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Red Herring Prospectus

Dated: July 19, 2023

100% Book Built

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

# SHRI TECHTEX LIMITED

Corporate Identity Numbers: U36900GJ2018PLC104005

| REGISTERED OFFICE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                     | CORPORATE OFFICE                                    | CONTACT PERSON                        | TELEPHONE AND EMAIL                                                                                                                                                                            | WEBSITE                                                      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|
| Harmony, 2nd Floor, 15/A, Shree Vidhyanagar Co.Op. Hsg. Soc. Ltd. Opp. Nabard, Nr. Usmanpura Garden Ahmedabad - 380014, Gujarat, India.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                     | NA                                                  | Mrs. Akanksha Aswani                  | Tel No: +91 78741 32777<br>Email Id: cs@shritechtex.co.in                                                                                                                                      | <a href="http://www.shritechtex.com">www.shritechtex.com</a> |
| PROMOTERS OF OUR COMPANY: MR. HANSKUMAR RAMAKANT AGARWAL AND MRS. SHRADHA HANSKUMAR AGARWAL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                     |                                                     |                                       |                                                                                                                                                                                                |                                                              |
| DETAILS OF THE ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                     |                                                     |                                       |                                                                                                                                                                                                |                                                              |
| TYPE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | FRESH ISSUE SIZE<br>(IN ₹ LAKHS)                    | OFS SIZE<br>(BY NO. OF SHARES OR<br>BY AMOUNT IN ₹) | TOTAL ISSUE SIZE                      | ELIGIBILITY                                                                                                                                                                                    |                                                              |
| Fresh Issue                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 7400000 Equity Shares<br>aggregating to ₹ [●] Lakhs | Nil                                                 | ₹ [●] Lakhs                           | THE ISSUE IS BEING MADE PURSUANT TO REGULATION 229(2) OF SEBI ICDR REGULATIONS, 2018. AS THE COMPANY'S POST ISSUE FACE VALUE CAPITAL EXCEEDS RS.1000 LAKHS BUT DOES NOT EXCEED RS. 2500 LAKHS. |                                                              |
| DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE OFFER CONSTITUTES FRESH ISSUE OF EQUITY SHARES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                     |                                                     |                                       |                                                                                                                                                                                                |                                                              |
| RISK IN RELATION TO THE FIRST ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                     |                                                     |                                       |                                                                                                                                                                                                |                                                              |
| The face value of the Equity Shares is ₹ 10/- each. The Floor Price, the Cap Price and the Issue Price to be determined by our Company in consultation with the BRLM on the basis of the assessment of market demand for our Equity Shares by way of the Book Building Process, as disclosed in “Basis for Issue Price” on page 96 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                     |                                                     |                                       |                                                                                                                                                                                                |                                                              |
| Investments 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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 26. |                                                     |                                                     |                                       |                                                                                                                                                                                                |                                                              |
| ISSUER'S ABSOLUTE RESPONSIBILITY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                     |                                                     |                                       |                                                                                                                                                                                                |                                                              |
| Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring 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 Red Herring 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 Red Herring 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 Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited (“NSE”).                                                                                                                                                                                                                                                                                                                                                                                                   |                                                     |                                                     |                                       |                                                                                                                                                                                                |                                                              |
| BOOK RUNNING LEAD MANAGER TO THE ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                     |                                                     |                                       |                                                                                                                                                                                                |                                                              |
| NAME AND LOGO                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                     | CONTACT PERSON                                      |                                       | EMAIL & TELEPHONE                                                                                                                                                                              |                                                              |
| <br>Beeline Capital Advisors Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                     | Mr. Nikhil Shah                                     |                                       | Email: <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a><br>Tel. No: 079 4918 5784                                                                                                        |                                                              |
| REGISTRAR TO THE ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                     |                                                     |                                       |                                                                                                                                                                                                |                                                              |
| NAME AND LOGO                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                     | CONTACT PERSON                                      |                                       | EMAIL & TELEPHONE                                                                                                                                                                              |                                                              |
| <br>Link Intime India Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                     | Shanti Gopalkrishnan                                |                                       | Email: <a href="mailto:shritechtex.ipo@linkintime.co.in">shritechtex.ipo@linkintime.co.in</a><br>Tel. No: +91 810 811 4949                                                                     |                                                              |
| BID/ISSUE PERIOD                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                     |                                                     |                                       |                                                                                                                                                                                                |                                                              |
| ANCHOR INVESTOR BIDDING DATE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                     |                                                     | TUESDAY JULY 25, 2023                 |                                                                                                                                                                                                |                                                              |
| ISSUE OPENS ON: WEDNESDAY JULY 26, 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                     |                                                     | ISSUE CLOSES ON: FRIDAY JULY 28, 2023 |                                                                                                                                                                                                |                                                              |



# SHRI TECHTEX LIMITED

Corporate Identification Number: U36900GJ2018PLC104005

Our Company was originally formed and registered as a partnership firm under the Partnership Act, 1932 ("Partnership Act") in the name and style of "M/s Shree Tech Tex Company", pursuant to a deed of partnership dated January 7, 2011. Subsequently, the constitution of partnership firm were changed on February 18, 2016, July 01, 2017, March 14, 2018 and June 12, 2020 by admission and retirement of partners. Later on, Name of "M/s Shree Tech Tex Company" was changed to "M/s Shri Techtex" on July 03, 2018 by amendment in Deed of Partnership. "M/s Shri Techtex" was thereafter converted from a partnership firm to a private limited company under Part I chapter XXI of the Companies Act, 2013 in the name of "Shri Techtex Private Limited" and received a certificate of incorporation dated September 08, 2018 from the Central Registration Center, Ministry of Corporate Affairs. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on December 31, 2022 and the name of our Company was changed to "Shri Techtex Limited". A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated January 03, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U36900GJ2018PLC104005.

**Registered Office:** Harmony, 2nd Floor, 15/A, Shree Vidhyanagar Co.Op. Hsg. Soc. Ltd. Opp. NABARD, Nr. Usmanpura Garden Ahmedabad -380014, Gujarat, India.

**Website:** www.shritechtex.com; **E-Mail:** cs@shritechtex.co.in; **Telephone No:** +91 78741 32777

**Company Secretary and Compliance Officer:** Mrs. Akanksha Aswani

| PROMOTERS OF OUR COMPANY: MR. HANSKUMAR RAMAKANT AGARWAL AND MRS. SHRADHA HANSKUMAR AGARWAL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                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| THE ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              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| <p><b>PUBLIC ISSUE OF 7400000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF SHRI TECHTEX LIMITED ("STL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 10/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 10/- PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ 10 LAKHS (THE "ISSUE"), OF WHICH 372000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ 10/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 10/- PER EQUITY SHARE AGGREGATING TO ₹ 10 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E., NET ISSUE OF 7028000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ 10/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 10/- PER EQUITY SHARE AGGREGATING TO ₹ 10 LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 29.66% AND 28.17%, RESPECTIVELY, OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH.</b></p> <p><b>THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM ADVERTISED IN ALL EDITION OF FINANCIAL EXPRESS (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITION OF JANSATTA (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND AHMEDABAD EDITION OF FINANCIAL EXPRESS REGIONAL NEWSPAPER (GUJARATI REGIONAL LANGUAGE OF AHMEDABAD WHERE OUR REGISTERED OFFICE IS LOCATED). AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.</b></p> <p><b>FOR FURTHER DETAILS KINDLY REFER TO CHAPTER TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 210 OF THIS RED HERRING PROSPECTUS.</b></p> <p>In case of any revision in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the respective websites of the BRLM and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable.</p> <p>This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders are required to participate in the Issue by mandatorily utilizing the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 220.</p> <p>All potential investors shall participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page 220 of this Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| RISK IN RELATION TO THE FIRST ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    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| <p>This being the first public issue of Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Floor Price, the Cap Price and the Issue Price 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 and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          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| GENERAL RISKS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          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| <p>Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this 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 issued in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 26 of this Red Herring Prospectus.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             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| COMPANY'S ABSOLUTE RESPONSIBILITY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      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| <p>The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring 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 Red Herring 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 Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p>                                                                                                                                                                                                                                                                                                                             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| LISTING                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                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| <p>The Equity Shares Issued through this Red Herring Prospectus are proposed to be listed on EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In-Principal Approval letter dated June 22, 2023 from National Stock Exchange of India Limited ("NSE") for using its name in this Issue document for listing our shares on the EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"). For this Issue, the designated Stock Exchange is the National Stock Exchange of India Limited ("NSE").</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               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| BOOK RUNNING LEAD MANAGER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | REGISTRAR TO THE ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|  <p><b>BEELINE CAPITAL ADVISORS PRIVATE LIMITED</b><br/>SEBI Registration Number: INM000012917<br/>Address: B 1311-1314 Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad - 380054, Gujarat, India<br/>Telephone Number: 079 4918 5784<br/>Email Id: <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a><br/>Investors Grievance Id: <a href="mailto:ig@beelinemb.com">ig@beelinemb.com</a><br/>Website: <a href="http://www.beelinemb.com">www.beelinemb.com</a><br/>Contact Person: Mr. Nikhil Shah<br/>CIN: U67190GJ2020PTC114322</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  <p><b>Link Intime India Private Limited</b><br/>SEBI Registration Number: INR000004058<br/>Address: C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India<br/>Tel. Number: +91 810 811 4949<br/>Fax- 022 - 4918 6060<br/>Email Id: <a href="mailto:shritechtex ipo@linkintime.co.in">shritechtex ipo@linkintime.co.in</a><br/>Investors Grievance Id: <a href="mailto:shritechtex ipo@linkintime.co.in">shritechtex ipo@linkintime.co.in</a><br/>Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a><br/>Contact Person: Shanti Goapalkrishnan<br/>CIN: U67190MH1999PTC118368</p> |
| BID/ISSUE PERIOD                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       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                                                                                                                                                                                                                                                     | TUESDAY JULY 25, 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| ISSUE OPENS ON: WEDNESDAY JULY 26, 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                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## SECTION I – DEFINATIONS AND ABBREVIATIONS

*This Red Herring 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 and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. The words and expressions used in this Red Herring 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.*

### GENERAL AND COMPANY RELATED TERMS

| Term                                                                                                         | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Shri Techtext”, “STL” “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer” | Shri Techtext Limited, a public limited company, registered under the Companies Act, 2013 and having its registered office at Harmony, 2nd Floor, 15/A, Shree Vidhyanagar CO.OP. HSG. Soc. Ltd. Opp. Nabard, Nr. Usmanpura Garden Ahmedabad Gujarat 380014 India.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Our Promoters                                                                                                | Mr. Hanskumar Ramakant Agarwal and Mrs. Shradha Hanskumar Agarwal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Promoter’s Group                                                                                             | Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “Our Promoters and Promoter’s Group”.<br><br><i><b>Note:</b> Our company had applied for SEBI Exemption on April 18, 2023 for relaxation of strict enforcement of Regulation 2(1)(pp) of the ICDR Regulations with regard to the disclosures pertaining to Anjali Ashutosh Taparia, Madhusudan Sundarmal Sonthalia, Sheela Devi Sonthalia, Parag Kumar Sonthalia and Dheeraj Kumar Sonthalia (Herein after “Immediate relatives”) under regulation 300 of SEBI ICDR, 2018. SEBI vide letter dated May 25, 2023 communicated our company to include Immediate relatives as a part of Promoter Group and also to include the information pertaining to such immediate relatives and their related entities which is available in public domain. Therefore, details of such immediate relatives and their entities are limited to the information available in the public domain.</i> |

### COMPANY RELATED TERMS

| Term                                          | Description                                                                                                                                                                                                        |
|-----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Articles / Articles of Association/AOA        | Articles of Association of our Company.                                                                                                                                                                            |
| Audit Committee                               | The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer section titled “Our Management” on page 144 of this Red Herring Prospectus. |
| Auditor of our Company                        | The Statutory Auditors of our Company, being For A S R V & Co., Chartered Accountants as mentioned in the section titled “General Information” beginning on page 51 of this Red Herring Prospectus.                |
| Bankers to the Company                        | The Hongkong and Shanghai Banking Corporation Limited & The Ahmedabad District Co-Op. Bank Ltd                                                                                                                     |
| Board of Directors / Board/BOD                | The Board of Directors of Shri Techtext Limited unless otherwise specified.                                                                                                                                        |
| Companies Act                                 | The Companies Act, 2013 as amended from time to time.                                                                                                                                                              |
| CIN                                           | Corporate Identification Number of our Company i.e. U36900GJ2018PLC104005                                                                                                                                          |
| CMD                                           | Chairman and Managing Director                                                                                                                                                                                     |
| Chief Financial Officer (CFO)                 | The Chief Financial officer of our Company, being Mr. Aashish Ashok Bhaiya.                                                                                                                                        |
| Company Secretary and Compliance Officer (CS) | Mrs. Akanksha Aswani                                                                                                                                                                                               |





| Term                                                | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Depositories Act                                    | The Depositories Act, 1996, as amended from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| DIN                                                 | Director Identification Number                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Equity Shares                                       | Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Equity Shareholders                                 | Persons/ Entities holding Equity Shares of Our Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| ED                                                  | Executive Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Group Companies                                     | Group Companies as defined under Regulation 2(1)(t) of the SEBI (ICDR) Regulations, 2018, “Group companies shall include such companies (other than our Promoters and Subsidiary) with which there were related party transactions as disclosed in the Restated Financial Information as covered under the applicable accounting standards, and as disclosed in “ <i>Information with respect to Group Companies</i> ” on page 189 of this Red Herring Prospectus.                                                                                                                                     |
| Independent Director                                | A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Indian GAAP                                         | Generally Accepted Accounting Principles in India                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| ISIN                                                | INE00MF01015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Key Managerial Personnel / Key Managerial Employees | The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “ <i>Our Management</i> ” on page 144 of this Red Herring Prospectus.                                                                                                                                                                                                                                                                                                                                                                                |
| LLP                                                 | LLP incorporated under the Limited Liability Partnership Act, 2008.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Materiality Policy                                  | The policy on identification of group companies, material creditors and material litigation, adopted by our Board on January 03, 2023 in accordance with the requirements of the SEBI ICDR Regulations.                                                                                                                                                                                                                                                                                                                                                                                                |
| MD                                                  | Managing Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| MOA/ Memorandum / Memorandum of Association         | Memorandum of Association of our Company as amended from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Non-Residents                                       | A person resident outside India, as defined under FEMA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Nomination and Remuneration Committee               | The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 144 of this red herring prospectus.                                                                                                                                                                                                                                                                                                                                                                         |
| 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 and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000.                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Statutory Auditors / Peer Reviewed Auditor          | The Statutory Auditors of our Company, being For A S R V & Co., Chartered Accountants, holding a valid peer review certificate, as mentioned in the section titled “ <i>General Information</i> ” beginning on page 51 of this Red Herring Prospectus.                                                                                                                                                                                                                                                                                                                                                 |
| Registered Office                                   | Harmony, 2nd Floor, 15/A, Shree Vidhyanager CO.OP. HSG. Soc. Ltd. Opp. Nabard, Nr. Usmanpura Garden Ahmedabad Gujarat 380014 India.                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Restated Financial Information                      | The Restated Financial Information of our Company, which comprises the Restated Statement of assets and liabilities, the Restated Statement of profit and loss, the Restated Statement of cash flows for year ended on March 31, 2023, 2022, 2021 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time. |
| ROC / Registrar of Companies                        | Registrar of Companies, Ahmedabad.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Stakeholders Relationship Committee                 | The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 144 of this red herring prospectus.                                                                                                                                                                                                                                                                                                                                                        |
| WTD                                                 | Whole-Time Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |



