the Stock Exchange bidding platform, the stock exchange will validate the PAN and Demat Account details of the RII with the Depository. The Depository will validate the aforesaid details on a real time basis and send a response to the stock exchange which will be shared by the stock exchange with the Designated Intermediary through its bidding platform, for corrections, if any.
- i.) Once the application details have been validated by the Depository, the stock exchange will, on a continuous basis, electronically share the application details along with the UPI ID of the concerned RII with the Sponsor Bank appointed by the Issuer.
- j.) The Sponsor Bank will validate the UPI ID of the RII before initiating the Mandate request.
- k.) The Sponsor Bank after validating the UPI ID will initiate a UPI Mandate Request for valid UPI ID on the RII which will be electronically received by the RII as an SMS / intimation on his / her mobile number / mobile app associated with the UPI ID linked account. The RII shall ensure that the details of the application are correct by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire application Amount and authorized the Sponsor Bank to block the application Amount mentioned in the Application Form and Subsequent debit in case of allotment.
- l.) Upon successful validation of the block request by the RII, the said information would be electronically received by the RII's bank, where the funds, equivalent to the application amount would get blocked in the ASBA Account of the RII. Intimation regarding confirmation of such blocking of funds in the ASBA Account of the RII would also be received by the RII. Information on the block status request would be shared with the Sponsor Bank which in turn would share it with the stock exchange which in turn would share it with the Registrar in the form of a file for the purpose of reconciliation and display it on the stock exchange bidding platform for the information of the Designated Intermediary.
- m.) RIIs may continue to modify or withdraw the application till the closure of the Issue Period. For each modification of the application, the RII will submit a revised application and will receive a new UPI Mandate Request from the Sponsor Bank to be validated as per the process indicated above.
- n.) RIIs to check the correctness of the details on the mandate received before approving the Mandate Request.



- o.) Post closure of the Issue, the stock exchange will share the application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

**Discount: NOT APPLICABLE**

#### **Additional Payment Instruction for NRIs**

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

### **9. FIELD NUMBER 9: SIGNATURES AND OTHER AUTHORISATIONS**

- a.) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b.) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- c.) Applicants must note that Application Form without signature of Applicants and /or ASBA Account holder is liable to be rejected.

### **10. FIELD NUMBER 10: ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- a.) Applicant should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediary or SCSB, as applicable, for submission of the Application Form.
- b.) All communications in connection with Application made in the Issue should be addressed as under:
- i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Applicant should contact the Registrar to the Issue.
  - ii. In case of ASBA Application submitted to the Designated Branches of the SCSBs, the Applicant should contact the relevant Designated Branch of the SCSB.
  - iii. Applicants may contact the Company Secretary and Compliance Officer or Lead Manager in case of any other complaints in relation to the Issue.
  - iv. In case of queries relating to uploading of Application by a Syndicate Member, the Applicant should contact the relevant Syndicate Member.
  - v. In case of queries relating to uploading of Application by a Registered Broker, the Applicant should contact the relevant Registered Broker
  - vi. In case of Application submitted to the RTA, the Applicant should contact the relevant RTA.
  - vii. In case of Application submitted to the DP, the Applicant should contact the relevant DP.
  - viii. In case of queries relating to uploading of Application through the UPI Mechanism, the Applicant should contact the Sponsor Bank;
- c.) The following details (as applicable) should be quoted while making any queries –
- i. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Application.
  - ii. name and address of the Designated Intermediary, where the Application was submitted; or



- iii. Applications, ASBA Account number or the UPI ID (for RIIs who make the payment of Application Amount through the UPI mechanism) linked to the ASBA Account where the Application Amount was blocked in which the amount equivalent to the Application Amount was blocked.
- iv. For further details, Applicants may refer to the Prospectus and the Application Form.

## **B. INSTRUCTIONS FOR FILLING THE REVISION FORM**

- a.) During the Issue Period, any Applicants (other than QIBs and NIIs, who can only revise their Application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- b.) RII may revise / withdraw their Application till closure of the Issue period.
- c.) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- d.) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had made the original Application. It is clarified that RIIs whose original Application is made using the UPI mechanism, can make revision(s) to their Application using the UPI mechanism only, whereby each time the Sponsor Bank will initiate a new UPI Mandate Request. Applicants are advised to retain copies of the blank Revision Form and the Application(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:



**COMMON  
APPLICATION  
REVISION FORM**

**XYZ LIMITED - INITIAL PUBLIC ISSUE - R**

Registered Office:  
Tel. No.: Fax No.: Email: Website:  
Contact Person: CIN:

FOR RESIDENT INDIANS, INCLUDING  
RESIDENT QIBs, NON INSTITUTIONAL  
INVESTORS, RETAIL INDIVIDUAL  
INVESTORS AND ELIGIBLE NRIs APPLYING  
ON A NON-REPATRIATION BASIS

LOGO

TO,  
THE BOARD OF DIRECTORS  
XYZ LIMITED

**FIXED PRICE SME ISSUE**  
**ISIN : XXXXXXXX**

Application  
Form No.

<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/CDP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b> Mr. / Ms. _____ Address _____ _____ Tel. No (with STD code) / Mobile _____ <b>2. PAN OF SOLE/FIRST APPLICANT</b> _____ <b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> NSDL <input type="checkbox"/> CDSL <input type="checkbox"/> _____ For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>SCSB BRANCH STAMP &amp; CODE</b>	
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	

PLEASE CHANGE MY APPLICATION ☐ PHYSICAL

4. FROM (as per last Application or Revision)		Price per Equity Share (₹) [•]															
Options	No. of Equity Shares Application (Application must be in multiples of [•] Equity Share)								Price per Equity Share (₹) [•]								"Cut-off" (Please tick)
	(In Figures)								(In Figures)								
	7	6	5	4	3	2	1		4	3	2	1	4	3	2	1	
Option 1	ORIGINAL APPLICATION								ORIGINAL APPLICATION								X
(OR) Option 2	X								X								
(OR) Option 3	X								X								

5. TO (Revised Application) (Only Retail Individual Investor can apply at "Cut-Off")		Price per Equity Share (₹) [•]															
Options	No. of Equity Shares Application (Application must be in multiples of [•] Equity Share)								Price per Equity Share (₹) [•]								"Cut-off" (Please tick)
	(In Figures)								(In Figures)								
	7	6	5	4	3	2	1		4	3	2	1	4	3	2	1	
Option 1	REVISED APPLICATION								REVISED APPLICATION								X
(OR) Option 2	X								X								
(OR) Option 3	X								X								

6. PAYMENT DETAILS		PAYMENT OPTION : Full Payment	
Additional Amount Blocked (₹ in Figures)	_____	(₹ in words)	_____
ASBA Bank A/c No.	_____		
Bank Name & Branch	_____		
OR	_____		
UPI Id	_____		
(Maximum 45 characters)	_____		

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE / FIRST APPLICANT	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
Date: _____, 2019	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue	
	1) _____	
	2) _____	
	3) _____	

----- TEAR HERE -----

LOGO	<b>XYZ LIMITED</b> <b>REVISION FORM - INITIAL PUBLIC ISSUE - R</b>	Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Application Form No. _____
DPID/ CLID	_____	PAN	_____
Additional Amount Blocked (₹ in figures)	_____	ASBA Bank & Branch	_____
ASBA Bank A/c No./UPI Id	_____		
Received from Mr./Ms.	_____		
Telephone / Mobile	_____	Email	_____

----- TEAR HERE -----

XYZ LIMITED REVISION FORM - INITIAL PUBLIC ISSUE - R	Option 1	Option 2	Option 3	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Name of Sole / First Applicant
	No. of Equity Shares	X	X		_____
	Issue Price	X	X		_____
	Additional Amount Blocked (₹)	X	X		_____
	ASBA Bank A/c No. / UPI Id:	_____			
Bank & Branch:	_____			<b>Acknowledgment Slip for Applicant</b> Application Form No. _____	
Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.					