## ISSUE RELATED TERMS

| Terms                                          | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Abridged Prospectus                            | Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Acknowledgement Slip                           | The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Allotment/Allot/Allotted                       | Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue pursuant to successful Bidders.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Application Form                               | The Form in terms of which the applicant shall apply for the Equity Shares of our Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Allotment Advice                               | Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Application Supported by Blocked Amount / ASBA | An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| ASBA Account                                   | An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Allotment                                      | Issue of the Equity Shares pursuant to the Issue to the successful applicants                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Allottee (s)                                   | The successful applicant to whom the Equity Shares are being / have been issued                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Anchor Investor                                | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Basis of Allotment                             | The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in paragraph titled 'Basis of allotment' under chapter titled "Issue Procedure" starting from page no. 220 of this Red Herring Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Bid                                            | An indication to make an Issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term "Bidding" shall be construed accordingly.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Bid Lot                                        | [●] Equity Shares and in multiples of [●] Equity Shares thereafter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Bid/Issue Closing Date                         | <p>The date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in All editions of Financial Express (a widely circulated English national daily newspaper), and All editions of Jansatta (a widely circulated Hindi national daily newspaper), and Financial Express editions of Ahmedabad (a widely circulated Regional language daily newspaper) (Gujarati being the regional language of Gujarat, where our Registered Office is located).</p> <p>Our Company in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations</p> |
| Bid/Issue Opening Date                         | The date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in in All editions of Financial Express (a widely circulated English national daily newspaper), and All editions of Jansatta (a widely circulated Hindi national daily newspaper), and Financial Express editions of                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |



| Terms                                      | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                            | Ahmedabad (a widely circulated Regional language daily newspaper) (Gujarati being the regional language of Gujarat, where our Registered Office is located).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Bid/ Issue Period                          | <p>The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders.</p> <p>Our Company in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.</p> <p>In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days</p> |
| Bidder/ Investor                           | Any prospective investor who makes a bid for Equity Shares in terms of Red Herring Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Bidding Centres                            | Centres at which the Designated Intermediaries shall accept the Bid cum 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Bid Amount                                 | The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Red Herring Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Bid cum Application Form                   | The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Red Herring Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Book Building Process                      | Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| BRLM / Book Running Lead Manager           | Book Running Lead Manager to the Issue, in this case being Beeline Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Bankers to the Issue and Refund Banker     | Axis Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Cap Price                                  | The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price will not be finalised and above which no Bids will be accepted                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 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 bids at the Designated CDP Locations in terms                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |



| Terms                                      | Description                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                            | 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 BRLM, the Registrar to the Issue and the Stock Exchange.                                                                                                                                                                                                                                                                                                             |
| Depository                                 | A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.                                                                                                                                                                                                                                                                                                                       |
| 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                                                                                                                                                                                                                                                          |
| Designated Date                            | The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus, after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue. |
| Designated SCSB Branches                   | Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder 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 bidder can submit the Bid cum Application Forms to Collecting Depository Participants.<br><br>The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>  |
| Designated RTA Locations                   | Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>                                                                     |
| Designated Intermediaries/Collecting Agent | The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.                                                                                                                                                                                                                              |
| Depository Participant                     | A Depository Participant as defined under the Depositories Act, 1996                                                                                                                                                                                                                                                                                                                                                      |
| Designated Stock Exchange                  | Emerge Platform of National Stock Exchange of India Limited (“NSE EMERGE”)                                                                                                                                                                                                                                                                                                                                                |
| DP ID                                      | Depository Participant’s Identity Number                                                                                                                                                                                                                                                                                                                                                                                  |
| Draft Red Herring Prospectus               | Draft Red Herring prospectus dated February 14, 2023 issued in accordance with Section 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations.                                                                                                                                                                                                                                                                         |
| Engagement Letter                          | The Engagement letter dated November 01, 2022 executed between Issuer and BRLM.                                                                                                                                                                                                                                                                                                                                           |
| Eligible NRI                               | NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.                                                                                                                                                                             |
| Emerge Platform of NSE                     | The EmERGE Platform of NSE for Listing of Equity Shares offered under Chapter IX of SEBI (ICDR) Regulations which was approved by SEBI as an NSE EmERGE on October 14, 2011.                                                                                                                                                                                                                                              |
| 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 Issue 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.                                                                                               |
| Escrow Account                             | Accounts to be opened with the Banker to the Issue                                                                                                                                                                                                                                                                                                                                                                        |



| Terms                                                                 | Description                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| First/ Sole bidder                                                    | The bidder whose name appears first in the Bid cum Application Form or Revision Form.                                                                                                                                                                                                                                                                                                                                                                   |
| Floor Price                                                           | The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price will be finalised and below which no Bids will be accepted                                                                                                                                                                                                                                  |
| 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 |
| Fresh Issue                                                           | The Fresh Issue of 7400000 Equity Shares aggregating up to ₹ [●] Lakhs.                                                                                                                                                                                                                                                                                                                                                                                 |
| Fugitive Economic Offender                                            | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018                                                                                                                                                                                                                                                                                                                                |
| Fraudulent Borrower                                                   | Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations                                                                                                                                                                                                                                                                                                                                                                 |
| General Information Document (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 document                                                        | Includes Red Herring Prospectus and Prospectus filed with Registrar of Companies.                                                                                                                                                                                                                                                                                                                                                                       |
| Issue Period                                                          | The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their Bidding application                                                                                                                                                                                                                                                                               |
| Issue Proceeds                                                        | Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” page 85 of this Red Herring Prospectus                                                                                                                                                                                                                                                                   |
| Issue/ Issue Size/ Initial Public Issue/ Initial Public Offering/ IPO | The initial public offering of 7400000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] Lakhs comprising the Fresh Issue.                                                                                                                                                                                                                                                                                                       |
| Issue Price                                                           | The price at which the Equity Shares are being issued by our Company through this Red Herring Prospectus, being ₹ [●] /- (including share premium of ₹ [●] /- per Equity Share).                                                                                                                                                                                                                                                                        |
| Listing Agreement                                                     | The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.                                                                                                                                                                                                                                                                                                                                         |
| Market Making Agreement                                               | The Market Making Agreement dated July 13, 2023 between our Company, Book Running Lead Manager and Market Maker.                                                                                                                                                                                                                                                                                                                                        |
| Market Maker                                                          | The Market Maker to the Issue, in this case being Sunflower Broking Private Limited.                                                                                                                                                                                                                                                                                                                                                                    |
| Market Maker Reservation Portion                                      | The reserved portion of 372000 Equity Shares of ₹ 10 each at an Issue price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Issue.                                                                                                                                                                                                                                                                                    |
| Mutual Funds                                                          | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time                                                                                                                                                                                                                                                                                                                                        |





| Terms                                 | Description                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Net Issue                             | The Issue excluding the Market Maker Reservation Portion of 372000 Equity Shares of Face Value of ₹ 10.00 each fully paid for cash at a price of ₹ [●] Equity Share aggregating ₹ [●] Lakhs by our Company.                                                                                                                                                                                                  |
| Net Proceeds                          | The proceeds from the Fresh Issue less the Issue related expenses applicable to the Fresh Issue                                                                                                                                                                                                                                                                                                              |
| NPCI                                  | NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).                                                                                                                                                                        |
| Offer Document                        | Offer Document includes Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus.                                                                                                                                                                                                                                                                                                                  |
| Person/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.                                                |
| Price Band                            | Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●]. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid / Issue Opening Date |
| Prospectus                            | The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.                                                                                      |
| Public Issue Account                  | Account opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the ASBA bidder, on the Designated Date.                                                                                                                                                                                                                                                              |
| Public Issue Account Agreement        | Agreement to be entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.                                                                                                                                                                                                             |
| Qualified Institutional Buyers / QIBs | The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.                                                                                                                                                                                                                                                                                                        |
| Red Herring Prospectus / RHP          | The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto                                                                                     |
| Refund Account                        | Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.                                                                                                                                                                                                                                       |
| Refund Bank(s) / Refund Banker(s)     | Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being Axis Bank Limited.                                                                                                                                                                        |
| Registrar / Registrar to the Issue    | Registrar to the Issue being Link Intime India Private Limited.                                                                                                                                                                                                                                                                                                                                              |
| Regulations                           | Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.                                                                                                                                                                                                                                                                           |
| Retail Individual Investors /(RII)    | Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who applies or bids for the Equity Shares of a value of not more than ₹ 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                                                                                                                                                                         |



| Terms                              | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                    | investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="http://www.nseindia.com/membership/content/cat_of_mem.htm">http://www.nseindia.com/membership/content/cat_of_mem.htm</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Reserved Category/ Categories      | Categories of persons eligible for making bid under reservation portion.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Reservation Portion                | The portion of the Issue reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Revision Form                      | The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| SCSB                               | A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and Issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Sponsor Bank                       | The Banker to the Issue registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 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 bidders, as proof of registration of the bid.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Underwriter                        | The BRLM 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 entered into between the Underwriter and our Company dated July 13, 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| UPI                                | Unified payment Interface, which is an instant payment mechanism, developed by NPCI.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| UPI Circular                       | The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022 and any subsequent circulars or notifications issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard. |
| UPI ID                             | ID created on UPI for single-window mobile payment system developed by the NPCI.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| UPI Mandate Request                | A request (intimating the Retail Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Retail Individual Bidder to such Mobile App) to the Retail Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| UPI Mechanism                      | The bidding mechanism that may be used by a RII to make a Bid in the Offer in accordance with the UPI Circulars.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| UPI PIN                            | Password to authenticate UPI transactions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Wilful Defaulter                   | Willful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Working Days                       | 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 Red Herring Prospectus are open for business :-                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |



| Terms | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|       | <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> |

#### TECHNICAL AND INDUSTRY RELATED TERMS

| Term   | Description                                        |
|--------|----------------------------------------------------|
| CAGR   | Compound Annual Growth Rate                        |
| DBT    | Direct Benefit Transfer                            |
| FIBC   | A flexible intermediate bulk Container             |
| GDP    | Gross Domestic Product                             |
| GPD    | Gallons per day                                    |
| GST    | Goods and Service Tax                              |
| GTR    | Gross Tax Revenue                                  |
| kgf    | Kilogram Force                                     |
| Kgs    | Kilograms                                          |
| MAT    | Minimum Alternate Tax                              |
| MR     | Market Research                                    |
| MT     | Metric Ton                                         |
| NER    | North Eastern region                               |
| PP     | Polypropylene                                      |
| MWp    | Megawatts-Peak                                     |
| PV     | Photovoltaics                                      |
| Sq Mtr | Square Meter                                       |
| HT     | High Tension                                       |
| NTPEP  | National Transportation Product Evaluation Program |
| GSM    | Grams Per Square Metre                             |
| PP     | Polypropylene                                      |
| NTPEP  | National Transportation Product Evaluation Program |
| NW     | Non-woven                                          |

#### CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS

| Term                 | Description                                                                      |
|----------------------|----------------------------------------------------------------------------------|
| A/c                  | Account                                                                          |
| Act or Companies Act | Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time |
| AGM                  | Annual General Meeting                                                           |
| AO                   | Assessing Officer                                                                |
| ASBA                 | Application Supported by Blocked Amount                                          |
| AS                   | Accounting Standards issued by the Institute of Chartered Accountants of India   |
| AY                   | Assessment Year                                                                  |
| BG                   | Bank Guarantee                                                                   |
| CAGR                 | Compounded Annual Growth Rate                                                    |
| CAN                  | Confirmation Allocation Note                                                     |
| CDSL                 | Central Depository Services (India) Limited                                      |



| Term                            | Description                                                                                                                                                                                      |
|---------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CFSS                            | Companies Fresh Start Scheme under Companies Act, 2013                                                                                                                                           |
| CIN                             | Corporate Identity Number                                                                                                                                                                        |
| CIT                             | Commissioner of Income Tax                                                                                                                                                                       |
| CRR                             | Cash Reserve Ratio                                                                                                                                                                               |
| Depositories                    | NSDL and CDSL                                                                                                                                                                                    |
| Depositories Act                | The Depositories Act, 1996 as amended from time to time                                                                                                                                          |
| Depository                      | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time                               |
| DIN                             | Director identification number                                                                                                                                                                   |
| DP/ Depository Participant      | A Depository Participant as defined under the Depositories Act, 1996.                                                                                                                            |
| DP ID                           | Depository Participant's Identification                                                                                                                                                          |
| EBIDTA                          | Earnings Before Interest, Depreciation, Tax and Amortization                                                                                                                                     |
| ECS                             | Electronic Clearing System                                                                                                                                                                       |
| EMDE                            | Emerging Market and Developing Economy                                                                                                                                                           |
| EoGM                            | Extra-ordinary General Meeting                                                                                                                                                                   |
| EPS                             | Earnings Per Share i.e. profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year                                    |
| Financial Year/ Fiscal Year/ FY | The period of twelve months ended March 31 of that particular year                                                                                                                               |
| FDI                             | Foreign Direct Investment                                                                                                                                                                        |
| FDR                             | Fixed Deposit Receipt                                                                                                                                                                            |
| FEMA                            | Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time                                                                              |
| FEMA Regulations                | Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended                                                                     |
| FII                             | Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India |
| FII Regulations                 | Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended                                                                                           |
| Fis                             | Financial Institutions                                                                                                                                                                           |
| FIPB                            | Foreign Investment Promotion Board                                                                                                                                                               |
| FVCI                            | Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time                  |
| GDP                             | Gross Domestic Product                                                                                                                                                                           |
| GIR Number                      | General Index Registry Number                                                                                                                                                                    |
| Gov/ Government/GoI             | Government of India                                                                                                                                                                              |
| HUF                             | Hindu Undivided Family                                                                                                                                                                           |
| IFRS                            | International Financial Reporting Standard                                                                                                                                                       |
| ICSI                            | Institute of Company Secretaries of India                                                                                                                                                        |
| ICAI                            | Institute of Chartered Accountants of India                                                                                                                                                      |
| Indian GAAP                     | Generally Accepted Accounting Principles in India                                                                                                                                                |
| I.T. Act                        | Income Tax Act, 1961, as amended from time to time                                                                                                                                               |
| ITAT                            | Income Tax Appellate Tribunal                                                                                                                                                                    |
| INR/ Rs./ Rupees / ₹            | Indian Rupees, the legal currency of the Republic of India                                                                                                                                       |
| LIC                             | Low-Income Country                                                                                                                                                                               |
| Ltd.                            | Limited                                                                                                                                                                                          |
| Pvt. Ltd.                       | Private Limited                                                                                                                                                                                  |



| Term                                                        | Description                                                                                                                                                                                                                                                                                                                  |
|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MCA                                                         | Ministry of Corporate Affairs                                                                                                                                                                                                                                                                                                |
| Merchant Banker                                             | Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended                                                                                                                                                                                                  |
| MOF                                                         | Ministry of Finance, Government of India                                                                                                                                                                                                                                                                                     |
| MOU                                                         | Memorandum of Understanding                                                                                                                                                                                                                                                                                                  |
| NA                                                          | Not Applicable                                                                                                                                                                                                                                                                                                               |
| NAV                                                         | Net Asset Value                                                                                                                                                                                                                                                                                                              |
| NEFT                                                        | National Electronic Fund Transfer                                                                                                                                                                                                                                                                                            |
| NOC                                                         | No Objection Certificate                                                                                                                                                                                                                                                                                                     |
| NSE                                                         | National Stock Exchanges of India Limited                                                                                                                                                                                                                                                                                    |
| NR/ Non Residents                                           | Non Resident                                                                                                                                                                                                                                                                                                                 |
| NRE Account                                                 | Non Resident External Account                                                                                                                                                                                                                                                                                                |
| NRI                                                         | Non Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations                                                                                                                                                                                                                      |
| NRO Account                                                 | Non Resident Ordinary Account                                                                                                                                                                                                                                                                                                |
| NSDL                                                        | National Securities Depository Limited                                                                                                                                                                                                                                                                                       |
| NTA                                                         | Net Tangible Assets                                                                                                                                                                                                                                                                                                          |
| p.a.                                                        | Per annum                                                                                                                                                                                                                                                                                                                    |
| P/E Ratio                                                   | Price/ Earnings Ratio                                                                                                                                                                                                                                                                                                        |
| PAN                                                         | Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time                                                                                                                                                                                                                               |
| PAT                                                         | Profit After Tax                                                                                                                                                                                                                                                                                                             |
| PBT                                                         | Profit Before Tax                                                                                                                                                                                                                                                                                                            |
| PIO                                                         | Person of Indian Origin                                                                                                                                                                                                                                                                                                      |
| PLR                                                         | Prime Lending Rate                                                                                                                                                                                                                                                                                                           |
| R & D                                                       | Research and Development                                                                                                                                                                                                                                                                                                     |
| RBI                                                         | Reserve Bank of India                                                                                                                                                                                                                                                                                                        |
| RBI Act                                                     | Reserve Bank of India Act, 1934, as amended from time to time                                                                                                                                                                                                                                                                |
| RoNW                                                        | Return on Net Worth                                                                                                                                                                                                                                                                                                          |
| RTGS                                                        | Real Time Gross Settlement                                                                                                                                                                                                                                                                                                   |
| SAT                                                         | Securities Appellate Tribunal                                                                                                                                                                                                                                                                                                |
| SCRA                                                        | Securities Contracts (Regulation) Act, 1956, as amended from time to time                                                                                                                                                                                                                                                    |
| SCRR                                                        | Securities Contracts (Regulation) Rules, 1957, as amended from time to Time                                                                                                                                                                                                                                                  |
| SCSBs                                                       | Self-Certified Syndicate Banks                                                                                                                                                                                                                                                                                               |
| SEBI                                                        | The Securities and Exchange Board of India constituted under the SEBI Act, 1992                                                                                                                                                                                                                                              |
| SEBI Act                                                    | Securities and Exchange Board of India Act 1992, as amended from time to time                                                                                                                                                                                                                                                |
| SEBI Insider Trading Regulations                            | SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time                                                                                                                                                            |
| SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time                                                                                                                                                                                        |
| SEBI Takeover Regulations                                   | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time                                                                                                                                                                                     |
| SEBI Rules and Regulations                                  | SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time |
| Sec.                                                        | Section                                                                                                                                                                                                                                                                                                                      |
| Securities Act                                              | The U.S. Securities Act of 1933, as amended                                                                                                                                                                                                                                                                                  |





| Term             | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| S&P BSE SENSEX   | S&P Bombay Stock Exchange Sensitive Index                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| SICA             | Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| SME              | Small and Medium Enterprises                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Stamp Act        | The Indian Stamp Act, 1899, as amended from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| State Government | The Government of a State of India                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Stock Exchanges  | Unless the context requires otherwise, refers to, the NSE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| STT              | Securities Transaction Tax                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| TDS              | Tax Deducted at Source                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| TIN              | Tax payer Identification Number                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| TRS              | Transaction Registration Slip                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| UIN              | Unique Identification Number                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| U.S. GAAP        | Generally accepted accounting principles in the United States of America                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| VCFs             | <p>Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations.</p> <p>In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.</p> |



## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

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

In this Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Shri Techtex Limited”, “STL”, and, unless the context otherwise indicates or implies, refers to Shri Techtex Limited. In this Red Herring 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 / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Red Herring 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 Red Herring Prospectus, all figures have been expressed in Rupees and in Lakh. Unless stated otherwise, the financial data in the Red Herring Prospectus is derived from our financial statements prepared and restated for the year ended on March 31, 2023, 2022 and 2021 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “Restated Financial Information” beginning on page 161 of this Red Herring Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31st 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 Red Herring 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 Red Herring 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 Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s Restated Financial Information prepared in accordance with the applicable provisions of the Companies Act, Indian Ind AS and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled “Restated Financial Information of our Company” beginning on page 161 of this Red Herring Prospectus.