<b>COMMON APPLICATION REVISION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b> Registered Office: Tel. No.:      Fax No.:      Email:      Website: Contact Person:      CIN:	<b>FOR ELIGIBLE NRIs, FIIs/FPIs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS</b>
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<b>LOGO</b>	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> <b>ISIN : XXXXXXXX</b>	<b>Application Form No.</b>
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<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/CDP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b> Mr. / Ms. _____ Address _____ Tel. No (with STD code) / Mobile _____ <b>2. PAN OF SOLE/FIRST APPLICANT</b> _____ <b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> NSDL <input type="checkbox"/> CDSL <input type="checkbox"/> For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>SCSB BRANCH STAMP &amp; CODE</b>	
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	

**PLEASE CHANGE MY APPLICATION** ☐ **PHYSICAL**

4. FROM (as per last Application or Revision)																
Options	No. of Equity Shares Application (Application must be in multiples of [•] Equity Share)							Price per Equity Share (₹) [•]							"Cut-off" (Please tick)	
	(In Figures)							(In Figures)								
	7	6	5	4	3	2	1	Issue Price	Discount, if any	Net Price						
Option 1								4	3	2	1	4	3	2	1	
(OR) Option 2																
(OR) Option 3																

5. TO (Revised Application) (Only Retail Individual Investor can apply at "Cut-Off")																
Options	No. of Equity Shares Application (Application must be in multiples of [•] Equity Share)							Price per Equity Share (₹) [•]							"Cut-off" (Please tick)	
	(In Figures)							(In Figures)								
	7	6	5	4	3	2	1	Issue Price	Discount, if any	Net Price						
Option 1								4	3	2	1	4	3	2	1	
(OR) Option 2																
(OR) Option 3																

6. PAYMENT DETAILS									
Additional Amount Blocked (₹ in Figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____ OR UPI Id _____ (Maximum 45 characters)									
<b>PAYMENT OPTION : Full Payment</b>									

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE REVISION FORM GIVEN OVERLEAF.

<b>7A. SIGNATURE OF SOLE / FIRST APPLICANT</b>  Date: _____, 2019	<b>7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b> I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	<b>SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP</b> <b>(Acknowledging upload of Application in Stock Exchange System)</b>
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----- TEAR HERE -----

<b>LOGO</b>	<b>XYZ LIMITED</b> <b>REVISION FORM - INITIAL PUBLIC ISSUE - NR</b>	Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	<b>Application Form No.</b>
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DPID / CLID	_____	PAN	_____
Additional Amount Blocked (₹ in figures)		ASBA Bank & Branch	
ASBA Bank A/c No./UPI Id		<b>Stamp &amp; Signature of SCSB Branch</b>	
Received from Mr./Ms.			
Telephone / Mobile	Email		

----- TEAR HERE -----

<b>XYZ LIMITED REVISION FORM - INITIAL PUBLIC ISSUE - NR</b>		Option 1	Option 2	Option 3	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	<b>Name of Sole / First Applicant</b>	
	No. of Equity Shares						
	Issue Price						
	Additional Amount Blocked (₹)						<b>Acknowledgment Slip for Applicant</b>
	ASBA Bank A/c No. / UPI Id:						<b>Application Form No.</b>
Bank & Branch:							

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.



## **11. FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT**

Applicants should refer to instructions contained in paragraphs 1, 2 and 3 above under the heading “Instructions for Filling the Application Form”.

## **12. FIELDS 4 AND 5: APPLICATION OPTIONS REVISION ‘FROM’ AND ‘TO’**

- a.) Apart from mentioning the revised number of shares in the Revision Form, the Applicants must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form. For example, if Applicant has applied for 2000 equity shares in the Application Form and such applicant is changing number of shares applied for in the Revision Form, the applicant must fill the details of 2000 equity shares, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.
- b.) In case of revision, applicants’ options should be provided by applicants in the same order as provided in the Application Form.
- c.) In case of revision of Applicants by Retail Individual Investors and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, Subsequent to revision, does not exceed ₹ 200,000. In case the Application Amount exceeds ₹ 200,000 due to revision of the Application or for any other reason, the Application may be considered, subject to eligibility, for allocation under the Non-Institutional Category or if it is at the Cut-off Price, then such Application may be rejected. The Cut-off Price option is given only to the Retail Individual Investors and Retail Individual Shareholders indicating their agreement to apply for and purchase the Equity Shares at the Issue Price.
- d.) In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 200,000, the Application will be considered for allocation under the Non-Institutional Category in terms of the Prospectus. If, however, the RII does not either revise the Application or make additional payment and the Issue Price is higher than the price disclosed in the Prospectus, the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised application at Cut-off Price.
- e.) In case of a downward revision in the Price, RIIs who have applied at the Cut-off Price could either revise their application or the excess amount paid at the time of application may be unblocked in case of applicants.

## **13. PAYMENT DETAILS**

- a.) All Applicants are required to make payment of the full Application Amount along with the Application Revision Form.
- b.) Applicant may Issue instructions to block the revised amount based on the revised Price in the ASBA Account of the UPI Linked Bank Account, to the same Designated Intermediary through whom such applicant had placed the original application to enable the relevant SCSB to block the additional Application Amount, if any.
- c.) In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 200,000, the Application may be considered for allocation under the Non-Institutional Category in terms of the Prospectus. If, however, the Applicant does not either revise the application or make additional payment and the Price is higher than Issue price disclosed in the Prospectus prior to the revision, the number of Equity Shares applied for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the applicant is deemed to have approved such revised application at the Cut-off Price.
- d.) In case of a downward revision in the Price, RIIs and Retail Individual Shareholders, who have applied at the Cut-off Price, could either revise their application or the excess amount paid at the time of application may be unblocked.

## **14. FIELD NUMBER 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Applicants may refer to instructions contained at paragraphs 9 above under the heading “Instructions for Filling the Application Form” for this purpose.



## **APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS**

*Please note that, providing bank account details or UPI ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.*

*Please note that, furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and 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, occupation (hereinafter referred to as 'Demographic Details') or UPI ID (in case of Retail Individual Investors). These Bank Account or UPI ID 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 (1<sup>st</sup> 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 (Twenty) 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 or Application through UPI Mechanism either in physical or electronic mode, an 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.

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.

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 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:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. 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 Income Tax Act, 1961. 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 General Index Registration (“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) in 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.

#### **GROUND FOR REJECTIONS**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and not firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 2000;
- Category not ticked;
- Multiple Applications as defined in the Prospectus;



- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- 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;
- 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;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations for "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- 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;
- 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;
- Applications not containing the details of Bank Account, UPI ID and/or Depositories Account;
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Application Form;
- Submission of Application Form(s) using third party ASBA Bank Account;
- Submission of more than one Application Form per UPI ID by RIIs applying through Designated Intermediaries;
- In case of Applications by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Application Form is linked to a third party bank account;
- The UPI Mandate is not approved by Retail Individual Investor; and
- The original Application is made using the UPI mechanism and revision(s) to the Application is made using ASBA either physically or online through the SCSB, and *vice versa*.

#### **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 October 17, 2022 with NSDL, our Company and Registrar to the Issue;
- b. a tripartite agreement dated October 11, 2022 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN: INE0NIJ01017

- a) 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.
- b) 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.
- c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- d) 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.



- e) 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.
- f) 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.
- g) 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 platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- h) The trading of the Equity Shares of our Company would be only in dematerialized form.

## 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. at below mentioned addresses;**

<b>To</b> <b>Mr. Pratik Ashokbhai Patel</b> GF/22-23, Pattani Plaza, Dairy Road, Near Nilambaug Circle, Bhavnagar, Gujarat-364002 India <b>Tel. No.:</b> +91-0278-2995027 <b>E-mail:</b> <a href="mailto:cs@devlabtechventure.com">cs@devlabtechventure.com</a> <b>Website:</b> <a href="http://www.devlabtechventure.com">www.devlabtechventure.com</a>	<b>LINK INTIME INDIA PRIVATE LIMITED</b> C-101, 1 Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400083, Maharashtra, India <b>Tel. No.:</b> +91-022-49186200 <b>Fax No.:</b> +91-022-49186091 <b>Email:</b> <a href="mailto:devlabtech.ipo@linkintime.co.in">devlabtech.ipo@linkintime.co.in</a> <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> <b>Investor Grievance Email:</b> <a href="mailto:devlabtech.ipo@linkintime.co.in">devlabtech.ipo@linkintime.co.in</a> <b>Contact Person:</b> Shanti Gopalkrishnan <b>SEBI Registration No.:</b> INR000004058
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## DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall make best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE Limited where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

## IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

- a) '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
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

*Section 447 of the Companies Act, 2013, is reproduced as below:*



*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 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 six 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 twenty lakh rupees or with both.*

## **BASIS OF ALLOTMENT**

Allotment will be made in consultation with BSE Limited (The Designated 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 drawal 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.
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.
6. Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows;
  - (a). minimum fifty per cent. to retail individual investors; and
  - (b). remaining to:
    - i) individual applicants other than retail individual investors; and
    - ii) other investors including corporate bodies or institutions, irrespective of the number of Equity Shares 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.

**Explanation:** If the retail individual investor category is entitled to more than fifty per cent of the net issue size on a 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”.

“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 SME Platform of BSE Limited.

#### **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 in Page no. 42 under chapter titled “General Information” of this Draft Prospectus 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 SME Platform of BSE Limited – the Designated 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.

#### **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/unblocking 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 till the application monies are refunded on account of non-listing, under subscription etc.
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. Adequate arrangements shall be made to collect all Application forms.

#### **UTILIZATION OF ISSUE PROCEEDS**

The Board of Directors 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;
- 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 utilize 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, 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 Circular of 2020 ("FDI Policy 2020"), effective from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI and Master Direction –Foreign Investment In India (updated upto March 08, 2019). In terms of the Master Circular, 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 pricing guidelines prescribed under the Master Circular and Master Direction. 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 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.

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.

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 and amendments from time to time thereupon, 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, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017 as amended from time to time. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto 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 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 of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral /statutory cap.

### **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% and 24% 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 recognized 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 as amended from time to time. The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

#### **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.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**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.**

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 Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

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 Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.



### **SECTION XIII - DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION**

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

<b>ARTICLE NO.</b>	<b>INTERPRETATION</b>	<b>HEADING</b>
<b>1.</b>	<p>In these Articles unless there be something in the subject matter or context inconsistent therewith:</p> <ul style="list-style-type: none"> <li>i. “The Act” means the Companies Act, 2013 and the applicable provisions of the Companies Act, 1956 and includes any statutory modification or re-enactment thereof for the time being in force.</li> <li>ii. “Articles” means Articles of Association of the Company as originally framed or altered from time to time</li> <li>iii. “Beneficial Owner” shall have the meaning assigned thereto by Section 2(1) (a) of the Depositories Act, 1996.</li> <li>iv. “Board” or “Board of Director” means the Collective body of the Board of Directors of the Company.</li> <li>v. “Chairman” means the Chairman of the Board of the Directors of the Company.</li> <li>vi. “The Company” means Dev Labtech Venture Limited.</li> <li>vii. “Depositories Act, 1996” shall mean Depositories Act, 1996 and include any Statutory modification or re-enactment thereof for the time being in force.</li> <li>viii. “Depository” shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.</li> <li>ix. “Directors” mean the Directors for the time being of the Company.</li> <li>x. “Dividend” includes any interim dividend.</li> <li>xi. “Document” means a document as defined in Section 2 (36) of the Companies Act, 2013.</li> <li>xii. “Equity Share Capital”, with reference to any Company limited by shares, means all share capital which is not preference share capital;</li> <li>xiii. “KMP” means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.</li> <li>xiv. “Managing Director” means a Director who by virtue or an agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of Directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management and includes a director occupying the position of managing director, by whatever name called.</li> <li>xv. “Month” means Calendar month.</li> <li>xvi. “Office” means the registered office for the time being of the Company.</li> <li>xvii. “Paid-up share capital” or “share capital paid-up” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called;</li> <li>xviii. “Postal Ballot” means voting by post or through any electronic mode.</li> <li>xix. “Proxy” includes attorney duly constituted under the power of attorney to vote for a member at a General Meeting of the Company on poll.</li> <li>xx. “Public Holiday” means a Public Holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881); provided that no day declared by the Central Government to be such a holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.</li> <li>xxi. “Registrar” means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated and includes an Additional Registrar a Joint Registrar, a Deputy Registrar or an Assistant Registrar having the duty of registering companies and discharging various</li> </ul>	Interpretation



	<p>functions under this Act.</p> <p>xxii. “Rules” means the applicable rules as prescribed under the relevant sections of the Act for time being in force.</p> <p>xxiii. “SEBI” means Securities &amp; Exchange Board of India established under Section 3 of the Securities &amp; Exchange Board of India Act, 1992.</p> <p>xxiv. “Securities” means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956)</p> <p>xxv. “Share” means share in the Share Capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.</p> <p>xxvi. “Seal” means the common seal of the Company.</p> <p>xxvii. “Preference Share Capital”, with reference to any Company limited by shares, means that part of the issued share capital of the Company which carries or would carry a preferential right with respect to—  <i>(i)</i> payment of dividend, either as a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income-tax; and  <i>(ii)</i> repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium or premium on any fixed scale, specified in the memorandum or articles of the Company;</p> <p>xxviii. “Persons” include corporations and firms as well as individuals.</p> <p>Words imparting the plural number also include, where the context requires or admits, the singular number, and vice versa.</p> <p>Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.</p> <p>‘In writing’ and ‘written’ includes printing, lithography and other modes of representing or reproducing words in a visible form.</p>	
2.	The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital and divide the shares in the capital of the Company (including Preferential Share Capital, if any) and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.	Share Capital
3.	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company 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. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.	
4.	Subject to provisions of Section 54 of the Act read with Companies (Share Capital and Debentures) Rules, 2014, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.	Issue of Sweat Equity Shares
5.	The Company shall have powers to issue any debentures, debenture-stock or other securities at Par, 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 the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board 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.	Issue of Debentures