For additional definitions used in this Red Herring Prospectus, see the section “Definitions and Abbreviations” on page 1 of this Red Herring Prospectus. In the section titled “Description of Equity Shares and Terms of the Articles of Association”, on page 248 of the Red Herring 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 Red Herring Prospectus in “Lakhs” units. One Lakh represents 1,00,000. In this Red Herring 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 Red Herring 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.



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Although, we believe industry and market data used in the Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM 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, 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 96 of the Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.



## FORWARD – LOOKING STATEMENTS

All statements contained in this Red Herring 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 Red Herring Prospectus regarding matters that are not historical facts. We have included statements in the Red Herring 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. Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations.
2. Destruction in our service process.
3. Our ability to successfully implement our strategy, our growth and expansion, technological changes.
4. Failure to attract, retain and manage the transition of our management team and other skilled & unskilled employees;
5. Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
6. Ability to respond to technological changes;
7. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
8. Inability to successfully obtain registrations in a timely manner or at all;
9. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
10. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
11. Recession in the market;
12. Changes in laws and regulations relating to the industries in which we operate;
13. Effect of lack of infrastructure facilities on our business;
14. Our ability to successfully implement our growth strategy and expansion plans;
15. Our ability to meet our capital expenditure requirements;
16. Our ability to attract, retain and manage qualified personnel;
17. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
18. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
19. 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;
20. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
21. Conflicts of interest with affiliated companies, the promoter group and other related parties;
22. The performance of the financial markets in India and globally;
23. Any adverse outcome in the legal proceedings in which we are involved;



24. Our ability to expand our geographical area of operation;

25. 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*” & and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 26, 114 and 163 respectively of the Red Herring 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, Book Running 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 Book Running 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 – SUMMARY OF RED HERRING PROSPECTUS

### PRIMARY BUSINESS OF THE COMPANY

Our Company was originally formed and registered as a partnership firm under the Partnership Act, 1932 (“Partnership Act”) in the name and style of “M/s Shree Tech Tex Company”, pursuant to a deed of partnership dated January 7, 2011. Subsequently, the constitution of partnership firm were changed on February 18, 2016, July 01, 2017, March 14, 2018 and June 12, 2020 by admission and retirement of partners. Later on, Name of “M/s Shree Tech Tex Company” was changed to “M/s Shri Techtex” on July 03, 2018 by amendment in Deed of Partnership. “M/s Shri Techtex” was thereafter converted from a partnership firm to a private limited company under Part I chapter XXI of the Companies Act, 2013 in the name of “Shri Techtex Private Limited” and received a certificate of incorporation dated September 08, 2018 from the Central Registration Center, Ministry of Corporate Affairs. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on December 31, 2022 and the name of our Company was changed to “Shri Techtex Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated January 03, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U36900GJ2018PLC104005.

Our company is engaged in the business of Polypropylene (PP) Non-Woven Fabric manufacturing. The practical use of non-woven fabric in non-woven industry is more ecological for certain applications, especially in fields and industries where disposable or single use products are important, such as organic farming, hospitals, health care, nursing homes, home furnishing, vehicle upholstery seat fabrication, Mattress & furniture covering, ecological packaging, industrial and consumer goods. We manufacture PP non-woven fabric in variety of sizes and density. As on the date of this Red Herring Prospectus, we manufacture PP non-woven fabric upto 4.5 meters size and 15 GSM to 800 GSM.

Our manufacturing facility is situated at Village Simaj in Dholka Taluka in Ahmedabad District of Gujarat. The manufacturing facility is well connected with near about transport hubs. Our manufacturing facility is spread across 41548 sq. meters. The manufacturing facility is installed with manufacturing capacity of 3600 MT PP non-woven fabric per annum.

We majorly cater to off shore customers. We have started exploring domestic market for products manufactured by us from financial year 2022-23.

Our company is planning for business expansion by adding new business lines viz. Manufacturing of Hot melt Coating Lamination and PP Multifilament Yarn. Our company expect both machineries to be ready for commercial production by April 2024 having installed capacity of 3360 tons and 1200 tons per annum respectively.

In past, as a Partnership firm, we were engaged in the business of industrial activity in Polymers, Chemicals, Packaging Materials and other allied products. Upon conversion of Partnership Firm to company year 2018 our company was engaged in business of contract manufacturing on job work basis for our group companies and external clients. However, w.e.f. April 01, 2021, as a result of demerger, the said business of contract manufacturing was transferred to resultant company Aarum Fabritech Private Limited (Aarum Fabritech Private Limited was converted to LLP w.e.f. February 02, 2022). After the demerger, till date, our company is engaged in the business of Polypropylene (PP) Non-Woven Fabric manufacturing.

### SUMMARY OF INDUSTRY IN WHICH THE COMPANY IS OPERATING

#### GLOBAL OUTLOOK

Global growth has slowed to the extent that the global economy is perilously close to falling into recession—defined as a contraction in annual global per capita income—only three years after emerging from the pandemic-induced recession of 2020. Very high inflation has triggered unexpectedly rapid and synchronous monetary policy tightening around the world to contain it, including across major advanced economies (figure 1.1.A). Although this tightening has been necessary for price stability, it has contributed to a significant worsening of global financial conditions, which is exerting a substantial drag on activity. This drag is set to deepen given the lags between changes in monetary policy and its economic impacts, and the fact that real rates are expected to continue to increase.

Asset prices have been in broad, synchronous decline, investment growth has weakened substantially, and housing markets in many countries are worsening rapidly. Shockwaves continue to emanate from the Russian Federation’s invasion of Ukraine, especially in energy and other commodity markets. Against this backdrop, confidence has fallen precipitously. The worlds three major engines of growth—the United States, the euro area, and China—are undergoing a period of





pronounced weakness, with adverse spillovers for emerging market and developing economies (EMDEs), many of which are already struggling with weakening domestic conditions.

Global inflation has been pushed higher by demand pressures, including those from the lagged effects of earlier policy support, and supply shocks, including disruptions to both global supply chains and the availability of key commodities. In some countries, inflation has also been spurred by large currency depreciations relative to the U.S. dollar, as well as tight labor market conditions.

*(Source: Global Economic Prospects, January 2023)*

## INDIAN ECONOMY

### INTRODUCTION

#### India's Economic Resilience and Growth Drivers

Monetary tightening by the RBI, the widening of the CAD, and the plateauing growth of exports have essentially been the outcome of geopolitical strife in Europe. As these developments posed downside risks to the growth of the Indian economy in FY23, many agencies worldwide have been revising their growth forecast of the Indian economy downwards. These forecasts, including the advance estimates released by the NSO, now broadly lie in the range of 6.5-7.0 per cent. Despite the downward revision, the growth estimate for FY23 is higher than for almost all major economies and even slightly above the average growth of the Indian economy in the decade leading up to the pandemic. IMF estimates India to be one of the top two fast-growing significant economies in 2022. Despite strong global headwinds and tighter domestic monetary policy, if India is still expected to grow between 6.5 and 7.0 per cent, and that too without the advantage of a base effect, it is a reflection of India's underlying economic resilience; of its ability to recoup, renew and re-energise the growth drivers of the economy.

The industry holds a prominent position in the Indian economy contributing about 30 percent of total gross value added in the country. In FY23, the Indian industry faced some extraordinary challenges as the Russian-Ukraine conflict broke out. That led to a sharp rise in the prices of many commodities. Prices of edible oil, crude oil, fertilisers and food grains rose sharply. They remained at elevated levels for several months. The risk of another round of supply chain disruptions emerged, but they were not as severe as feared. Nonetheless, both the price and the availability of essential commodities had the potential to dent the industry's optimism on consolidating the recovery of FY22 and further accelerating it. It is fair to say that the Indian industry acquitted itself rather well under trying circumstances. Overall Gross Value Added (GVA) by the Industrial Sector, based on data available for the first half of the FY23, rose 3.7 per cent, which is higher than the average growth of 2.8 per cent achieved in H1 of the last decade.

Robust domestic conditions since FY22 have provided a demand stimulus to industrial growth. Private Final Consumption Expenditure (PFCE) as a share of GDP in H1 of FY23 was the highest among all half years, H1 or H2, since FY15. Further, the strong export performance of FY22 continued somewhat in the first half of FY23. In this half of the year, exports of goods and services as a share of GDP have been the highest since FY16. However, the performance began to wane in the first half itself as the Year-on-Year (YoY) growth of exports declined from Q1 to Q2 due to persistently high inflation and rising interest rates in the advanced economies. The increase in investment demand has emerged as another powerful stimulus to industrial growth. It has been triggered by the augmented capex of the central government in the current and the previous year as compared to the pre-pandemic years. The leap also has crowded in private investment, already upbeat on the pent-up demand, export stimulus, and strengthening of the corporate balance sheets.

The pandemic and the Russia-Ukraine conflict have demonstrated the risk of supply chain shocks to the global economic order. As companies adapt their manufacturing and supply chain strategies to build resilience, India has a unique opportunity to become a global manufacturing hub this decade. In this context, the government's Make-in-India initiative has facilitated investment, fostered innovation and built world-class infrastructure while addressing the gaps in domestic manufacturing capabilities. The Production Linked Incentive (PLI) schemes across 14 categories has further complemented it with an estimated Capex of around ₹3 lakh crore over the next five years and the potential to generate over 60 lakh jobs. In the medium term, the scheme will help reduce net imports by building domestic manufacturing capacity that will cater to domestic and global needs.

*(Source: Economic Survey 2022-23)*

## TECHNICAL TEXTILE SECTOR IN INDIA

### INTRODUCTION



Technical Textiles have seen an upward trend globally in the recent years due to improving economic conditions. Technological advancements increase in end-use applications, cost-effectiveness, durability, user-friendliness, and eco-friendliness of Technical Textiles has led to the upsurge of its demand in the global market. Indutech, Mobiltech, Packtech, Buildtech and Homotech together represent 2/3rd of the global market in value.

The demand for Technical Textiles was pegged at USD 165 Bn in the year 2018 and is expected to grow up to USD 220 Bn by 2025, at a CAGR of 4% from 2018-25. The Asia-Pacific has been leading the Technical Textiles sector by capturing 40% of the global market, while North America and Western Europe stand at 25% & 22% respectively. Asia-Pacific has seen a tremendous growth in this sector and captures the largest market share due to rapid urbanisation and technological advancements in medical, automobile and construction industries. This is further catalysed by easy production, low-cost labour and conducive government policy support.

## MARKETS SIZE

The current Indian technical textiles market is estimated at USD 19 Bn, growing at a CAGR of 12% since past five years. It contributes to about 0.7% to India's GDP and accounts for approximately 13% of India's total textile and apparel market. In 2017-18, Packtech segment had the highest share of 41%, followed by Indutech, Homotech, and Mobiltech with a share of 11%, 10% and 10%, respectively.

Although, Packtech accounts for 41% of the total market share, it is a lowvalue, low technology product.

Availability of raw materials such as cotton, wood, jute and silk along with a strong value chain, low-cost labour, power and changing consumer trends are some of the contributing factors to India's growth in this sector. India's technical textiles market shows a promising growth of 20% from USD 16.6 Bn in 2017-18 to USD 28.7 Bn by 2020-21, as per the Baseline Survey of technical textile industry by Ministry of Textiles.

(Sources: <https://technotextindia.in/home>)

## NAME OF PROMOTERS

Promoters of Our Company are Mr. Hanskumar Ramakant Agarwal and Mrs. Shradha Hanskumar Agarwal. For detailed information on our Promoters and Promoter's Group, please refer to Chapter titled "Our Promoters and Promoter's Group" on page no. 156 of this Red Herring Prospectus.

## SIZE OF THE ISSUE

Our Company is proposing the public issue of 7400000 equity shares of face value of ₹ 10/- each of Shri Techtext Limited ("STL" or the "Company" or the "Issuer") for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share (the "issue price") aggregating to ₹ [●] lakhs ("the issue"), of which 372000 equity shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs will be reserved for subscription by market maker to the issue (the "market maker reservation portion"). The issue less the market maker reservation portion i.e. Net issue of 7028000 equity shares of face value of ₹ 10/- each at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs is herein after referred to as the "net issue". The issue and the net issue will constitute 29.66 % and 28.17%, respectively, of the post issue paid up equity share capital of our company. The face value of the equity shares is ₹ 10/- each. The price band and the minimum bid lot will be decided by our company in consultation with the BRLM advertised in all edition of financial express (a widely circulated English national daily newspaper) and all edition of Jansatta (a widely circulated Hindi national daily newspaper and Ahmedabad edition of financial express regional newspaper (Gujarati regional language of Ahmedabad where our registered office is located) at least two working days prior to the issue opening date and shall be made available to the national stock exchange of India limited "NSE") for the purpose of uploading on their website. For further details kindly refer to chapter titled "Terms of the issue" beginning on page 210 of this Red Herring Prospectus.