6.	<p>i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within fifteen days (15) of the application for registration of transfer of transmission or within such other period as the conditions of issue shall be provided,—</p> <p>a. one certificate for all his shares without payment of any charges; or</p> <p>b. several certificates, each for one or more of his shares, upon payment of Rupees twenty for each certificate after the first.</p> <p>ii. The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;</p> <p>iii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</p> <p>iv. In respect of any 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 for a share to one of several joint holders shall be sufficient delivery to all such holders.</p>	Issue of Share Certificates
7.	If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty Rupees for each certificate.	
8.	Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.	
9.	The provisions of these Articles relating to issue of Certificates shall mutatis mutandis apply to any other securities including Debentures (except where the Act otherwise requires) of the Company..	
10.	<p>i. The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.</p> <p>ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.</p> <p>iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.</p>	Power to pay Commission In connection with the Securities issued
11.	i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or	Variations of Shareholder's rights



	<p>with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.</p> <p>ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.</p>	
<b>12.</b>	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.	
<b>13.</b>	Subject to the provisions of section 55 and 62, any preference shares may with the sanction of ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.	Issue of Preference Shares
<b>14.</b>	<p>(1) Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered:</p> <ul style="list-style-type: none"> <li>(a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions specified in the relevant provisions of Section 62 of the Act.</li> <li>(b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62.</li> <li>(c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.</li> </ul> <p>(2) The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.</p> <p>(3) Nothing in this Article shall apply to the increase of the subscribed capital of company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company: Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such debentures or the raising of loan, by a special resolution passed by the company in general meeting.</p>	Further Issue of shares
<b>15.</b>	<p>i. The Company shall have a first and paramount lien—</p> <ul style="list-style-type: none"> <li>a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and</li> <li>b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company;</li> <li>c. Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares</li> </ul> <p>Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.</p> <p>ii. The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.</p>	Lien



16.	<p>The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:</p> <p>Provided that no sale shall be made—</p> <ol style="list-style-type: none"> <li>unless a sum in respect of which the lien exists is presently payable; or</li> <li>until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.</li> </ol>	
17.	<ol style="list-style-type: none"> <li>To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.</li> <li>The purchaser shall be registered as the holder of the shares comprised in any such transfer.</li> <li>The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.</li> </ol>	
18.	<ol style="list-style-type: none"> <li>The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.</li> <li>The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.</li> </ol>	
19.	<p>Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in these Articles: -</p> <ol style="list-style-type: none"> <li>The Company shall at its discretion, be entitled to decline to register more than three persons as the joint-holders of any share.</li> <li>The joint-holders of any shares 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.</li> <li>On the death of any such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.</li> <li>Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share.</li> <li>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, if any, relating to such share or to receive documents from the Company and any documents served on or sent to such person shall be deemed served on all the joint-holders.</li> <li> <ol style="list-style-type: none"> <li>Any one of the two or more joint-holders may vote at General Meeting either personally or by attorney or by proxy in respect of such shares as if they were solely entitled hereto and if more than one such joint-holders be present at any meeting personally or by proxy or by attorney then one of such joint holders so present whose name stand first in the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by attorney or by proxy stands first in Register in respect of such shares.</li> <li>Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this Clause be deemed as Joint-Holders.</li> </ol> </li> </ol>	Joint Holdings



	g) The provisions of these Articles relating to joint-holding of shares shall mutatis mutandis apply to any other securities including Debentures of the company registered in Joint-names.	
<b>20.</b>	<p>i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:</p> <p>Provided that no call shall exceed one fourth of the nominal value of the shares or be payable at less than one month from the date fixed for the payment of the last preceding call.</p> <p>ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.</p> <p>iii. A call may be revoked or postponed at the discretion of the Board.</p>	Calls on Shares
<b>21.</b>	A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.	
<b>22.</b>	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	
<b>23.</b>	<p>i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.</p> <p>ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.</p>	
<b>24.</b>	<p>i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.</p> <p>ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture</p> <p>iii. or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.</p>	
<b>25.</b>	<p>The Board—</p> <p>i. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and</p> <p>ii. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.</p>	
<b>26.</b>	<p>Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called-up.</p> <p>Provided however that any amount paid to the extent called – up, shall be entitled to proportionate dividend and voting right.</p>	
<b>27.</b>	The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.	
<b>28.</b>	The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the company.	



29.	<ul style="list-style-type: none"> <li>i. The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided by the Articles.</li> <li>ii. Each share in the Company shall be distinguished by its appropriate number.</li> <li>iii. A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be prima facie evidence of the title of the member of such shares.</li> </ul>	Transfer of Shares
30.	<ul style="list-style-type: none"> <li>i. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.</li> <li>ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.</li> </ul>	
31.	<p>The Board may, subject to the right of appeal conferred by section 58 of Companies Act, 2013 and Section 22A of the Securities Contracts (Regulation) Act, 1956, decline to register, by giving notice of intimation of such refusal to the transferor and transferee within timelines as specified under the Act-</p> <ul style="list-style-type: none"> <li>i. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or</li> <li>ii. any transfer of shares on which the Company has a lien.</li> <li>iii. Provided however that the Company will not decline to register or acknowledge any transfer of shares 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.</li> </ul>	
32.	<p>The Board shall decline to recognise any instrument of transfer unless—</p> <ul style="list-style-type: none"> <li>i. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;</li> <li>ii. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and the instrument of transfer is in respect of only one class of shares.</li> </ul> <p>Provided that, transfer of shares in whatever lot shall not be refused.</p> <ul style="list-style-type: none"> <li>iii. The Company agrees that when proper documents are lodged for transfer and there are no material defects in the documents except minor difference in signature of the transferor(s),</li> <li>iv. Then the Company will promptly send to the first transferor an intimation of the aforesaid defect in the documents, and inform the transferor that objection, if any, of the transferor supported by valid proof, is not lodged with the Company within fifteen days of receipt of the Company's letter, then the securities will be transferred;</li> <li>v. If the objection from the transferor with supporting documents is not received within the stipulated period, the Company shall transfer the securities provided the Company does not suspect fraud or forgery in the matter.</li> </ul>	
33.	<p>The Company agrees that in respect of transfer of shares where the Company has not effected transfer of shares within 1 month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 1 month, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay</p>	
34.	<p>On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:</p> <p>Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year</p>	
35	<p>The provisions of these Articles relating to transfer of Shares shall mutatis mutandis apply to any other securities including debentures of the company.</p>	
36.	<p>The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares.</p>	Register of Transfers



<p><b>37.</b></p>	<p>i. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles.</p> <p>a. The Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depository Act, 1996.</p> <p>b. Option for Investors:</p> <p>Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities.</p> <p>If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security</p> <p>c. Securities in Depository to be in fungible form: -</p> <ul style="list-style-type: none"> <li>• All Securities of the Company held by the Depository shall be dematerialised and be in fungible form.</li> <li>• Nothing contained in Sections 88, 89, 112 &amp; 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.</li> </ul> <p>d. Rights of Depositories &amp; Beneficial Owners: -</p> <p>Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.</p> <p>e. Save as otherwise provided in (d) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.</p> <p>f. Every person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a depository.</p> <p>ii. Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.</p> <p>iii. Nothing contained in Section 56 of the Companies Act, 2013 shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.</p> <p>iv. Notwithstanding anything contained in the Act, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> <p>v. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.</p>	<p>Dematerialisation of Securities</p>
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	<p>vi. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.</p> <p>vii. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country.</p>	
<b>38.</b>	<p>i. 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 persons recognised by the Company as having any title to his interest in the shares.</p> <p>ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	
<b>39.</b>	<p>i. Any person becoming entitled to a share, in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—</p> <ol style="list-style-type: none"> <li>to be registered himself as holder of the share; or</li> <li>to make such transfer of the share as the deceased or insolvent member could have made.</li> </ol> <p>ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.</p>	
<b>40.</b>	<p>i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</p> <p>ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.</p>	Transmission of Shares
<b>41.</b>	<p>A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:</p> <p>Provided 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, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.</p>	
<b>42.</b>	<p>The provisions of these Articles relating to transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company.</p> <p>No fee shall be charged for requisition of transfer, transmission, probate, succession certificate and letter of administration, Certificate of Death or marriage, power of attorney or similar other documents.</p>	
<b>43.</b>	<p>If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so</p>	Forfeiture of Shares