## OBJECT OF THE ISSUE

| Particulars                         | Amount (₹ in) Lakhs |
|-------------------------------------|---------------------|
| Gross Issue Proceeds                | [●]                 |
| Less: Public Issue Related Expenses | [●]                 |
| Net Issue Proceeds                  | [●]                 |

## UTILIZATION OF NET ISSUE PROCEEDS

The Net Issue Proceeds will be utilized for following purpose:



| Sr. No.                   | Particulars                          | Amount<br>(₹ in) Lakhs | % of Gross<br>Issue<br>Proceeds | % of Net<br>Issue<br>Proceeds |
|---------------------------|--------------------------------------|------------------------|---------------------------------|-------------------------------|
| 1.                        | Construction of Factory Shed         | 371.25                 | [●]                             | [●]                           |
| 2.                        | Purchase of Machineries              | 630.83                 | [●]                             | [●]                           |
| 3.                        | Commissioning of Solar Plant         | 489.70                 | [●]                             | [●]                           |
| 4.                        | To Meet Working Capital Requirements | 1,531.47               | [●]                             | [●]                           |
| 5.                        | General Corporate Purpose            | [●]                    | [●]                             | [●]                           |
| <b>Net Issue Proceeds</b> |                                      | [●]                    | [●]                             | [●]                           |

## MEANS OF FINANCE

We intend to finance our Objects of the Issue through Net Issue Proceeds which are as follows:

| Sr. No.      | Particulars                  | Amount<br>Required | From IPO<br>Proceeds | Internal<br>Accruals/Equity/Reserves | Balance from<br>Long/Short<br>Term<br>Borrowing |
|--------------|------------------------------|--------------------|----------------------|--------------------------------------|-------------------------------------------------|
| 1.           | Construction of Factory Shed | 371.25             | 371.25               | 0.00                                 | 0.00                                            |
| 2.           | Purchase of Machineries      | 630.83             | 630.83               | 0.00                                 | 0.00                                            |
| 3.           | Commissioning of Solar Plant | 489.70             | 489.70               | 0.00                                 | 0.00                                            |
| 4.           | Working Capital Requirements | 5068.84            | 1,531.47             | 2,615.70                             | 921.67                                          |
| 5.           | General Corporate Purpose    | [●]                | [●]                  | 0.00                                 | 0.00                                            |
| <b>Total</b> |                              | [●]                | [●]                  | <b>2,615.70</b>                      | <b>921.67</b>                                   |

## SHAREHOLDING

The shareholding pattern of our Promoters and Promoter's Group before & after the Issue is as under;

| Sr. No.                                         | Name of shareholders        | Pre issue            |                               | Post issue           |                                |
|-------------------------------------------------|-----------------------------|----------------------|-------------------------------|----------------------|--------------------------------|
|                                                 |                             | No. of equity shares | As a % of Pre-Issued Capital* | No. of equity shares | As a % of Post Issued Capital* |
| Promoters                                       |                             |                      |                               |                      |                                |
| 1.                                              | Hanskumar Ramakant Agarwal  | 6409611              | 36.52                         | 6409611              | 25.69                          |
| 2.                                              | Shradha Hanskumar Agarwal   | 6392100              | 36.42                         | 6392100              | 25.62                          |
| Total - A                                       |                             | 12801711             | 72.94                         | 12801711             | 51.31                          |
| Promoters' Group                                |                             |                      |                               |                      |                                |
| 1.                                              | Radhadevi Agrawal           | 2361489              | 13.46                         | 2361489              | 9.46                           |
| 2.                                              | Ramakant Bhojnagarwala      | 2379000              | 13.56                         | 2379000              | 9.54                           |
| 3.                                              | Kiranbhai Bhailalbhai Patel | 3900                 | 0.02                          | 3900                 | 0.02                           |
| 4.                                              | Vikas Srikishan Agarwal     | 3120                 | 0.02                          | 3120                 | 0.01                           |
| 5.                                              | Shuchi Vikas Agrawal        | 780                  | Negligible                    | 780                  | Negligible                     |
| Total - B                                       |                             | 4748289              | 27.06                         | 4748289              | 19.03                          |
| Total Promoter and Promoter Group Holding (A+B) |                             | 17550000             | 100.00                        | 17550000             | 70.34                          |
| Public                                          |                             |                      |                               |                      |                                |
| 1.                                              | Public in IPO               | -                    | -                             | 7400000              | 29.66                          |
| Total - C                                       |                             | -                    | -                             | 7400000              | 29.66                          |
| Total (A+B+C)                                   |                             | 17550000             | 100.00                        | 24950000             | 100.00                         |



\* Rounded off

## FINANCIAL DETAILS

(Amount in ₹ Lakhs)

| Sr. No. | Particulars                                                                            | For the year ended |                |                |
|---------|----------------------------------------------------------------------------------------|--------------------|----------------|----------------|
|         |                                                                                        | March 31, 2023     | March 31, 2022 | March 31, 2021 |
| 1.      | Share Capital                                                                          | 1,755.00           | 225.00         | 225.00         |
| 2.      | Net worth                                                                              | 2,981.50           | 2,099.46       | 2,075.69       |
| 3.      | Revenue from operations                                                                | 5,692.39           | 5,117.63       | 3,946.76       |
| 4.      | Profit After Tax                                                                       | 910.63             | 826.56         | 1,265.68       |
| 5.      | Earnings Per Share – Basic & Diluted (Post Bonus)                                      | 5.19               | 4.71           | 7.21           |
| 6.      | NAV per Equity Shares (Pre-Bonus)                                                      | 16.99              | 93.31          | 92.25          |
| 7.      | NAV per Equity Shares (Post Bonus)                                                     | 16.99              | 11.96          | 11.83          |
| 8.      | Total Borrowings (As per Balance Sheet) (Including Current Maturity of Long-Term Debt) | 3,188.98           | 2,451.57       | 1,498.66       |

## AUDITORS' QUALIFICATIONS

There is no Auditor qualification which have not been given effect to in the Restated Financial Statements.

## OUTSTANDING LITIGATIONS

There are no pending Litigation against our Company nor against our Promoters or Directors of the company except mentioned below;

| Name of Entity          | Criminal Proceedings | Tax Proceedings | Statutory or Regulatory Proceedings | Disciplinary actions by the SEBI or Stock Exchanges against our Promoters | Material Civil Litigations | Aggregate amount involved (Rs in Lakhs) |
|-------------------------|----------------------|-----------------|-------------------------------------|---------------------------------------------------------------------------|----------------------------|-----------------------------------------|
| <b>Company</b>          |                      |                 |                                     |                                                                           |                            |                                         |
| By the Company          | NA                   | NA              | NA                                  | NA                                                                        | NA                         | NA                                      |
| Against the Company     | NA                   | 1               | NA                                  | NA                                                                        | NA                         | Unascertained                           |
| <b>Directors</b>        |                      |                 |                                     |                                                                           |                            |                                         |
| By our Directors        | NA                   | NA              | NA                                  | NA                                                                        | NA                         | NA                                      |
| Against the Directors   | NA                   | 1               | NA                                  | NA                                                                        | NA                         | 0.39                                    |
| <b>Promoters</b>        |                      |                 |                                     |                                                                           |                            |                                         |
| By Promoters            | NA                   | NA              | NA                                  | NA                                                                        | NA                         | NA                                      |
| Against Promoters*      | NA                   | 2               | NA                                  | NA                                                                        | NA                         | 8.91                                    |
| <b>Subsidiaries</b>     |                      |                 |                                     |                                                                           |                            |                                         |
| By Subsidiaries         | NA                   | NA              | NA                                  | NA                                                                        | NA                         | NA                                      |
| Against Subsidiaries    | NA                   | NA              | NA                                  | NA                                                                        | NA                         | NA                                      |
| <b>Group Companies</b>  |                      |                 |                                     |                                                                           |                            |                                         |
| By Group Companies      | NA                   | 9               | NA                                  | NA                                                                        | 3                          | 975.46#                                 |
| Against Group Companies | NA                   | 9               | NA                                  | NA                                                                        | NA                         | 1455.53 <sup>s</sup>                    |

\*Our Promoter is also a director. However, litigation against his has not been included under the heading of director to avoid repetition.



\$ includes 2 matters related to indirect tax for an amount of Rs. 1000.00 Lakhs.

# Includes an amount of Rs. 99.56 Lakhs against government authorities in respect of Claims for indirect taxes and Rs. 875.89 Lakhs in respect of other litigation against Insurance companies.

## RISK FACTORS

An investment in equity involves a high degree of risk. Investors should carefully consider all the information in this Offer Document, including the risks and uncertainties described below, before making an investment in our equity shares. Any of the following risks as well as other risks and uncertainties discussed in this Offer Document could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or part of your investment. In addition, the risks set out in this Offer Document may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page no. 26 of this Red Herring Prospectus.

## CONTINGENT LIABILITIES

### BASED ON RESTATED FINANCIAL STATEMENT

(₹ in Lakhs)

| Particulars           | For the year/period ended on |                |                |
|-----------------------|------------------------------|----------------|----------------|
|                       | March 31, 2023               | March 31, 2022 | March 31, 2021 |
| 1. Bank Guarantee     | 43.00                        | 43.00          | 0.00           |
| 2. Capital Commitment | 227.67                       | 14.82          | 0.00           |
| <b>Total</b>          | <b>265.67</b>                | <b>57.82</b>   | <b>0.00</b>    |

## RELATED PARTY TRANSACTIONS

### BASED ON RESTATED FINANCIAL STATEMENT

#### List of Related Parties where Control exists and Relationships:

| Sr. No | Name of the Related Party        | Relationship                                                                                    |
|--------|----------------------------------|-------------------------------------------------------------------------------------------------|
| 1)     | Shri Jagdamba Polymers Limited   | Entities in which Key Management Personnel (KMP)/relative of KMP exercise significant influence |
| 2)     | Shakti Polyweave Private Limited |                                                                                                 |
| 3)     | Shakti Techtex Private Limited   |                                                                                                 |
| 4)     | Aurum Fabrictech LLP             |                                                                                                 |
| 5)     | Shradha H. Agarwal               | Key Managerial Personnel                                                                        |
| 6)     | Hanskumar Agarwal                | Key Managerial Personnel                                                                        |
| 7)     | Ramakant Jhabarmal               | Relative of KMP                                                                                 |
| 8)     | Radhadevi Agarwal                | Relative of KMP                                                                                 |

(₹ in Lakhs)

| Transactions during the year:    | For the year ended 31/03/2023 | For the year ended 31/03/2022 | For the year ended 31/03/2021 |
|----------------------------------|-------------------------------|-------------------------------|-------------------------------|
| <b>(a) Jobwork Expenses</b>      |                               |                               |                               |
| Shri Jagdamba Polymers Limited   | 81.91                         | 160.77                        | 95.84                         |
| Shakti Polyweave Private Limited | 28.28                         | 73.50                         | 47.81                         |
| Aurum Fabrictech LLP             | 81.77                         | 8.43                          | -                             |
| <b>(b) Jobwork Sale</b>          |                               |                               |                               |
| Shri Jagdamba Polymers Limited   | 286.56                        | 185.40                        | 658.80                        |
| Shakti Polyweave Private Limited | 54.59                         | 188.26                        | 1,280.69                      |
| <b>(c) Sale of Goods</b>         |                               |                               |                               |



| Transactions during the year:                 | For the year ended<br>31/03/2023 | For the year ended<br>31/03/2022 | For the year ended<br>31/03/2021 |
|-----------------------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Shakti Polyweave Private Limited              | 1,455.39                         | 17.12                            | 6.99                             |
| Shakti Techtex Private Limited                | 263.95                           | -                                | -                                |
| Aurum Fabrictech LLP                          | 9.00                             | -                                | -                                |
| <b>(d) Rent Income</b>                        |                                  |                                  |                                  |
| Shri Jagdamba Polymers Limited                | -                                | -                                | -                                |
| <b>(e) Purchase of Goods</b>                  |                                  |                                  |                                  |
| Shri Jagdamba Polymers Limited                | 582.22                           | 977.90                           | 451.07                           |
| Shakti Polyweave Private Limited              | 533.45                           | 1,205.43                         | 373.38                           |
| <b>(f) Share in Profit</b>                    |                                  |                                  |                                  |
| Aurum Fabrictech LLP                          | 1.40                             | -                                | -                                |
| <b>(g) Rent Paid</b>                          |                                  |                                  |                                  |
| Ramakant Bhojnagarwala                        | 0.12                             | 0.24                             | -                                |
| Hanskumar Ramakant Agarwal                    | 5.25                             | 6.13                             | -                                |
| Shradha Hanskumar Agarwal                     | 5.25                             |                                  |                                  |
| Shri Jagdamba Polymers Limited                | -                                | -                                | 12.00                            |
| Shakti Polyweave Private Limited              | -                                | -                                | -                                |
| <b>(h) Reimbursement of Expense</b>           |                                  |                                  |                                  |
| Shradha Hanskumar Agarwal                     | 2.62                             | 0.99                             | -                                |
| Ramakant Bhojnagarwala                        | -                                | 0.23                             | -                                |
| Shakti Techtex Private Limited                | -                                | 0.06                             | -                                |
| Hanskumar Ramakant Agarwal                    | 0.57                             | -                                | -                                |
| Aurum Fabrictech LLP                          | (410.84)                         | -                                | -                                |
| <b>(i) Interest Paid</b>                      |                                  |                                  |                                  |
| Shakti Polyweave Private Limited              | -                                | 3.86                             | 0.70                             |
| Shradha Hanskumar Agarwal                     | 16.59                            | 15.77                            | 21.40                            |
| Shakti Techtex Private Limited                | -                                | 4.77                             | -                                |
| Radhadevi Agarwal                             | 22.09                            | 13.06                            | 34.67                            |
| Hanskumar Ramakant Agarwal                    | 1.07                             | -                                | -                                |
| Harmony Finvest                               | 14.43                            | -                                | -                                |
| Shri Jagdamba Polymers Limited                | 8.80                             | -                                | 18.64                            |
| <b>(j) Loan received from Related Parties</b> |                                  |                                  |                                  |
| Radhadevi Agrawal                             | 314.00                           | 279.00                           | 35.00                            |
| Shradha Hanskumar Agarwal                     | 563.86                           | 143.00                           | 225.00                           |
| Hanskumar Ramakant Agarwal                    | 85.00                            | -                                | -                                |
| <b>(k) Loan Repaid to Related Parties</b>     |                                  |                                  |                                  |
| Radhadevi Ramakant                            | 604.70                           | 295.43                           | 100.00                           |
| Shradha Hanskumar Agarwal                     | 203.01                           | 342.60                           | 75.00                            |
| Hanskumar Ramakant Agarwal                    | 0.03                             | -                                | -                                |
| <b>(L) Sale of Asset</b>                      |                                  |                                  |                                  |
| Shri Jagdamba Polymers Limited                | -                                | 4.00                             | -                                |
| Shakti Polyweave Private Limited              | -                                | -                                | -                                |
| <b>(m) Loan from associate body corporate</b> |                                  |                                  |                                  |
| Shri Jagdamba Polymers Limited                | 765.00                           | 200.00                           | -                                |





| Transactions during the year:                                        | For the year ended<br>31/03/2023 | For the year ended<br>31/03/2022 | For the year ended<br>31/03/2021 |
|----------------------------------------------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Shakti Techtex Private Limited                                       | -                                | 250.00                           | -                                |
| Shakti Polyweave Private Limited                                     | -                                | -                                | 250.00                           |
| <b>(n) Loan repaid to associate body corporate</b>                   |                                  |                                  |                                  |
| Shri Jagdamba Polymers Limited                                       | 25.00                            | 217.25                           | -                                |
| Shakti Polyweave Private Limited                                     | -                                | 250.00                           | -                                |
| Shakti Techtex Private Limited                                       | -                                | 250.00                           | -                                |
| <b>(o) Loan/Advances given to associate body corporate</b>           |                                  |                                  |                                  |
| Shakti Techtex Private Limited                                       | 677.96                           | 45.64                            | -                                |
| <b>(p) Loan/Advances received back from associate body corporate</b> |                                  |                                  |                                  |
| Shakti Techtex Private Limited                                       | 441.53                           | -                                | -                                |
| <b>(q) CHA Charges</b>                                               |                                  |                                  |                                  |
| Shri Jagdamba Polymers Limited                                       | -                                | 1.65                             | 0.96                             |
| Shakti Polyweave Private Limited                                     | -                                | -                                | 2.82                             |
| <b>(r) Interest Received</b>                                         |                                  |                                  |                                  |
| Shakti Techtex Private Limited                                       | 35.32                            | -                                | -                                |
| M/s Aurum Fabritech LLP                                              | 0.48                             | -                                | -                                |
| <b>(s) Director Remuneration</b>                                     |                                  |                                  |                                  |
| Shradha Hanskumar Agarwal                                            | 15.00                            | -                                | -                                |
| Ashish Ashokkumar Bhaiya                                             | 6.00                             | -                                | -                                |
| <b>(t) Purchase of Asset</b>                                         |                                  |                                  |                                  |
| Shakti Polyweave Private Limited                                     | 1.94                             | -                                | -                                |

₹ in Lakhs

| Outstanding Balance Receivables / (Payable) | As At<br>31/03/2023 | As At<br>31/03/2022 | As At<br>31/03/2021 |
|---------------------------------------------|---------------------|---------------------|---------------------|
| <b>Trade receivables</b>                    |                     |                     |                     |
| Shri Jagdamba Polymers Limited              | 32.57               | 23.25               | 40.73               |
| Shakti Polyweave Private Limited            | 0.64                | -                   | 104.63              |
| <b>Trade payable</b>                        |                     |                     |                     |
| (i) Hanskumar Ramakant Agarwal              | 0.53                | 0.95                | -                   |
| (ii) Ramakant Bhojnagarwala                 | -                   | 0.26                | 0.05                |
| (iii) M/s Aurum Fabritech LLP(Demerger)     | -                   | 434.82              | -                   |
| (iv) Shakti Polyweave Private Limited       | 34.00               | 2.56                | 2.61                |
| (v) Shri Jagdamba Polymers Limited          | 256.92              | 87.15               | 102.29              |
| (vi) M/s Aurum Fabritech LLP                | -                   | 8.73                | -                   |
| (vii) Shradha Hanskumar Agarwal             | 0.03                | -                   | -                   |
| <b>Advance given to Suppliers</b>           |                     |                     |                     |
| Shri Jagdamba Polymers Limited              | -                   | -                   | -                   |



| Outstanding Balance Receivables / (Payable) | As At<br>31/03/2023 | As At<br>31/03/2022 | As At<br>31/03/2021 |
|---------------------------------------------|---------------------|---------------------|---------------------|
| <b>Outstanding Business Advances</b>        |                     |                     |                     |
| Shakti Techtex Private Limited              | 310.64              | 41.35               | -                   |
| <b>Outstanding Unsecured Loan</b>           |                     |                     |                     |
| Radhadevi Agrawal                           | -                   | 270.81              | 275.49              |
| Shradha Hanskumar Agarwal                   | 540.80              | 165.01              | 349.42              |
| Hanskumar Ramakant Agarwal                  | 85.96               | -                   | -                   |
| Shri Jagdamba Polymers Limited              | 747.92              | -                   | 217.25              |
| Shakti Polyweave Private Limited            | -                   | -                   | 250.65              |
| <b>Security Deposits Given</b>              |                     |                     |                     |
| Shradha Hanskumar Agarwal                   | 1.75                | -                   | -                   |
| Hanskumar Ramakant Agarwal                  | -                   | 1.75                | -                   |

## FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoters, members of the Promoter Group or our Directors and their relatives (as defined in the Companies Act, 2013) have financed the purchase by any other person of securities of our Company (other than in the normal course of business of the financing entity) during the period of six months immediately preceding the date of this Red Herring Prospectus.

## COST OF ACQUISITION & WEIGHTED AVERAGE COST

**Weighted average price at which the Equity Shares were acquired by our Promoters in Last One Year:**

| Sr. No. | Name of Promoters              | No. of Equity Shares<br>Acquired during last<br>one Year | Weighted Average Price* (in ₹ per<br>equity share) |
|---------|--------------------------------|----------------------------------------------------------|----------------------------------------------------|
| 1.      | Mr. Hanskumar Ramakant Agarwal | 6404611                                                  | NIL                                                |
| 2.      | Mrs. Shradha Hanskumar Agarwal | 5272600                                                  | NIL                                                |

\* The average cost of acquisition of Equity Shares by our Promoters in last one year has been calculated by taking into account the amount paid by them to acquire as reduced by amount received on sell of shares i.e. net of sale consideration is divided by net quantity of shares acquired in last one year.

## AVERAGE COST OF ACQUISITIONS OF SHARES FOR PROMOTERS:

| Sr. No. | Name of Promoters              | No. of Equity Shares<br>Held | Weighted Average Price* (in ₹ per<br>equity share) |
|---------|--------------------------------|------------------------------|----------------------------------------------------|
| 1.      | Mr. Hanskumar Ramakant Agarwal | 6409611                      | 0.01                                               |
| 2.      | Mrs. Shradha Hanskumar Agarwal | 6392100                      | 1.75                                               |

\* The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid or by them to acquire and Shares allotted to them against their credit balance in Partners capital Account of erstwhile partnership firm and for Cash as reduced by amount received on sell of shares i.e. net of sale consideration is divided by net quantity of shares acquired.

## PRE-IPO PLACEMENT

Our Company has not allotted any shares under pre-IPO Placement.

## ISSUE OF SHARES FOR CONSIDERATION OTHER THAN CASH

Our Company has not issued shares for consideration other than cash during last one year except for issue of 15300000 bonus shares allotted on December 22, 2022. For further details regarding Issue of Shares please refer chapter titled “Capital Structure” on Page 61 of this Red Herring Prospectus.

## SPLIT / CONSOLIDATION

No Split or Consolidation was happened during the last one year.



### SECTION III – RISK FACTORS

*This Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with Sections titled, “Business Overview”, “The Issue”, “Industry Overview”, “Restated Financial Information”, “Outstanding Litigation and Other Material Developments”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page no.114 , 46, 106, 161, 171, and 163 respectively, as well as the other financial and statistical information contained in this Red Herring Prospectus.*

*Any of the following risks, as well as the other risks and uncertainties discussed in this Red Herring Prospectus, could have an adverse effect on our business, financial condition, results of operations and prospects and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or a part of your investment. 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 conditions and prospects.*

*This Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements because of certain factors, including the considerations described below and elsewhere in this prospectus.*

*The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this Issuing 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 consequences to you of an investment in the Equity Shares.*

*The financial information in this section is, unless otherwise stated, derived from our Restated Financial Information prepared in accordance with Indian GAAP, as per the requirements of the Companies Act, 2013, and SEBI (ICDR) Regulations.*

#### MATERIALITY

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

- 1. Some risks may not be material individually but may be material when considered collectively.*
- 2. Some risks may have material impact qualitatively instead of quantitatively.*
- 3. Some risks may not be material at present but may have a material impact in the future.*

#### NOTE:

The risk factors are disclosed as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.

In this Red Herring 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” and elsewhere in this Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in our Restated Financial Information prepared in accordance with Indian GAAP.

Unless otherwise specifically provided in the respective Risk factors given below, the amounts of impact of risks specified hereunder, on our financial conditions, are not quantifiable.

#### INTERNAL RISK FACTORS:

- 4- Disclosures made in the chapter “Promoter and Promoter Group” are limited to the information available in public domain.**

As per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 we are required to disclose immediate relatives of our promoters and their related entities as a part of Promoter Group. Anjali Ashutosh Taparia, Madhusudan Sundarmal Sonthalia, Sheela Devi Sonthalia, Parag Kumar Sonthalia and Dheeraj Kumar Sonthalia (Herein after “Immediate relatives”) and their related entities are forming part of Promoter Group in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. Our company had applied for SEBI Exemption on April 18, 2023 for relaxation of strict



enforcement of Regulation 2(1)(pp) of the ICDR Regulations with regard to the disclosures pertaining to Anjali Ashutosh Taparia, Madhusudan Sundarmal Sonthalia, Sheela Devi Sonthalia, Parag Kumar Sonthalia and Dheeraj Kumar Sonthalia under regulation 300 of SEBI ICDR, 2018. SEBI vide letter dated May 25, 2023 communicated our company to include Immediate relatives as a part of Promoter Group and also to include the information pertaining to such immediate relatives and their related entities which is available in public domain. Therefore, details of such immediate relatives and their entities are limited to the information available in the public domain.

For more details, please refer to chapter titled as Our Promoters and Promoter Group on page 156 of this Red Herring Prospectus.

**2. Our Company, Promoters, Directors and group Companies are involved in certain litigations including tax related litigations, which if determined against them/us, can affect financial conditions of our company.**

Our Company, Promoters, Directors and group Companies against whom statutory authorities have raised Demand/Notices. Any adverse decision against Executive Directors or against Promoters can affect our financial condition. The summary of outstanding litigations are given in the following table:

| Name of Entity          | Criminal Proceedings | Tax Proceedings | Statutory or Regulatory Proceedings | Disciplinary actions by the SEBI or Stock Exchanges against our Promoters | Material Civil Litigations | Aggregate amount involved (Rs in Lakhs) |
|-------------------------|----------------------|-----------------|-------------------------------------|---------------------------------------------------------------------------|----------------------------|-----------------------------------------|
| <b>Company</b>          |                      |                 |                                     |                                                                           |                            |                                         |
| By the Company          | NA                   | NA              | NA                                  | NA                                                                        | NA                         | NA                                      |
| Against the Company     | NA                   | 1               | NA                                  | NA                                                                        | NA                         | Unascertained                           |
| <b>Directors</b>        |                      |                 |                                     |                                                                           |                            |                                         |
| By our Directors        | NA                   | NA              | NA                                  | NA                                                                        | NA                         | NA                                      |
| Against the Directors   | NA                   | 1               | NA                                  | NA                                                                        | NA                         | 0.39                                    |
| <b>Promoters</b>        |                      |                 |                                     |                                                                           |                            |                                         |
| By Promoters            | NA                   | NA              | NA                                  | NA                                                                        | NA                         | NA                                      |
| Against Promoters*      | NA                   | 2               | NA                                  | NA                                                                        | NA                         | 8.91                                    |
| <b>Subsidiaries</b>     |                      |                 |                                     |                                                                           |                            |                                         |
| By Subsidiaries         | NA                   | NA              | NA                                  | NA                                                                        | NA                         | NA                                      |
| Against Subsidiaries    | NA                   | NA              | NA                                  | NA                                                                        | NA                         | NA                                      |
| <b>Group Companies</b>  |                      |                 |                                     |                                                                           |                            |                                         |
| By Group Companies      | NA                   | 9               | NA                                  | NA                                                                        | 3                          | 975.46#                                 |
| Against Group Companies | NA                   | 9               | NA                                  | NA                                                                        | NA                         | 1455.53\$                               |

\*Our Promoter is also a director. However, litigation against his has not been included under the heading of director to avoid repetition.

\$ includes 2 matters related to indirect tax for an amount of Rs. 1000.00 Lakhs.

# Includes an amount of Rs. 99.56 Lakhs against government authorities in respect of Claims for indirect taxes and Rs. 875.89 Lakhs in respect of other litigation against Insurance companies.

We cannot assure you that these legal proceedings will be decided in favour of our Company, our Promoters, and our Directors, Group Company as the case may be, or that no further liability will arise out of these proceedings. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our Restated Summary Statements that could increase our expenses and current liabilities. Further, such legal proceedings could divert management time and attention and consume financial resources. Any adverse outcome in any of these proceedings may have an adverse effect on our



results of operations and financial condition. For further details, see 'Outstanding Litigation and Material Developments' on page 171 of this Red Herring Prospectus.

**3. *The Company is dependent on few numbers of customers & Group Companies for sales. Loss of any of these large customers may affect our revenues and profitability.***

Business of our company is dependent on few numbers of customers. Our top five customers Contributes 94.08%, 94.09% and 89.05% of our total sales for the year ended March 31, 2023, March 31, 2022, and 2021 respectively on Restated Basis. Out of total sales, sales to our group company / related parties constitutes ,36.26%, 7.64% and 49.32% of our total sales for the year ended March 31, 2023, March 31, 2022, and 2021 respectively. There is no assurance that we will be able to get the job work / sales from our group company / related parties and external customers in any future periods, the loss of income from job work will have material and adverse effect on our business and results of operations.

Any decline in our quality standards, growing competition and any change in the demand, may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations. However, the composition and revenue generated from these customers might change as we continue to add new customers in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new customers, there can be no assurance that we will be able to maintain long term relationships with such customers or find new customers in time.

**4. *The Company is dependent on few numbers of suppliers for purchase of product. Loss of any of this large supplier may affect our business operations.***

Our top five suppliers contributed 69.69%, 97.93% and 100% of our total purchase of year ended on March 31, 2023, March 31, 2022 and March 31, 2021 respectively on Restated Basis. Out of total purchase from various parties, purchase from related parties were 25.83%, 68.22% and 98.54% of our total purchase of year ended on March 31, 2023, March 31, 2022 and March 31, 2021 respectively on Restated Basis.

We cannot assure that we will be able to get the same quantum and quality of supplies, or any supplies at all, and the loss of supplies from our group company and other vendors which may adversely affect our purchases of stock and ultimately our revenue and results of operations. However, the composition and amount of purchase from these suppliers might change as we continue seek new suppliers for our product for better quality and price in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new suppliers, there can be no assurance that we will be able to maintain long term relationships with such suppliers or find new suppliers in time.

**5. *In addition to normal remuneration, other benefits and reimbursement of expenses to our Promoters and Directors; they are interested to the extent of their shareholding and dividend entitlement thereon in our Company and for the transactions entered into between our Company and themselves as well as between our Company and our Group Companies/Entities.***

Our Promoter – Directors are interested in our Company to the extent of their shareholding and dividend entitlement thereon in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. Our Promoter and Directors are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Company/Entity for purchase /sales of goods and towards services. All transactions with related parties entered into by the company in past were at arm's length basis, in compliance with applicable provisions of Companies Act, 2013 and other applicable provisions. Our company, promoter and group companies may enter into such related party transaction in future as well which may be or may not be at Arms' Length Price and in Ordinary Course of Business. If such future transactions are not on Arms' Length Price and in Ordinary Course of Business, our financial position may get affected to that extent. For details of transactions already executed by our Company with our Promoter, Directors and Group Companies/Entities during last three years, please refer to the "Annexure 28 – Related Party Transaction" under the Chapter titled "Restated Financial Information" beginning on Page No. 161 of this Red Herring Prospectus.

**6. *We are subject to risk arising from foreign exchange fluctuation on purchase of machinery out of issue proceeds. Moreover order for few objects of the issue is yet to be placed.***

Our company has allocated ₹ 630.83 lakhs for purchase of machinery out of total Net Issue Proceeds. Out of which machinery worth ₹ 293.60 Lakhs will be imported and payment for which will be made in foreign currency. Therefore we are exposed to foreign currency fluctuation risk. Fluctuations in the exchange rate may affect the cost of the project and which may require us to arrange the additional fund for completion of the project. If we are not able to arrange



such additional fund in due time which may results in delay in implementation of our project and which may result into adversely affects the profitability and financial results of the company.

Our company is also yet to place order/make advance payment for construction of factory shed and Commissioning of Solar PV Plant.

In case there is any adverse impact on pricing of solar plant and estimation of expenses for construction of factory shed, our company will be required to make additional payment which may affect financial condition of our company.

For more details, please refer to chapter titled as “*Objects of the Issue*” on Page 85 of this Red Herring Prospectus.

**7. *There may be potential conflicts of interest if our Promoters, Promoters’ Group entities who are involved in same business activities that compete with or are in the same line of activity as our business operations.***

Our Group Company/entity are involved in similar line of Business that is being carried out by our Company. Also our Company has entered into various transactions with our Group Companies, companies and will continue to do in future. For detailed information for our transaction with group Companies, companies please refer to Annexure - IX of Restated financial Statement beginning on page no. 161 of this Red Herring Prospectus. Further, we have not entered into any non-compete agreement with our said entity. We cannot assure you that our Promoters, Promoter’s Group or Directors who have common interest in said entities may not favor the interest of the said entity. Any such present and future conflicts could have a material effect on our reputation, business, results of operations and financial condition which may affect our profitability and results of operations.

**8. *We generate our majority of Domestic sales from our operations in Gujarat region and any adverse developments affecting our operations in Gujarat could have an adverse impact on our revenue and results of operations.***

Our company Generates majority of its domestic revenue from the state of Gujarat and also generate its revenue from operations from Tamilnadu and West Bengal. Such geographical concentration of our business in this region heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in this region which may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in these regions to expand our operations in other parts of India, should we decide to further expand our operations. Our inability to expand into areas outside Gujarat market may adversely affect our business prospects, financial conditions and results of operations. Our business and the demand for our products is reliant on the success of our customers’ products with end consumers and any decline in the demand for the end products could have an adverse impact on our business, results of operations, cash flows and financial condition.

Our revenue is attributable from Geotextile, Horticulture, Furniture, Construction and Healthcare Industries. The demand for our products and margin of our products is dependent and are directly affected by factors affecting these industries. Consequently, any reduction in demand or a temporary or permanent discontinuation of manufacturing of products on account of breakthrough in the development or invention of alternate formulations, may expose us to the risk of our products becoming obsolete or being substituted by such alternatives. Any failure on our part to effectively address such situations or to successfully introduce alternate products or the shifting of the practice in these industries towards developing substitutes of our products could adversely affect our business, results of operations, financial condition and cash flows.

In order to improve our product portfolio, Our company is planning for business expansion by adding new business lines viz. Manufacturing of Hot melt Coating Lamination and PP Multifilament Yarn. Our company expect both machineries to be ready for commercial production by April 2024 having installed capacity of 3360 tons and 1200 tons per annum respectively. For more details please refer to the chapter titled “*Objects of the Issue*” beginning from page no 78 of this Red Herring Prospectus. Before we can introduce a new product, we must successfully execute a number of steps that involve a significant lead time, obtaining the requisite regulatory approvals and registrations, customizing our production capacities, scaling our vendor, production and infrastructure networks, getting relevant customer approval post undertaking their audit processes and effective marketing strategies. Our failure to effectively adapt to the situations or to successfully introduce new products or new applications, under unpredicted circumstances could adversely affect our business, results of operations and financial condition.

Further, we cannot assure you that we will be able to successfully make timely and cost-effective enhancements and additions to our technological infrastructure, keep up with technological improvements in order to meet our customers’ needs or that the technology developed by others will not render our products less competitive or attractive. Our failure to successfully adopt such technologies in a cost effective and a timely manner could increase our costs and lead to us being less competitive in terms of our prices or quality of products. The development and commercialization process of a new product would require us to spend considerable time and money. Delays in any part of the process, our





inability to obtain necessary regulatory approvals for our products or failure of a product to be successful at any stage could adversely affect our business.

**9. *There are certain discrepancies and non-compliances noticed in some of our corporate records relating to filing or returns and deposit of statutory dues with the concerned statutory authorities.***

In the past, our company has at several instances, delayed in filing our EPF returns and deposit of statutory dues, as a result of which, we have been required to pay the late filing fees along with interest on delayed deposit of the statutory dues. 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. Further no-show cause notice has been issued against our Company till date except against the unit which have been now demerged and named as M/s. Aurum Fabritech LLP, 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.