	much of the call or instalment as is unpaid, together with any interest which may have accrued.	
<b>44.</b>	The notice aforesaid shall— i. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and ii. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.	
<b>45.</b>	If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.	
<b>46.</b>	i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	
<b>47.</b>	i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. ii. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.	
<b>48.</b>	i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited 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 share; ii. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute transfer of the shares in favour of the person to whom the share is sold or disposed off; iii. The transferee shall thereupon be registered as the holder of the share; and iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.	
<b>49.</b>	The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.	
<b>50.</b>	Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for 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 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.	
<b>51.</b>	Upon any sale, re-allotment or other disposal under the provisions of the preceding articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.	
<b>52.</b>	The Board may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	
<b>53.</b>	The Provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed	



	time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	
<b>54.</b>	The provisions of these articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.	
<b>55.</b>	Neither a judgment in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member to 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 proceeding to enforce forfeiture of such shares as hereinafter provided.	Initial payment not to preclude forfeiture
<b>56.</b>	The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.	Alteration of Capital
<b>57.</b>	Subject to the provisions of section 61, the Company may, by ordinary resolution,—  i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; iv. Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.	
<b>58.</b>	Where shares are converted into stock,—  i. the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations 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 which the stock arose.  ii. the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.  iii. Such of the articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.	Conversion of Shares into Stock
<b>59.</b>	The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, —  i. its share capital; ii. any capital redemption reserve account; or iii. Any share premium account.	Reduction of Capital
<b>60.</b>	The Company may issue share warrants subject to, and in accordance with, the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) of the	Share Warrants



	<p>share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue of a share warrant.</p> <p>The bearer of a share warrant may at any time, deposit the warrant in the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares including in the deposited warrants.</p> <p>Not more than one person shall be recognized as depositor of the share warrant.</p> <p>The Company shall, on two days written notice, return the deposited share warrants to the depositor.</p> <p>Subject herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a member of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>The bearer of 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 holders of shares included in the warrant, and he shall be a member of the Company.</p> <p>The Board may from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant of coupon may be issued by way of renewal in case of defacement, loss or destruction.</p>	
<b>61.</b>	<ol style="list-style-type: none"> <li>i. The Company in general meeting may, upon the recommendation of the Board, resolve— <ol style="list-style-type: none"> <li>a. that it is desirable to capitalise 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</li> <li>b. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</li> </ol> </li> <li>ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards— <ol style="list-style-type: none"> <li>a. paying up any amounts for the time being unpaid on any shares held by such members respectively;</li> <li>b. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up bonus shares, to and amongst such members in the proportions aforesaid;</li> <li>c. partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);</li> <li>d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;</li> <li>e. The Board shall give effect to the resolution passed by the Company in pursuance of this -regulation.</li> </ol> </li> <li>iii. Allotment or Distribution of Bonus Shares shall not be made to those Members who furnish to the Company in written intimation waiving their entitlement to receive such allotment or distribution of shares credited as fully paid up pursuant to this Article 61 as the case may be, and accordingly the corresponding amount shall not be capitalized.</li> </ol>	Capitalisation of Profits



<b>62.</b>	<p>i. Whenever such a resolution as aforesaid shall have been passed, the Board shall—</p> <ol style="list-style-type: none"> <li>make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and</li> <li>generally to do all acts and things required to give effect thereto.</li> </ol> <p>ii. The Board shall have power—</p> <ol style="list-style-type: none"> <li>to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and</li> <li>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 capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;</li> </ol> <p>iii. Any agreement made under such authority shall be effective and binding on such members.</p>	
<b>63.</b>	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
<b>64.</b>	All General Meetings other than annual general meeting shall be called extraordinary general meetings	
<b>65.</b>	<p>i. The Board may, whenever it thinks fit, call an extraordinary general meeting.</p> <p>ii. The General meeting including Annual general meeting shall be convened by giving notice of clear 21 days in advance as per section 101 of Companies Act 2013. The directors if they think fit may convene a General Meeting including Annual General Meeting of the company by giving a notice thereof being not less than three days if consent is given in writing or by electronic mode by not less than ninety-five per cent. of the members entitled to vote at such meeting.</p> <p>iii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.</p>	General Meeting
<b>66.</b>	<p>i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.</p> <p>ii.</p> <ol style="list-style-type: none"> <li>Unless the number of members as on date of meeting are not more than one thousand, five members personally present shall be the quorum for a general meeting of the Company.</li> <li>In any other case, the quorum shall be decided as under: <ol style="list-style-type: none"> <li>fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;</li> <li>thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;</li> </ol> </li> </ol>	Proceedings at General Meetings
<b>67.</b>	The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.	
<b>68.</b>	If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the	



	meeting, the directors present shall elect one of their members to be Chairperson of the meeting.	
<b>69.</b>	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.	
<b>70.</b>	The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.	
<b>71.</b>	A declaration by the Chairman in pursuance of Section 107 of the Companies Act, 2013 that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.	
<b>72.</b>	<ol style="list-style-type: none"> <li>Before or on the declaration of the result of the voting on any resolution of a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five Lac rupees has been paid up.</li> <li>The demand for a poll may be withdrawn at any time by the person or persons who made the demand.</li> </ol>	Demand for Poll
<b>73.</b>	<ol style="list-style-type: none"> <li>A poll demanded on a question of adjournment shall be taken forthwith.</li> <li>A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in Section 104 of the Act) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the Chairman may direct.</li> </ol>	Time of taking Poll
<b>74.</b>	<ol style="list-style-type: none"> <li>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.</li> <li>No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</li> <li>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.</li> <li>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.</li> </ol>	Adjournment of Meeting
<b>75.</b>	<p>Subject to any rights or restrictions for the time being attached to any class or classes of shares,—</p> <ol style="list-style-type: none"> <li>on a show of hands, every member present in person shall have one vote; and</li> <li>on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.</li> </ol>	
<b>76.</b>	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	
<b>77.</b>	<ol style="list-style-type: none"> <li>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.</li> <li>For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</li> </ol>	
<b>78.</b>	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of	



	hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	
<b>79.</b>	Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (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 such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.	
<b>80.</b>	Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.	
<b>81.</b>	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.	
<b>82.</b>	<p>i. 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.</p> <p>ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.</p>	
<b>83.</b>	No member shall exercise any voting right 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 of lien.	
<b>84.</b>	In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the polls is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.	Casting Vote
<b>85.</b>	A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 113 of the Companies Act, 2013 authorise such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.	Representation of Body Corporate
<b>86.</b>	The Company shall comply with provisions of Section 111 of the Companies Act, 2013, relating to circulation of member's resolution.	Circulation of member's Resolution
<b>87.</b>	The Company shall comply with provisions of Section 115 of the Act relating to resolution requiring special notice.	Resolution requiring special notice
<b>88.</b>	The provisions of Section 116 of Companies Act, 2013 shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolutions shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date	Resolutions passed at adjourned meeting
<b>89.</b>	The Company shall comply with the provisions of Section 117 and 179 of the Companies Act, 2013 relating to registration of certain resolutions and agreements.	Registration of resolutions and agreements
<b>90.</b>	<p>i. The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered.</p> <p>ii. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed:</p> <p style="text-align: center;">A.in the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p>	Minutes of proceedings of general meeting and of Board and other meetings