**10. *Our business is dependent on our manufacturing facilities and we are subject to certain related risks. Unplanned slowdowns, unscheduled shutdowns or prolonged disruptions in our manufacturing operations or under – utilization of our manufacturing capacities could have an adverse effect on our business, results of operations, cash flows and financial condition.***

Our business is dependent on our ability to manage our manufacturing facility situated at Simej, Dholka-Ahmedabad Gujarat, including productivity of our workforce, compliance with regulatory requirements or changes in the policies of the state or local governments of this region or the Government of India and those instances which are beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe weather conditions and natural calamities or civil disasters and pandemics, including the COVID-19 pandemic which caused certain disruptions in our operations last year and may cause disruptions in the future, which may result in significant capital expenditure and changing our business strategy.

Our manufacturing facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output, efficiency, labour disputes, strikes, environmental issues, lock-outs, non-availability of services of our external contractors etc. Further, any significant malfunction or breakdown of our machinery or equipment at our manufacturing facilities may entail significant repair and maintenance costs and cause delays in our operations. If we are forced to shut down our manufacturing facility for a significant period of time, it would have a material adverse effect on our earnings, our results of operations and our financial condition as a whole. As such we have not faced any such instances till date.

We may also experience loss of, or a decrease in, revenue due to lower manufacturing levels. Our installed capacity at our manufacturing facility for Financial Year 2023, 2022 and 2021, was as follows;

| Products              | Installed Capacity and Capacity Utilization (Pre-Demerger) |                                            |                      |                                           |                                            |                      |                                           |                                            |                      |                                           |                                            |                      |
|-----------------------|------------------------------------------------------------|--------------------------------------------|----------------------|-------------------------------------------|--------------------------------------------|----------------------|-------------------------------------------|--------------------------------------------|----------------------|-------------------------------------------|--------------------------------------------|----------------------|
|                       | FY 2019-20                                                 |                                            |                      | FY 2020-21                                |                                            |                      | FY 2021-22                                |                                            |                      | March 31, 2023                            |                                            |                      |
|                       | Insta<br>lled<br>Cap<br>acity<br>(MT<br>)                  | Actua<br>l<br>Produ<br>ction<br>(in<br>MT) | %<br>utiliz<br>ation | Insta<br>lled<br>Cap<br>acity<br>(MT<br>) | Actua<br>l<br>Produ<br>ction<br>(in<br>MT) | %<br>utiliz<br>ation | Insta<br>lled<br>Cap<br>acity<br>(MT<br>) | Actua<br>l<br>Produ<br>ction<br>(in<br>MT) | %<br>utiliz<br>ation | Insta<br>lled<br>Cap<br>acity<br>(MT<br>) | Actua<br>l<br>Produ<br>ction<br>(in<br>MT) | %<br>utiliz<br>ation |
| Technical<br>Textiles | 9,000                                                      | 7,800                                      | 86.67<br>%           | 14,40<br>0                                | 10,356                                     | 71.92<br>%           | 1440<br>0                                 | 10,362                                     | 71.96<br>%           | -                                         | -                                          | -                    |

**Note:** Part Production of Job Work Segment which was located at Plot No. 23 and 24, Opp. Waghbakri Tea, Survey No.1968 to 1975 Paiki, Kheda-Bagodara Highway Road, Dholka, Ahmedabad, Gujarat 387810 known as Unit-I had been transferred to Aurum Fabritech Private Limited (now converted to LLP viz. Aurum Fabritech LLP) on account of Demerger Scheme w.e.f. April 01, 2021.



| Products              | Installed Capacity and Capacity Utilization (Existing – Post Demerger) |                                            |                      |                                           |                                            |                      |                                           |                                            |                      |                                           |                                            |                      |
|-----------------------|------------------------------------------------------------------------|--------------------------------------------|----------------------|-------------------------------------------|--------------------------------------------|----------------------|-------------------------------------------|--------------------------------------------|----------------------|-------------------------------------------|--------------------------------------------|----------------------|
|                       | FY 2019-20                                                             |                                            |                      | FY 2020-21                                |                                            |                      | FY 2021-22                                |                                            |                      | March 31, 2023                            |                                            |                      |
|                       | Insta<br>lled<br>Cap<br>acity<br>(MT<br>)                              | Actua<br>l<br>Produ<br>ction<br>(in<br>MT) | %<br>utiliz<br>ation | Insta<br>lled<br>Cap<br>acity<br>(MT<br>) | Actua<br>l<br>Produ<br>ction<br>(in<br>MT) | %<br>utiliz<br>ation | Insta<br>lled<br>Cap<br>acity<br>(MT<br>) | Actua<br>l<br>Produ<br>ction<br>(in<br>MT) | %<br>utiliz<br>ation | Insta<br>lled<br>Cap<br>acity<br>(MT<br>) | Actua<br>l<br>Produ<br>ction<br>(in<br>MT) | %<br>utiliz<br>ation |
| Technical<br>Textiles | -                                                                      | -                                          | -                    | -                                         | -                                          | -                    | 3,600                                     | 838                                        | 46.56<br>%           | 3,600                                     | 3052                                       | 84.77<br>%           |

**Note:** Production Unit located at Survey No.165,166,167, Paiki, Simej Rupgadh Road, Post Simej, Taluka Dholka, Ahmedabad, Gujarat 382365 had been started from October, 2021. Although Installed capacity for FY 2021-22 is shown of 12 months based on 20 GSM quality but % Utilisation is based on Actual Production/Installed Capacity of proportionate months.

For details, see heading “Capacity and Capacity Utilization” under chapter titled as “*Business Overview*” starting from on page 114 of this Red Herring Prospectus. In addition, we may be required to shut down our manufacturing facilities for various reasons such as maintenance, inspection, testing and capacity expansion. Further, the capacity utilization at our manufacturing facilities is subject to various factors such as availability of raw materials, power, water, efficient working of machinery and equipment and optimal manufacturing planning.

Our Manufacturing Facility is located in the State of Gujarat. In the event there are any disruptions at our manufacturing facilities, due to natural or man-made disasters, workforce disruptions, regulatory approval delays, fire, failure of machinery, lack of access to assured supply of electrical power and water at reasonable costs or any significant social, political or economic disturbances, could reduce our ability to meet the conditions of our contracts, manufacture our products and adversely affect sales and revenues from operations in such period. Although we have not faced any such instances till the date of this Red Herring Prospectus.

In addition, any loss due to fire or industrial accident, any shutdown of our manufacturing facility could result in us being unable to meet with our commitments, which will have an adverse effect on our business, results of operation and financial condition. An inability to utilize our manufacturing facility to its full or optimal capacity, non-utilization of such capacities could have an adverse effect on our results of operations, cash flows and financial condition.

**11. Any increase in the cost of our raw material or other purchases or a shortfall in the supply of our raw materials, may adversely affect the pricing and supply of our products and have an adverse effect on our business, results of operations and financial condition.**

The success of our operations depends on a variety of factors, including our ability to source raw materials at competitive prices. Raw material supply and pricing can be volatile due to a number of factors beyond our control, including demand and supply, general economic and political conditions, transportation and labour costs, natural disasters, pandemic, competition and there are inherent uncertainties in estimating such variables, regardless of the methodologies and assumptions that we may use. We seek to source our raw materials from reputed suppliers. We do not enter into long-term agreements with our suppliers for purchase of raw material. We may be required to track the supply demand dynamics and regularly negotiate prices with our suppliers in case of significant fluctuations in raw material prices or foreign currency fluctuations.

Further, any increase in raw material prices may result in corresponding increases in our product costs. Our ability to pass on any increases in the costs of raw materials and other inputs to our customers may be limited. There may be a significant difference in the price of raw materials when raw materials are ordered and paid for and the prevailing price when the raw materials are received and we may not be able to pass on the difference in the prices to our customers. A failure to maintain our required supply of raw materials, and any inability on our part to find alternate sources for the procurement of such raw materials, on acceptable terms, could adversely affect our ability to deliver our products to our customers in an efficient, reliable and timely manner, and consequently adversely affect our business, results of operations and financial conditions.

**12. We do not have long-term agreements with our suppliers or customers and the loss of one or more of them or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows. Further, our inability to accurately forecast demand for our products or manage our inventory or working capital requirements may have an adverse effect on our business, results of operations and financial condition.**



At present, the primary raw materials used for our manufacturing process is Polypropylene and majority of our product is procured and sold to our Group Entity. We do not enter into long-term agreements with our suppliers for purchase of raw material. We believe that efficient inventory management is a key component of the success of our business, results of operations and profitability and to that end we maintain a reasonable level of inventory of raw materials, work in progress and finished goods at our manufacturing facility. While we forecast the demand and price for our products and accordingly, plan our production volumes, any error in our forecast due to inter alia the international scale of our operations and demand for our products, could result in a reduction in our profit margins and surplus stock, which may result in additional storage cost and such surplus stock may not be sold in a timely manner, or at all.

We typically do not enter into long-term agreements with customers, our relationship with our customers is on a non-exclusive basis and accordingly, our customers may choose to cease sourcing our products and choose to source alternative options. Therefore, we cannot assure that we will receive repeat orders from our customers in the future. Additionally, our customers have high and stringent standards for product quantity and quality as well as delivery schedules. Any failure to meet our customers' expectations and specifications could result in the cancellation or non-renewal of contracts.

There are also a number of factors, other than our performance, that could cause the loss of a customer such as, (a) increase in prices of raw materials and other input costs; (b) changes in consumer preferences; (c) changes in governmental or regulatory policy, etc. Any of these factors may have an adverse effect on our business, results of operations and financial condition. Further, absence of any contractual exclusivity with respect to our business arrangements with such customers poses a threat on our ability to be able to continue to supply our products to such customers in the future. If we overestimate demand, we may incur costs to purchase more raw materials and manufacture more products than required. Accordingly, we face the risk that our customers might not place any order or might place orders of lesser than expected size or may even cancel existing orders or make change in their policies which may result in reduced quantities being manufactured by us. Cancellations, reductions or instructions to delay production (thereby delaying delivery of products manufactured by us) by a significant customer could adversely affect our results of operations by reducing our sales volume, as well as by possibly causing delay in our customers' paying us for the order placed for purchasing the inventory with us which we would have manufactured for them. We may not find any customers or purchasers for the surplus or excess capacity in which case we would be forced to incur a loss.

In addition, we make significant decisions, including determining the levels of business that we will seek and accept, production schedules, personnel requirements and other resource requirements, based on our estimates of customer orders. If we underestimate demand, we may manufacture fewer quantities of products than required, which could result in the loss of business. We may fail to maintain the requisite inventory, which may adversely impact our ability to deliver products to customers in a timely manner which may lead to loss of revenues or customers. Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, results of operations and financial condition.

***13. Our operations depend on the availability of timely and cost-efficient transportation and other logistic facilities and any prolonged disruption may adversely affect our business, results of operations, cash flows and financial conditions.***

Our operations are dependent on the timely transport of raw materials to our manufacturing facilities and of our products to our customers. We typically rely on third party transportation providers for transportation of Raw Material to our manufacturing facility and from our manufacturing facility to our customers, which are subject to various bottlenecks, including customs, weather, strikes or civil disruptions. We may experience disruption in the transportation of raw materials by ship and delivery of the products to our customers due to bad weather conditions. Further, unexpected delays due to delays in obtaining customs clearance for raw materials imported by us or products exported by us, or increases in transportation costs, could significantly decrease our ability to make sales and earn profits. Any failure to deliver our products to our customers in an efficient, reliable and timely manner could have an adverse effect on our business, results of operations, cash flows and financial conditions.

***14. Our inability to manage the expansion of our products range and manufacturing capacities and execute our growth strategy in a timely manner or within budget estimates, or our inability to meet the expectations to track the changing preferences of our customers or other stakeholders could have an adverse effect on our business, results of operation and financial condition.***

Our inability to manage the expansion of our products range and manufacturing capacities and execute our growth strategy in a timely manner or within budget estimates, or our inability to meet the expectations to track the changing preferences of our customers or other stakeholders could have an adverse effect on our business, results of operations



and financial condition. We intend to continue expansion of our product range and manufacturing capacities to pursue existing and potential market opportunities. For details, see Business Strategies in chapter titled as “*Business Overview*” on page 114 and details related to Machinery proposed to be acquired for new product line please refer to chapter titled “*Objects of the Issue*” on page 85 of this Red Herring Prospectus. Our future prospects will depend on our ability to grow our business and operations, which could be affected by many factors, including our ability to introduce and innovate new products and maintain the quality of our products, general political and economic conditions in the geographies in which we operate, government policies or strategies in respect of specific industries, prevailing interest rates, price of equipment and raw materials, energy supply and currency exchange rates.

**15. *Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations.***

Our business operations require us to obtain and renew, from time to time, certain approvals, licenses, registrations and permits under central, state and local government rules in India, generally for carrying out our business and for our manufacturing facilities. A majority of these approvals are granted for a limited duration. While we are required to obtain a number of approvals for legally conducting our business operations and we shall submit the applications for renewal of such approvals, as and when required, during the course of our business operations, we cannot assure you that we will be able to obtain approvals in respect of such applications, or any application made by us in the future. If we fail to obtain such registrations and licenses or renewals, in a timely manner, we may not then be able to carry on certain operations of our business, which may have an adverse effect on our business, financial condition and results of operations. For details, see “*Government and Other Approvals*” on page 183 of this Red Herring Prospectus.

Our company has applied for few approvals for name change which are currently in the name of Shri Techtex Private Limited. If we fail to obtain such registrations and licenses or renewals, in a timely manner, we may not then be able to carry operations of our business, which may have an adverse effect on our business, financial condition and results of operations. For details, see “*Government and Other Approvals*” on page 183 of this Red Herring Prospectus.

The approvals required by us are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged noncompliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure by us to comply with the applicable regulations in the future, or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business. In case we fail to comply with these requirements, or a regulator alleges non-compliance with these requirements, we may be subject to penalties and proceedings may be initiated against us.

The introduction of additional government control or newly implemented laws and regulations, depending on the nature and extent thereof and our ability to make corresponding adjustments, may adversely affect our business, results of operations and financial conditions. These laws and regulations and the way in which they are implemented and enforced may change from time to time and there can be no assurance that future legislative or regulatory changes will not have an adverse effect on our business, financial condition, cash flows and results of operations.

**16. *Our insurance coverage may not be sufficient or adequate to protect us against all material hazards or business losses, which may adversely affect our business, results of operations and financial condition.***

Our insurance policy coverage includes fire & theft policy, marine cargo policy, Employee Workman compensation. We could be held liable for accidents that occur at our manufacturing facilities or otherwise arising out of our operations. In the event of personal injuries, fires or other accidents suffered by our employees or other people, we could face claims alleging that we were negligent, provided inadequate supervision or be otherwise liable for the injuries.

While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, to the extent that we suffer loss or damage, for which we have not obtained or maintained insurance, or which is not covered by insurance, which exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations and financial condition could be adversely affected. In addition, our insurance policies expire from time to time and we may not be able to renew our policies in a timely manner, or at acceptable cost.

We cannot assure you that, in the future, any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. Further, an insurance claim once made could lead to an increase in our insurance premium, result in higher deductibles and also require us to spend towards addressing certain covenants specified by the insurance companies.



**17. Our Company requires significant amount of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.**

Our business requires significant working capital, part of which would be met through additional borrowings in the future. In many cases, significant amounts of working capital are required to finance the procurement of branded products before payments are received from customers. Our working capital requirements may increase, under certain conditions, where payment terms do not include advance payments or include delayed payments from customers. Additionally, our working capital requirements have increased in recent years due to the general growth of our business. All these factors may result, or have resulted, in increases in our working capital needs. The details of working capital requirements are as follows:

(₹ in Lakhs)

| Particulars                               | Restated Financials |                 |                 | Projected Financials |
|-------------------------------------------|---------------------|-----------------|-----------------|----------------------|
|                                           | 31-Mar-21           | 31-Mar-22       | 31-Mar-23       | 31-Mar-24            |
| ➤ <b>Inventories</b>                      |                     |                 |                 |                      |
| Raw Material                              | 49.92               | 326.20          | 489.32          | 525.00               |
| Stores and spares                         | 65.37               | 10.96           | 17.00           | 25.10                |
| Finished goods/Waste                      | 49.23               | 97.69           | 658.83          | 1,238.83             |
| Trade receivables                         | 1,118.83            | 1,001.04        | 1,170.60        | 2,236.16             |
| Cash and cash equivalents                 | 69.18               | 40.12           | 95.16           | 186.15               |
| Loans and Advances                        | 876.64              | 140.70          | 981.44          | 1,085.52             |
| Other Assets                              | 6.66                | 8.56            | 30.95           | 50.00                |
| <b>Total Assets</b>                       | <b>2,235.84</b>     | <b>1,625.28</b> | <b>3,443.31</b> | <b>5,346.76</b>      |
|                                           |                     |                 |                 |                      |
| Trade payables                            | 408.02              | 565.12          | 455.66          | 232.93               |
| Other liabilities (Including Non Current) | 509.32              | 68.87           | 39.59           | 25.00                |
| Short-term provisions                     | 114.69              | 74.13           | 17.65           | 20.00                |
| <b>Total Current Liabilities</b>          | <b>1,032.02</b>     | <b>708.12</b>   | <b>512.89</b>   | <b>277.93</b>        |
| <b>Net Working Capital</b>                | <b>1,203.81</b>     | <b>917.16</b>   | <b>2,930.42</b> | <b>5,068.84</b>      |
|                                           |                     |                 |                 |                      |
| <b>Sources of Funds</b>                   |                     |                 |                 |                      |
| Short Term Borrowing- CC                  | 0.36                | 460.53          | 570.49          | 921.67               |
| Unsecured Loan                            | -                   | -               | -               | -                    |
| Internal Accruals/Existing Net worth      | 1,203.43            | 456.63          | 2,359.93        | 2,615.70             |
| Proceeds from IPO                         | 0.00                | 0.00            | 0.00            | 1,531.47             |
| <b>Total</b>                              | <b>1,203.81</b>     | <b>917.16</b>   | <b>2,930.42</b> | <b>5,068.84</b>      |

**18. Any defaults or delay in payment by a significant portion of our customers, may have an adverse effect on our cash flows, results of operations and financial condition.**

Credit risk is the risk of financial loss to our Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. In the ordinary course of business, we provide our customers with certain credit periods as part of our payment terms. While we generally limit the credit, we extend to our customers based on their financial condition and payment history, we may still experience losses because of a customer being unable to pay. We are exposed to credit risk from our operating activities, primarily from trade receivables. Our total receivables as at March 31, 2023, March 31, 2022 and March 31, 2021 was ₹ 1,170.60 Lakhs, ₹ 1,001.04 Lakhs, and ₹ 1,118.83 Lakhs respectively.

Our results of operations and profitability depends on the credit worthiness of our customers. We cannot assure that these customers will always be able to pay us in a timely manner, or at all. Any adverse change in the financial condition of our customers may adversely affect their ability to make payments to us. Further, any increase in our receivable turnover days or write-offs will negatively affect our business. Any default or delays in payment of receivables by our customers may have adverse effect on cash flows, results of operations and financial condition.

**19. We face foreign exchange risks that could adversely affect our results of operations and cash flows.**

Our company export its products in We are exposed to foreign currency fluctuation risk. Although, we closely follow our exposure to foreign currencies by entering into forward contracts to hedge our exposure in an attempt to reduce





the risks of currency fluctuations, our results of operations, cash flows and financial performance could be adversely affected in case these currencies fluctuate significantly. We may from time to time be required to make provisions for foreign exchange differences in accordance with accounting standards. We from time to time avail forward cover to minimise the foreign exchange related risks, we may experience foreign exchange losses and gains in respect of transactions denominated in foreign currencies. While we enter into hedging transactions to minimize our foreign currency exchange risks, there can be no assurance that such measures will enable us to manage our foreign currency risks. For further details please refer to chapter titled as “*Restated Financial Statement*” on page 161 of this Red Herring Prospectus.

In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our results of operations and cash flows. Any such losses on account of foreign exchange fluctuations may adversely affect our results of operations and cash flows. Certain markets in which we sell our products may be subject to foreign exchange repatriation and exchange control risks, which may result in either delayed recovery or even non-realization of revenue.

**20. *We have certain contingent liabilities, which, if materialized, may affect our financial condition and results of operations.***

Our contingent liabilities as per AS 29 as of March 31, 2023 were as follows:

| Particulars         | As at March 31, 2023 |
|---------------------|----------------------|
| Bank Guarantee      | 43.00                |
| Capital Commitments | 222.67               |

For further details of the contingent liabilities and commitments of our Company as on March 31, 2023, see “*Restated Financial Information – Contingent Liabilities*” starting from page 161. If a significant portion of these liabilities materialize, it could have an effect on our results of operations and financial condition. Further, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

**21. *Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.***

Our operations may be subject to incidents of theft or damage to inventory in transit and prior to or during godown stocking. While we have not experienced any instance of theft, fraud, employee negligence and resultant loss in the past, the business may encounter some inventory loss on account of employee theft, vendor fraud and general administrative error, in the future. While we have obtained the anti – burglary insurance policy, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition. Additionally, losses due to theft, fire, breakage or damage caused by other casualties, theft of confidential information such as manufacturing processes, customers and product formulations, could adversely affect our results of operations and financial condition.

**22. *Changes in technology may affect our business by making our equipment or products less competitive or obsolete.***

Our future success will depend in part on our ability to respond to technological advances and emerging textile Industry standards and practices on a cost-effective and timely basis. Changes in technology and product preferences may make newer textile units or equipment more competitive than ours or may require us to make additional capital expenditures to upgrade our facilities. If we are unable to adapt in a timely manner to changing market conditions, customer requirements or technological changes, our business, financial performance and the trading price of our Equity Shares could be adversely affected.

**23. *Significant disruptions of information technology systems or breaches of data security could adversely affect our business.***

We depend upon information technology systems and third-party software, including internet-based systems, for our business operations, and these systems facilitate the flow of real-time information across departments and allows us to make information driven decisions and manage performance. The size and complexity of our computer systems make them potentially vulnerable to breakdown, malicious intrusion and computer viruses. Any such disruption may result in the loss of key information and disrupt our operations. In addition, our systems are potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data to unauthorized persons. Such data security breaches could lead to the loss of trade secrets or other intellectual property, or could lead to the public exposure of personal information (including sensitive personal information) of our employees, customers and others. Although we have not experienced any significant disruptions to, or security breaches of, our information technology





systems, we cannot assure you that we will not encounter such disruptions in the future and any such disruptions or security breaches could have an adverse effect on our business and reputation.

**24. *Our Object has not been appraised by any Bank or Financial Institution. Any significant deviation in the Object could adversely impact our operations and sustainability in absence of any independent monitoring agency.***

Our company intends to utilise proceeds from issue for Construction of Factory Shed, Commissioning of Solar Plant, Purchase of Machineries, working capital requirements, General Corporate Purpose and to fund Public Issue Expenses. We have estimated fund raising to the extent of ₹ [●] Lakh to finance the 'Objects of the Issue' (including Issue Expenses). The proposed objects for which the funds are being raised have not been appraised by any Bank or Financial Institution and the fund requirements are based primarily on management estimates and quotations received from various vendors. There is no guarantee that our estimates will prove to be accurate and any significant deviation in the project cost could adversely impact our operations and sustainability in the absence of any independent monitoring agency.

For details of the "Object of the Issue", please refer Page no. 85 of this Red Herring Prospectus.

**25. *We depend on certain brand names and our corporate name and logo that we may not be able to protect and/or maintain.***

Currently our company is using as  logo/trademark, which is not owned by it. Our Company has entered into licence agreement for trademark on April 01, 2022 with one of our Group Company viz. Shakti Polyweave Private Limited for use of said trademark without payment of any fees as it does not ascribe tenure of usage. However, there is no mention of definite usage period said trademark. There can be no assurance that Shakti Polyweave Private Limited will continue to allow us to use said logo in future and without payment of Fees for usage of trademark. Additionally, the use of trade names or trademarks by third parties which are similar to our trade names or trademarks may result in confusion among customers and loss of business and loss of business to our company and ultimately effecting financial conditions of our company.

Our ability to market and sell our services depends upon the recognition of our brand names and associated consumer Goodwill. Currently, we do not have registered trademarks for our corporate name and logo under the Trademarks Act, 1999. Consequently, we do not enjoy the statutory protections accorded to registered trademarks in India for the corporate name and logo of our company, which are currently pending. In the absence of such registrations, competitors and other companies may challenge the validity or scope of our intellectual property right over these brands or our corporate name or logo. As a result, we may be required to invest significant resources in developing new brands or names, which could materially and adversely affect our business, financial condition, results of operations and prospects.

**26. *There is no monitoring agency appointed by Our Company and the deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by our Audit Committee.***

The issue proceeds is entirely at the discretion of the issuer/management. As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only if Issue size exceeds ₹ 10,000 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, as per the Section 177 of the companies Act, 2013 the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

**27. *Our Promoters have provided their personal guaranties to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.***

Our Promoter Mr. Hanskumar Ramakant Agarwal have provided his personal guaranties in relation to certain loan facilities availed of by us. In the event that any of these guarantees are revoked by Promoter, the lenders for such facilities may require alternate properties as mortgages/guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities.

We may not be successful in procuring alternative properties/guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition.

**28. *We have incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations.***

As of March 31, 2023, we have ₹ 3,188.98 Lakhs of outstanding debt as per restated financials of the Company.

Our level of indebtedness has important consequences to us, such as:



- Increasing our vulnerability to general adverse economic, industry and competitive conditions;
- Limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit rating;
- Limiting our ability to borrow more money both now and in the future; and
- Increasing our interest expenditure and adversely affecting our profitability, since almost all of our debt bears interest at floating rates.

If any of these risks were to materialize, our business and results of operations may be adversely affected.

**29. *We are subject to the restrictive covenants of banks in respect of the Loan/Credit Limit and other banking facilities availed from them.***

We have entered into agreements for availing debt facilities from lenders. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain conditions. In the event of default or the breach of certain covenants, our lender has the option to make the entire outstanding amount payable immediately. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business. In the event we breach any financial or other covenants contained in certain of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows.

**30. *Our Company has availed unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows.***

As on period ended on March 31, 2023, our Company has unsecured loans amounting to ₹ 1347.68 lakhs from lenders that are repayable on demand to them. Such loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lenders at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition. For further details of unsecured loans of our Company, please refer “Annexure I.3 & I.7” respectively under chapter titled “Restated Financial Information” beginning on page 161 of this Red Herring Prospectus.

**31. *Our lenders have charge over our movable and immovable properties in respect of finance availed by us.***

We have secured outstanding debt of ₹ 1814.30 Lakhs as on March 31, 2023 and we have secured our lenders by creating charge over our movable and immovable properties. In the event we default in repayment of the loans availed by us and any interest thereof, our properties may be forfeited by lenders. It may have a material adverse effect on the business, cash flows and financial condition of our company. For further information on the financing and loan agreements along with the total amounts outstanding, please refer to section titled “Restated Financial Information” on page 161 of this Red Herring Prospectus.

**32. *Our Promoters and Promoter Group will continue to exercise control post completion of the Issue and will have considerable influence over the outcome of matters.***

Upon completion of this Issue, our Promoters and Promoters Group will continue to own a majority of our Equity Shares. As a result, our Promoters and Promoters group will have the ability to exercise significant influence over all matters requiring shareholders’ approval. Our Promoters and Promoters group will also be in a position to influence any shareholder action or approval requiring a majority vote, except where they may be required by applicable law to abstain from voting. This control could also delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from obtaining control of our Company even if it is in the best interests of our Company. The interests of our Promoters and Promoters group could conflict with the interests of our other equity shareholders, and the Promoters could make decisions that materially and adversely affect your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoters group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in “Capital Structure” on page no. 61 of this Red Herring Prospectus, we cannot assure you that our Promoters will not dispose of, pledge or encumber their Equity Shares in the future.

**33. *We may require additional financing for our business operations and the failure to obtain additional financing on terms commercially acceptable to us may adversely affect our ability to grow and our future profitability. Further, fluctuations in interest rates could adversely affect our results of operations.***



We may require additional capital for our business operations. Our ability to obtain additional financing on favourable terms, if at all, will depend on a number of factors including our financial condition, results of operations and cash flows, the amount and terms of our existing indebtedness, security, our track record of compliance of the covenants contained in our financial agreements, general market conditions and market conditions for financing activities and the economic, political and other conditions in the markets where we operate. We cannot assure that we will be able to raise additional financing on acceptable terms in a timely manner or at all. Our failure to renew arrangements for existing funding or obtain additional financing on acceptable terms and in a timely manner could adversely impact our ability to incur capital expenditure, our business, results of operations and financial condition.

Further, an increase in the interest rates on our existing or future debt will increase the cost of servicing such debt. An increase in interest expense may have an adverse effect on our business prospects, financial condition and results of operations.

For further details regarding our business refer chapter titled “*Business Overview*” on page 114 of this Red Herring Prospectus.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations financial condition, cash requirements, business prospects and any other financing arrangements.

Additionally, we may not be permitted to declare any dividends under the loan financing arrangement that our Company may enter into future, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof.

Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value.

**35. *Our success largely depends on our Board and Key Managerial Personnel and our ability to attract and retain them. Any loss of our director and key managerial personnel could adversely affect our business, operations and financial condition***

We depend significantly on the expertise, experience and continued efforts of our Directors Mr. Hanskumar Ramakant Agarwal and Mrs. Shradha Hanskumar Agarwal and our other key managerial personnel. If one or more members of our Board or key managerial personnel are unable or unwilling to continue in his / her present position, it could be difficult to find a replacement. Our business could thereby be adversely affected. Opportunities for key managerial personnel in our industry are intense and it is possible that we may not be able to retain our existing key managerial personnel or may fail to attract / retain new employees at equivalent positions in the future. As such, any loss of key managerial personnel could adversely affect our business, operations and financial condition. For further details on the Management of our Company please refer to the chapter titled “*Our Management*” beginning on page 144 of this Red Herring Prospectus.

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

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the issue. We meet our capital requirements through our bank finance, debts, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans.

For further details please refer to the chapter titled “*Objects of the Issue*” beginning on page no 85 of this Red Herring Prospectus.

**37. *Certain information contained in this Red Herring Prospectus is based on management estimates and we cannot assure you of the completeness or accuracy of the data.***



Certain information contained in this Red Herring Prospectus like our funding requirements including proposed working capital requirement assessment, proposed installed capacity of new product lines, expected life span of proposed Solar PV Plant and our proposed use of issue proceeds is based solely on management estimates. The estimated project dates as well as costs may change depending on the circumstances like changes in laws and regulations, competition, irregularities or claims with respect to title of land, the ability of third parties to complete their services, delays, cost overruns or modifications to our ongoing and planned projects. Such circumstances can have an impact on our financial condition and results of operation.

**38. *In the event there is any delay in the completion of the Issue, there would be a corresponding delay in the completion of the objects of this Issue which would in turn affect our revenues and results of operations.***

The funds that we receive would be utilized for the objects of the Issue as has been stated in the section “Objects of the Issue” on page no. 85 of the Red Herring Prospectus. The proposed schedule of implementation of the objects of the Issue is based on our management’s estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue this may affect our revenues and results of operations.

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

We propose to utilize the Net Proceeds towards Construction of Factory Shed, Commissioning of Solar Plant, working capital requirement, and general corporate purposes. For further details of the proposed objects of the Issue, see “Objects of the Issue” on page 85. However, these objects of the Issue have not been appraised by any bank, financial institution or other independent agency. Further, 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 the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Red Herring 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 Company, if applicable, 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 Promoters, if applicable, 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 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 Fresh 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 the issue Proceeds, if any, which may adversely affect our business and results of operations.

**40. *Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute not more than 25% 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 not more than 25% 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. 85 of this Red Herring Prospectus.

**41. *The average cost of acquisition of Equity Shares by our Promoters is lower than the Issue Price.***

Average cost of acquisitions of our Promoters viz. Mr. Hanskumar Ramakant Agarwal and Mrs. Shradha Hanskumar Agarwal is ₹ 0.01 and ₹ 1.75 respectively which is lower than the Issue Price to be decided by the Company in consultation with the Book Running 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 61 of this Red Herring Prospectus.

**42. *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.

## EXTERNAL RISK FACTORS

### ***1. The COVID-19 pandemic, or any future pandemic or widespread public health emergency, could materially and adversely impact our business, financial condition, cash flows and results of operations.***

Since first being reported in December 2019, the outbreak of COVID-19 has spread globally. The World Health Organization declared the outbreak of COVID-19 to be a public health emergency of international concern on January 30, 2020, and a global pandemic on March 11, 2020.

The COVID-19 pandemic has had, and any future pandemic or widespread public health emergency could have, repercussions across regional and global economies and financial markets. The outbreak of COVID-19 in many countries, including India has significantly and adversely impacted economic activity and has contributed to significant volatility and negative pressure in financial markets, and it is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis, recession or depression, despite monetary and fiscal interventions by governments and central banks globally.