	<p>B. in the case of minutes of proceedings of the general meeting by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.</p> <p>C. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.</p> <p>D. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.</p> <p>E. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.</p> <p>F. In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:</p> <ol style="list-style-type: none"> <li>the names of the Directors present at the meetings, and</li> <li>in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution.</li> </ol> <p>iii. Nothing contained in Clauses (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:</p> <ol style="list-style-type: none"> <li>is or could reasonably be regarded, as defamatory of any person</li> <li>is irrelevant or immaterial to the proceedings; or</li> <li>in detrimental to the interests of the Company.</li> </ol> <p>iv. The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this clause.</p>	
<b>91.</b>	The minutes of meetings kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.	Minutes to be considered to be evidence
<b>92.</b>	No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.	Publication of reports of proceeding of general meetings
<b>93.</b>	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.	Proxy
<b>94.</b>	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	
<b>95.</b>	<p>A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:</p> <p>Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.</p>	
<b>96.</b>	<p>The present directors of the Company are:</p> <ol style="list-style-type: none"> <li>1. Jerambhai Lavjibhai Donda</li> <li>2. Jay Jerambhai Donda</li> <li>3. Dimple Jay Donda</li> </ol>	Board of Directors



<b>97.</b>	The Directors need not hold any “Qualification Share(s)”.	
<b>98</b>	<p>Appointment of Senior Executive as a Whole Time Director Subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any persons as a Whole Time Director of the Company for such a period and upon such terms and conditions as the Board may decide. The Senior Executive so appointed shall be governed by the following provisions:</p> <p>He may be liable to retire by rotation as provided in the Act but shall be eligible for re-appointment. His re-appointment as a Director shall not constitute a break in his appointment as Whole Time Director. He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation. He shall cease to be a Director of the Company on the happening of any event specified in Section 164 of the Act. Subject to what is stated herein above, he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) and / or the Board, shall exercise such powers and authorities subject to such restrictions and conditions and / or stipulations as the Managing Director(s) and /or the Board may, from time to time determine.</p> <p>Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all or any such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole time directors.</p>	
<b>99.</b>	<ul style="list-style-type: none"> <li>i. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.</li> <li>ii. In addition to the remuneration payable to them in pursuance of the Act, the directors -may be paid all travelling, hotel and other expenses properly incurred by them— <ul style="list-style-type: none"> <li>a. in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or</li> <li>b. in connection with the business of the company.</li> </ul> </li> </ul>	
<b>100.</b>	The Board may pay all expenses incurred in getting up and registering the company.	
<b>101.</b>	The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.	
<b>102.</b>	All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.	
<b>103.</b>	Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.	
<b>104.</b>	<ul style="list-style-type: none"> <li>i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.</li> <li>ii. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.</li> </ul>	
<b>105.</b>	Not less than two-thirds of the total number of Directors of the Company, excluding the Independent directors if any appointed by the Board, shall be persons whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the Act and these Articles be appointed by the Company in General Meeting.	Retirement and Rotation of Directors
<b>106.</b>	The remaining Directors shall be appointed in accordance with the provisions of the Act.	



<b>107.</b>	At the Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.	
<b>108.</b>	Subject to the provisions of the Act and these Articles the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provision of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his reappointment is decided or successor is appointed.	
<b>109.</b>	Subject to the provisions of the Act and these Articles, the retiring Director shall be eligible for reappointment.	
<b>110.</b>	Subject to the provision of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.	
<b>111.</b>	Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any of the Finance Corporation or Credit Corporation or to any other Finance Company or Body out of any loans granted by them to the Company or Body (hereinafter in this Article referred to as "the Corporation") continue to hold debentures or shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.	Nominee Director
<b>112.</b>	The terms and conditions of appointment of a Nominee Director/s shall be governed by the agreement that may be entered into or agreed with mutual consent with such Corporation. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors.	
<b>113.</b>	The Nominee Directors so appointed shall hold the said office only so long as any money only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Shares or Debentures in the Company as a result of direct subscription or private placement or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately, if the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.	
<b>114.</b>	The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and/or the Meetings of the Committee of which the Nominee Director/s is/are members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to the Corporation and same shall accordingly be paid by the Corporation directly to the Corporation. Any expenses that may be incurred by the Corporation or by such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Directors. Provided that if any such Nominee Directors is an Officer of the Corporation / IDBI, the sitting fees in relation to such Nominee Directors shall also accrue to the Corporation/ IDBI as the case may be and the same shall accordingly be paid by the Company directly to the Corporation.	



<b>115</b>	Provided also that in the event of the Nominee Directors being appointed as Whole time Directors such Nominee Directors shall exercise such powers and duties as may be approved by the Lenders. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.	
<b>116.</b>	The Company may (subject to the provisions of Act and other applicable provisions and these Articles) remove any Director before the expiry of his period of office after giving him a reasonable opportunity of being heard.	Removal of Directors
<b>117.</b>	Special notice as provided in the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.	
<b>118.</b>	On receipt of the notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.	
<b>119</b>	<p>Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so-,</p> <ol style="list-style-type: none"> <li>in any notice of the resolution given to members of the Company state the fact of the representations having been made, and</li> <li>send a copy of the representations to every member of the Company to whom the notice of the meeting is sent (whether before or after the receipt of representation by the Company) and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:</li> </ol> <p>Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.</p>	
<b>120.</b>	A vacancy created by the removal of a director under this article, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given as prescribed in the Act.	
<b>121</b>	A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.	
<b>122.</b>	<p>If the vacancy is not filled under clause (5) above, it may be filled as a casual vacancy in accordance with the provisions of this Act:</p> <p>Provided that the director who was removed from office shall not be reappointed as a director by the Board of Directors.</p>	
<b>123.</b>	<p>Nothing in this section shall be taken-</p> <ol style="list-style-type: none"> <li>as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or</li> <li>as derogating from any power to remove a director under other provisions of this Act.</li> </ol>	
<b>124.</b>	Subject to provisions of the Act, the Directors including Managing or whole time Directors shall be entitled to and shall be paid such remuneration as may be fixed by the Board of Directors from time to time in recognition of the services rendered by them for the company.	Remuneration and sitting fees to Directors including Managing and



	<p>In addition to the remuneration payable to the Directors as above, they may be paid all travelling, hotel and other expenses incurred by them.</p> <p>a. In attending and returning from meetings of the Board of Directors and committee thereof, all General Meetings of the company and any of their adjourned sittings, or</p> <p>b. In connection with the business of the Company.</p>	whole time Directors
<b>125</b>	<p>Each Director shall be entitled to be paid out of the funds of the Company by way of sitting fees for his services not exceeding the sum of Rs. 1,00,000/-(Rupees One Lac) as may be fixed by Directors from time to time for every meeting of the Board of Directors and/ or committee thereof attended by him in addition to any remuneration paid to them. If any Director being willing is appointed to an executive office either whole time or part time or be called upon to perform extra services or to make any special exertions for the purpose of the Company then subject to Section 196, 197 &amp; 198, read with Schedule V of the Act, the Board may remunerate such Directors either by a fixed sum or by a percentage of profit or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled to.</p>	
<b>126.</b>	<p>i. Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board.</p> <p>a. The power to make calls on shareholders in respect of money unpaid on their shares;</p> <p>b. The Power to authorize buy-back of securities under Section 68 of the Act.</p> <p>c. Power to issue securities, including debenture, whether in or outside India</p> <p>d. The power to borrow moneys</p> <p>e. The power to invest the funds of the Company,</p> <p>f. Power to Grant loans or give guarantee or provide security in respect of loans</p> <p>g. Power to approve financial statements and the Board's Report</p> <p>h. Power to diversify the business of the Company</p> <p>i. Power to approve amalgamation, merger or reconstruction</p> <p>j. Power to take over a Company or acquire a controlling or substantial stake in another Company</p> <p>k. Powers to make political contributions;</p> <p>l. Powers to appoint or remove key managerial personnel (KMP);</p> <p>m. Powers to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;</p> <p>n. Powers to appoint internal auditors and secretarial auditor;</p> <p>o. Powers to take note of the disclosure of director's interest and shareholding;</p> <p>p. Powers to buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee Company;</p> <p>q. Powers to invite or accept or renew public deposits and related matters;</p> <p>r. Powers to review or change the terms and conditions of public deposit;</p> <p>s. Powers to approve quarterly, half yearly and annual financial statements or financial results as the case may be.</p> <p>Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (d), (e) and (f) to the extent specified in clauses (ii), (iii) and (iv) respectively on such condition as the Board may prescribe.</p> <p>ii. Every resolution delegating the power referred to in sub-clause (d) of clause (i) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate.</p>	<p><b>Powers and duties of Directors:</b></p> <p><b>Certain powers to be exercised by the Board only at meeting</b></p>



	<p>iii. Every resolution delegating the power referred to in sub-clause (e) of clause (i) shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.</p> <p>iv. Every resolution delegating the power referred to in sub-clause (f) of clause (i) shall specify the total amount up to which loans may be made by the delegates, the purposes for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual cases.</p> <p>v. Nothing in this Article shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in this Article.</p>	
<b>127.</b>	<p>i. The Board of Directors of the Company shall not except with the consent of the Company in general meeting:</p> <ol style="list-style-type: none"> <li>sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking;</li> <li>remit, or give time for the repayment of any debt, due by a Director;</li> <li>invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation;</li> <li>borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will 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 specific purpose; or</li> <li>contribute to <i>bona fide</i> charitable and other funds, aggregate of which ill in any financial year, exceed five percent of its average net profits during the three financial years, immediately proceedings.</li> </ol> <p>ii. Nothing contained in sub-clause (a) above shall affect:</p> <ol style="list-style-type: none"> <li>the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause in good faith and after exercising due care and caution, or</li> <li>the selling or leasing of any property of the Company where the ordinary business of the Company consists of, or comprises such selling or leasing.</li> </ol> <p>iii. Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (i) (a) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction. Provided that this clause shall not be deemed to authorise the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.</p> <p>iv. No debt incurred by the Company in excess of the limit imposed by sub-clause (d) of clause (i) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.</p>	<b>Restriction on powers of Board</b>
<b>128.</b>	Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in Section 180 of the Companies Act, 2013 and in regard to the limitations on the power of the Company contained in Section 182 of the Companies Act, 2013.	



129.	Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorised to exercise and do and not hereby or by the statue or otherwise directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and other Act and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.	General powers of the Company vested in Directors
130.	<p>Without prejudice to the general powers conferred by Article above and the other powers conferred by these presents and so as not in any way to limit any or all of those powers and subject to the provisions of the Act and these Articles, it is hereby expressly declared that the Directors shall have the following powers:</p> <ul style="list-style-type: none"> <li>i. to pay and charge to the capital account of the Company and interest lawfully payable thereon under the provisions of Sections 76 corresponding to Section 40 of the Companies Act, 2013;</li> <li>ii. to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this Company is authorised to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may believe or may be advised to be reasonable satisfactory;</li> <li>iii. to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;</li> <li>iv. to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares 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, debenture stock 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;</li> <li>v. To erect, construct, enlarge, improve, alter, maintain, pull down rebuilt or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company;</li> <li>vi. To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Companies Act, 2013 any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;</li> <li>vii. 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</li> </ul>	Specific Power given to Directors



	<p>part of the building, 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;</p> <p>viii. Subject to Section 179 of the Companies Act, 2013 to open accounts with any bank or bankers or with any Company, firm, or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;</p> <p>ix. To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;</p> <p>x. To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;</p> <p>xi. To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;</p> <p>xii. To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;</p> <p>xiii. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 180 of the Companies Act, 2013 to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;</p> <p>xiv. Subject to the provisions of Sections 180 of the Companies Act, 2013 to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such Shares, securities or investments (not being Shares in this Company) and in such manner as they may think fit, and from time to time to vary or realize such investments.</p> <p>xv. Subject to such sanction as may be necessary under the Act or these Articles, to give any Director, Officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.</p> <p>xvi. To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions, allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to provident and other funds, institutions, or</p>	
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	<p>trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;</p> <p>xvii. To establish and maintain or procure the establishment and maintenance of any contributory or non contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at anytime Directors or officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidize and subscribe to any institution, association, clubs or funds collected to be for the benefit of or to advance the interests and well being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid;</p> <p>xviii. To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.</p> <p>xix. To appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, Clerks, Agents and servants for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit, and from time to time to provide for the management and transactions of the affairs of the Company in any special locality in India in such manner as they may think fit. The provisions contained in the clause following shall be without prejudice to the general powers conferred by this clause.</p> <p>xx. At any time and from time to time by power of attorney 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 Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favour of any Company or the members, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body or person whether nominated, directly or indirectly by the Directors and such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretion for the time being vested in them.</p> <p>xxi. To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name of on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company;</p>	
<b>131.</b>	<p>a) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time one or more Directors as Managing Director or Managing Directors and/or Whole-time Directors</p>	<b>MANAGING DIRECTORS</b>



	<p>of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director(s)/Whole-time Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may be by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.</p> <p>b) Subject to the approval of shareholders in their meeting, the managing director of the Company may be appointed and continue to hold the office of the chairman and managing director or Chief Executive officer of the Company at the same time.</p> <p>c) Subject to the provisions of Sections 197 &amp; 198 of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in general meeting and of the Central Government.</p>	Power to appoint Managing or Whole-time Directors
<b>132.</b>	<p>a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.</p> <p>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.</p>	Proceedings of the Board
<b>133.</b>	The quorum for meetings of Board/Committees shall be as provided in the Act or under the rules.	
<b>134.</b>	<p>a) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.</p> <p>b) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.</p>	
<b>135</b>	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.	
<b>136.</b>	The participation of directors in a meeting of the Board/ Committees may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	
<b>137.</b>	<p>a) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.</p> <p>b) 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 directors present may choose one of their number to be Chairperson of the meeting.</p>	
<b>138.</b>	<p>a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.</p> <p>b) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.</p>	Delegation of Powers of Board to Committee
<b>139.</b>	<p>a) A committee may elect a Chairperson of its meetings.</p> <p>b) 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.</p>	



<b>140.</b>	<p>a) A committee may meet and adjourn as it thinks fit.</p> <p>b) 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.</p>	
<b>141.</b>	All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	
<b>142.</b>	Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held	
<b>143.</b>	<p>Subject to the provisions of the Act—</p> <p>a) 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 think 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;</p> <p>b) A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.</p>	Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer
<b>144.</b>	A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officers, 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.	
<b>145.</b>	<p>a) The Board shall provide for the safe custody of the seal.</p> <p>b) 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 authorised 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.</p>	The Seal
<b>146.</b>	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.	
<b>147.</b>	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.	
<b>148.</b>	<p>a) 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 equalising 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, think fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	Dividends and Reserve
<b>149.</b>	a) 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	



	<p>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.</p> <p>b) 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.</p> <p>c) 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 particular date such share shall rank for dividend accordingly.</p>	
<b>150</b>	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.	
<b>151.</b>	<p>a) 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.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	
<b>152.</b>	Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.	
<b>153.</b>	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.	
<b>154.</b>	<p>No dividend shall bear interest against the Company.</p> <p>Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases;</p>	
<b>155.</b>	<p>Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration, the company shall, within seven days from the date of expiry of the thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account as per provisions of section 124 and any other pertinent provisions in rules made thereof.</p> <p>The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act.</p>	
<b>156.</b>	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.	
<b>157.</b>	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.	
<b>158.</b>	a) 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.	Accounts



	b) 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.	
<b>159.</b>	<p>Minutes Books of General Meetings</p> <p>a) The books containing the minutes of the proceedings of any general meeting of the Company shall;</p> <ol style="list-style-type: none"> <li>be kept at the registered office of the Company, and</li> <li>be open, during the business hours to the inspection of any member without charge subject such reasonable restrictions as the Company may, in general meeting impose so however that not less than two hours in each day are allowed for inspection.</li> </ol> <p>Provided however that any person willing to inspect the minutes books of General Meetings shall intimate to the Company his willingness atleast 15 days in advance.</p> <p>b) Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf of the Company, with a copy of any minutes referred to in Clause (a) above, on payment of Rs. 10/- (Ten Rupees only) for each page or part thereof.</p>	Inspection of Statutory Documents of the Company:
<b>160.</b>	<p>Register of charges:</p> <p>a) The Company shall keep at its registered office a Register of charges and enter therein all charges and floating charges specifically affecting any property or assets of the Company or any of its undertakings giving in each case the details as prescribed under the provisions of the Act.</p> <p>b) The register of charges and instrument of charges, as per clause (i) above, shall be open for inspection during business hours—</p> <ol style="list-style-type: none"> <li>by any member or creditor without any payment of fees; or</li> <li>by any other person on payment of such fees as may be prescribed,</li> </ol> <p>Provided however, that any person willing to inspect the register of charges shall intimate to the Company at least 15 days in advance, expressing his willingness to inspect the register of charges, on the desired date.</p>	
<b>161.</b>	<p>a) The first Auditor of the Company shall be appointed by the Board of Directors within 30 days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.</p> <p>b) Appointment of Auditors shall be governed by provisions of Companies Act 2013 and rules made there under.</p> <p>c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.</p> <p>d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.</p>	Audit
<b>162.</b>	<p>Subject to the provisions of Chapter XX of the Act and rules made there under—</p> <ol style="list-style-type: none"> <li>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.</li> </ol>	Winding up



	<p>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.</p> <p>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 others securities whereon there is any liability.</p>	
<b>163.</b>	Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal Subject to the provisions of Chapter XX of the Act and rules made there under—	Indemnity
<b>164.</b>	<p>(a) Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in or about the business of the company shall, if so required by the Board before entering upon their duties sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board 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.</p> <p>(b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and which in the opinion of the directors, it would be inexpedient in the interests of the Company to disclose.</p>	Secrecy



## **SECTION XV – OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Draft Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Draft Prospectus, delivered to the Registrar of Companies, for registration. Copies of the above-mentioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 11 a.m. and 5 p.m. on all Working Days from the date of this Prospectus until the Issue Closing Date.

#### **Material Contracts**

1. Memorandum of Understanding dated December 15, 2022 between our Company Lead Manager to the Issue.
2. Agreement dated December 12, 2022 executed between our Company and the Registrar to the Issue (Link Intime India Private Limited)
3. Market Making Agreement dated December 17, 2022 between our Company, Lead Manager and Market Maker.
4. Banker to the Issue Agreement dated [●] among our Company, Lead Manager, Banker to the Issue and the Registrar to the Issue.
5. Underwriting Agreement dated December 17, 2022 between our Company, Lead Manager and Underwriters.
6. Tripartite Agreement dated October 11, 2022 among CDSL, the Company and the Registrar to the Issue.
7. Tripartite Agreement dated October 17, 2022 among NDSL, the Company and the Registrar to the Issue.

#### **Material Documents**

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated April 29, 1993 issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli.
3. Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause dated December 30, 2009 issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli.
4. Fresh Certificate of Incorporation dated February 05, 2010 issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli consequent upon Name change of the Company.
5. Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause dated April 01, 2022 issued by the Registrar of Companies, Ahmedabad.
6. Fresh Certificate of Incorporation dated June 22, 2022 issued by the Registrar of Companies, Ahmedabad consequent upon Name change of the Company.
7. Fresh Certificate of Incorporation dated September 23, 2022 issued by the Registrar of Companies, Ahmedabad consequent upon conversion of the Company to Public Company.
8. Copy of the Board Resolution dated September 24, 2022 authorizing the Issue and other related matters.
9. Copy of Shareholder's Resolution dated September 28, 2022 authorizing the Issue and other related matters.
10. Copies of Audited Financial Statements of our Company for the years ended March 31, 2022, 2021 & 2020.
11. Peer Review Auditors Report dated December 19, 2022 on Restated Financial Statements of our Company for the period ended on September 30, 2022 and years ended March 31, 2022, 2021 & 2020.
12. Copy of the Statement of Tax Benefits dated December 19, 2022 from the Statutory Auditor.
13. Consents of the Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Banker to our Company, Banker to the Issue, Sponsor Bank, Statutory Auditor of the Company, Peer Review Auditor, Promoters of our Company, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, as referred to, in their respective capacities.
14. Board Resolution dated January 12, 2023 for approval of Draft Prospectus, dated [●] for approval of Prospectus
15. Due Diligence Certificate from Lead Manager dated January 12, 2023 filed with BSE and dated [●] filed with SEBI.
16. Approval from BSE Limited vide letter dated [●] to use the name of BSE Limited in the Prospectus for listing of Equity Shares on the BSE SME.

Any of the contracts or documents mentioned in the Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, with the consent of shareholder's subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



## **DECLARATION**

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/ regulations issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Draft Prospectus. No statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Draft Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY:**

\_\_\_\_\_  
**Mr. Jerambhai Lavjibhai Donda**  
*Chairman and Managing Director*  
DIN: 00484152

\_\_\_\_\_  
**Mr. Jay Jerambhai Donda**  
*Whole-Time Director*  
DIN: 03496627

\_\_\_\_\_  
**Mrs. Dimple Jay Donda**  
*Non-Executive Director*  
DIN: 09630193

\_\_\_\_\_  
**Mr. Vivekbhai Tulsibhai Mavani**  
*Independent Director*  
DIN: 09099074

\_\_\_\_\_  
**Mr. Brijeshkumar Maheshbhai Pathak**  
*Independent Director*  
DIN: 09730412

### **SIGNED BY THE CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY AND COMPLIANCE OFFICER OF OUR COMPANY: -**

\_\_\_\_\_  
**Mr. Jay Jerambhai Donda**  
*Chief Financial Officer*

\_\_\_\_\_  
**Mr. Pratik Ashokbhai Patel**  
*Company Secretary and Compliance Officer*

**Date – January 12, 2023**

**Place – Bhavnagar, Gujarat, India**