The global impact of the outbreak has been rapidly evolving. As cases of COVID-19 have continued to be identified in additional countries, many jurisdictions, including the governments of India, have reacted by instituting restrictive measures including invoking lock downs and quarantines, requiring the closure of non-essential businesses and placing restrictions on the types of businesses that may continue to operate, mandating restrictions on travel, implementing "shelter-in-place" rules and "stay-at-home" orders, and enforcing remote working regulations. No prediction can be made of when any of the restrictions currently in place will be relaxed or expire, or whether or when further restrictions will be announced. Although some governments are beginning to ease or lift these restrictions, the impacts from the severe disruptions caused by the effective shutdown of large segments of the global economy or localized lockdowns remain unknown.

On March 24, 2020, the Government of India ordered a national lockdown in response to the spread of COVID-19. Our business was determined to be operating in an essential industry, which allowed us to continue our operations after the introduction of the lockdown in India, subject to certain adjustments in working patterns.

There can be no assurance that there will not be any material impact on our operations if the outbreak of COVID-19 is not effectively controlled. Although some restrictions have been eased, it is not yet clear when the lockdown conditions will be fully lifted in India. Further, although we were declared an essential business and were able to adjust our business to continue operating during the lockdown, there can be no assurance that further restrictions will not be introduced or that we will continue to retain such essential status. Further, we may be required to quarantine employees that are suspected of being infected of COVID-19, as well as others that have come into contact with those employees or shut down our manufacturing facilities as a health measure, which could have an adverse effect on our business operations or result in a delay in the production and supply of products to our customers in a timely manner. If any of our suppliers are affected by COVID-19 to the extent our supply chain is disrupted, this may affect our ability to meet the demand of our customers.

The full extent to which the COVID-19 pandemic, or any future pandemic or widespread public health emergency impacts our business, operations and financial results will depend on numerous evolving factors that we may not be



able to accurately predict, including the scope, severity, and duration of the pandemic; actions taken by governments, business and individuals in response to the pandemic; the effect on customer demand for and ability to pay for our products; the disruptions or restrictions on our employees' and suppliers' ability to work and travel; volatility in foreign exchange rates; any extended period of remote work arrangements; and strain on our or our customers' business continuity plans, and resultant operational risk.

The COVID-19 pandemic, or any future pandemic or widespread public health emergency could therefore materially and adversely impact our business, financial condition, cash flows and results of operations.

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism.

**3. *Any changes in the regulatory framework could adversely affect our operations and growth prospects.***

Our Company is subject to various regulations and policies. For details see section titled "Key Industry Regulations and Policies" beginning on page no. 132 of this Red Herring Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

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

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

**5. *We are subject to risks arising from interest rate fluctuations, which could adversely impact our business, financial condition and operating results.***

Changes in interest rates could significantly affect our financial condition and results of operations. If the interest rates for our existing or future borrowings increase significantly, our cost of servicing such debt will increase. This may negatively impact our results of operations, planned capital expenditures and cash flows.

**6. *The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.***

Prior to this Issue, there has been no public market for our Equity Shares. Our Company has appointed Beeline Capital Advisors Private Limited as BRLM and also appointed Sunflower Broking Private Limited as Designated Market Maker for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

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

Once listed, we would be subject to circuit breakers imposed by stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and





downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

**8. *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 is ₹ [●]/- This price is based on numerous factors (For further information, please refer chapter titled “Basis for Issue Price” beginning on page no. 96 of this Red Herring 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 include without limitation the following;

- 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;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

**9. *Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse impact on our business, financial condition and results of operations.***

Taxes and other levies imposed by the Central or State Governments in India that impact our industry include various taxes introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates/slab will continue in the future. Any changes in these tax rates/slabs could adversely affect our financial condition and results of operations.

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

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to India’s credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India’s credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. Such events may adversely affect our business and results of operations as well as the trading price of the Equity Shares.

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

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

Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including with regard to labour, foreign investment, stamp duty, customs duty and anti-dumping duty governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the application, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our businesses in the future.

**12. *If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate in order to pass costs on to our clients thereby reducing our margins.***



Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our clients. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

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

Foreign ownership of Indian securities is subject to Government regulation. Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the pricing and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular term or at all. For further details, see "Restrictions on Foreign Ownership of Indian Securities" on page 246.

Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

**14. *After the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.***

An active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares shall be determined through a book-building process 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. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

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

Under current Indian tax laws and regulations, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax ("STT") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of equity



shares held for more than 12 months, which are sold using any other platform other than on a recognized stock exchange and on which no STT has been paid, are subject to long-term capital gains tax in India.

The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 and clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. The Finance Act, 2020 has, among others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, that such dividends not be exempt in the hands of the shareholders, both resident as well as non-resident, and that such dividends likely be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend.

Further, the Finance Act, 2022, which received the assent of the President of India on March 30, 2022, has, among others things, provided a number of amendments to the direct and indirect tax regime. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. There is no certainty on the impact that the Finance Act, 2022 may have on our business and operations or in the industry we operate in.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. In cases where the seller is a non-resident, capital gains arising from the sale of the equity shares will be partially or wholly exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Historically, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the equity shares.

Further, we cannot predict whether any tax laws or other regulations impacting it will be enacted or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition, results of operations and cash flows.

**16. *The requirements of being a publicly listed company may strain our resources.***

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

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

**17. *Any future issuance of Equity Shares, or stock options, or convertible securities or other equity-linked securities by us may dilute your shareholding and adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, or stock options, or convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options may dilute your shareholding in our Company, and adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters or Promoters Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares.



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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise or withdraw their Bids during the Bid/Offer Period. While our Company is required to complete Allotment pursuant to the Issue within such period as may be prescribed under applicable law, events affecting the Bidders' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

**19. *Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Issue.***

The Equity Shares will be listed on the NSE. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. After the Basis of Allotment is approved by the Designated Stock Exchange, the Company undertakes the Allotment and the demat account of the Allottees with depository participants in India are credited with the Equity Shares. The Allotment of Equity Shares in this Issue, the credit of such Equity Shares to the applicant's demat account with depository participant and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to complete within six working days of the Bid Closing Date (or such other period as prescribed under applicable laws). There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods as specified herein. We could also be required to pay interest at the applicable rates if allotment is not made, unblocking intimation/ refund intimation, as applicable are not dispatched or demat credits are not made to investors within the prescribed time periods.



## SECTION IV – INTRODUCTION

### THE ISSUE

Present Issue in terms of this Red Herring Prospectus:

| Particulars                                  | Details                                                                                                                                                                    |
|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Equity Shares Issued*                        | Issue of 7400000 Equity Shares of ₹ 10/- each at a price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs                                                       |
| Of which:                                    |                                                                                                                                                                            |
| Reserved for Market Makers                   | 372000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs                                                          |
| Net Issue to the Public                      | 7028000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs                                                         |
| Of which                                     |                                                                                                                                                                            |
| Allocation to Qualified Institutional Buyers | Not more than 3510000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs                                           |
| Allocation to Non-Institutional Investors    | At least 1056000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs                                                |
| Allocation to Retail Individual Investors    | At least 2462000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs                                                |
| Equity Shares outstanding prior to the Issue | 17550000 Equity Shares of ₹ 10/- each                                                                                                                                      |
| Equity Shares outstanding after the Issue    | 24950000 Equity Shares of ₹ 10/- each                                                                                                                                      |
| Use of Proceeds                              | For details, please refer chapter titled “ <i>Objects of The Issue</i> ” beginning on Page no. 85 of this Red Herring Prospectus for information on use of Issue Proceeds. |

\* Subject to finalization of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of issue price

- (1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) and Regulation 253 (1) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being issued to the public for subscription.
- (2) The present Issue has been authorized pursuant to a resolution of our Board dated January 03, 2023 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on January 04, 2023.
- (3) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.
- (4) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price.
- (5) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.



## SUMMARY OF FINANCIAL INFORMATION

### SHRI TECHTEXT LIMITED

#### ANNEXURE – I: STATEMENT OF ASSETS & LIABILITIES, AS RESTATED

(₹ In Lakhs)

| Particulars                       | As At<br>31/03/2023 | As At<br>31/03/2022 | As At<br>31/03/2021 |
|-----------------------------------|---------------------|---------------------|---------------------|
| <b>EQUITY AND LIABILITIES</b>     |                     |                     |                     |
| 1. Shareholders' funds            |                     |                     |                     |
| (a) Share Capital                 | 1,755.00            | 225.00              | 225.00              |
| (b) Reserves and surplus          | 1,256.61            | 1,875.99            | 1,853.72            |
| 2. Non-current liabilities        |                     |                     |                     |
| (a) Long-term borrowings          | 2,501.82            | 1,917.95            | 1,378.30            |
| (b) Other Non-current Liabilities | 631.49              | -                   | 467.89              |
| (d) Deferred Tax liability        | 38.42               | 21.28               | 35.90               |
| (c) Long-term provisions          | 3.06                | 0.46                | 6.84                |
| 3. Current liabilities            |                     |                     |                     |
| (a) Short-term borrowings         | 687.16              | 533.62              | 120.36              |
| (b) Trade payables                |                     |                     |                     |
| i) Due to MSME                    | 18.52               | 443.55              | 0.12                |
| ii) Due to Others                 | 437.14              | 121.57              | 407.90              |
| (c) Other current liabilities     | 39.59               | 68.87               | 41.43               |
| (d) Short-term provisions         | 17.65               | 74.13               | 114.69              |
| <b>TOTAL</b>                      | <b>7,386.45</b>     | <b>5,282.41</b>     | <b>4,652.15</b>     |
| <b>ASSETS</b>                     |                     |                     |                     |
| 1. Non-current assets             |                     |                     |                     |
| (a) Property Plant & Equipments   |                     |                     |                     |
| (i) Tangible Assets               | 3,842.60            | 3,652.06            | 1,187.75            |
| (ii) Capital work-in-progress     | 93.98               | 0.51                | 1,224.28            |
| (b) Non-current investments       | 6.56                | 4.56                | 4.30                |
| (c) Long-term loans and advances  | -                   | 76.51               | -                   |
| (d) Non Current Assets            | 36.91               | 7.61                | 81.51               |
| 2. Current assets                 |                     |                     |                     |
| (a) Inventories                   | 1,165.15            | 434.86              | 164.51              |
| (b) Trade receivables             | 1,170.60            | 1,001.04            | 1,118.83            |
| (c) Cash and cash equivalents     | 95.16               | 40.12               | 69.18               |
| (d) Short-term loans and advances | 944.54              | 56.58               | 795.13              |
| (e) Other Current Assets          | 30.95               | 8.56                | 6.66                |
| <b>TOTAL</b>                      | <b>7,386.45</b>     | <b>5,282.41</b>     | <b>4,652.15</b>     |

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.





**SHRI TECHTEXT LIMITED**  
**ANNEXURE - II: RESTATED STATEMENT OF PROFIT & LOSS**

| Particulars                                                       | For the year ended<br>31/03/2023 | For the year<br>ended<br>31/03/2022 | For the year ended<br>31/03/2021 |
|-------------------------------------------------------------------|----------------------------------|-------------------------------------|----------------------------------|
| Revenue from operations                                           | 5,692.39                         | 5,117.63                            | 3,946.76                         |
| Other Income                                                      | 115.19                           | 64.51                               | 74.82                            |
| <b>Total Income (I+II)</b>                                        | <b>5,807.58</b>                  | <b>5,182.15</b>                     | <b>4,021.58</b>                  |
| <b>Expenses:</b>                                                  |                                  |                                     |                                  |
| (a) Cost of materials consumed                                    | 3,027.43                         | 2,923.78                            | 943.24                           |
| (b) Purchases of stock-in-trade                                   | 1,139.72                         | -                                   | -                                |
| (c) Changes in inventories of finished goods and work-in-progress | (561.14)                         | (48.47)                             | (49.23)                          |
| (d) Employee benefits expense                                     | 86.17                            | 52.29                               | 272.33                           |
| (e) Finance costs                                                 | 80.72                            | 116.77                              | 88.48                            |
| (f) Depreciation and amortisation expense                         | 124.12                           | 110.55                              | 114.33                           |
| (g) Other expenses                                                | 749.44                           | 963.82                              | 973.33                           |
| <b>Total expenses</b>                                             | <b>4,646.45</b>                  | <b>4,118.75</b>                     | <b>2,342.49</b>                  |
|                                                                   | -                                |                                     |                                  |
| <b>Profit /(Loss) before tax and Exceptional Items (III-IV)</b>   | <b>1,161.13</b>                  | <b>1,063.40</b>                     | <b>1,679.09</b>                  |
| <b>Exceptional Items</b>                                          | -                                | -                                   | -                                |
| <b>Profit /(Loss) before tax (V-VI)</b>                           | <b>1,161.13</b>                  | <b>1,063.40</b>                     | <b>1,679.09</b>                  |
| <b>Tax expense:</b>                                               |                                  |                                     |                                  |
| (a) Current tax expense                                           | 233.60                           | 250.00                              | 425.44                           |
| (b) Short/(Excess) provision of tax for earlier years             | (0.23)                           | 1.46                                | (2.06)                           |
| (c) Deferred tax charge/(credit)                                  | 17.14                            | (14.62)                             | (9.97)                           |
|                                                                   | <b>250.50</b>                    | <b>236.84</b>                       | <b>413.41</b>                    |
| <b>Profit after tax for the year (VII-VIII)</b>                   | <b>910.63</b>                    | <b>826.56</b>                       | <b>1,265.68</b>                  |

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.



**SHRI TECHTEXT LIMITED**  
**ANNEXURE – III: STATEMENT OF CASH FLOW, AS RESTATED**

| Particulars                                                    | For the period ended |                   |                   |
|----------------------------------------------------------------|----------------------|-------------------|-------------------|
|                                                                | 31-03-2023           | 31-03-2022        | 31-03-2021        |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                  |                      |                   |                   |
| Net Profit before Extraordinary items                          | 1,161.13             | 1,063.40          | 1,679.09          |
| Adjustment For:                                                |                      |                   |                   |
| (a) Depreciation and Amortization                              | 124.12               | 110.55            | 114.33            |
| (b) Interest Charges                                           | 80.72                | 116.77            | 88.48             |
| (c) (Gain)/Loss on Sale of Assets                              | -                    | (1.86)            | 0.58              |
| (d) Other non cash items                                       | 2.91                 | -                 | -                 |
| (e) Interest & Other income                                    | (42.22)              | (5.16)            | (21.80)           |
| (f) Expenses written off                                       | 1.52                 | 1.52              | 1.52              |
| (g) Share of Profit from Aurum Fabrictech LLP                  | (1.40)               | -                 | -                 |
| Operating Profit before Working Capital Changes                | <b>1,326.77</b>      | <b>1,285.22</b>   | <b>1,862.20</b>   |
| Adjustment For :                                               |                      |                   |                   |
| (a) (Increase)/Decrease in Inventories                         | (730.29)             | (270.35)          | 37.66             |
| (b) (Increase)/Decrease in Trade Receivables                   | (169.56)             | 117.79            | (917.25)          |
| (c) (Increase)/Decrease in Loans & Advances & Other Assets     | (905.52)             | 736.65            | (681.08)          |
| (d) Increase /(Decrease) in Trade Payables & Other Liabilities | (41.68)              | 557.25            | 476.97            |
| CASH GENERATED FROM OPERATIONS                                 | (520.29)             | 2,426.56          | 778.50            |
| Less : Direct Taxes paid                                       | (239.50)             | (251.46)          | (423.37)          |
| CASH FLOW BEFORE EXTRAORDINARY ITEMS                           | <b>(759.79)</b>      | <b>2,175.10</b>   | <b>355.13</b>     |
| NET CASH FROM OPERATING ACTIVITIES (A)                         | <b>(759.79)</b>      | <b>2,175.10</b>   | <b>355.13</b>     |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                  |                      |                   |                   |
| (a) Sales / (Addition) in Fixed Assets & WIP                   | (408.64)             | (2,086.31)        | (1,408.02)        |
| (b) Transfer of assets on account of demerger                  | -                    | 737.07            | -                 |
| (c) (Increase) / Decrease in Investment                        | (0.60)               | (0.26)            | (4.30)            |
| (d) (Increase ) / Decrease in Long term loans and advances     | 76.51                | (76.51)           | -                 |
| (e) (Increase ) / Decrease in Non Current Assets               | (29.30)              | 72.39             | (2.55)            |
| (f) Interest and other income                                  | 42.22                | 5.16              | 21.80             |
| NET CASH FROM INVESTING ACTIVITIES (B)                         | <b>(319.80)</b>      | <b>(1,348.46)</b> | <b>(1,393.07)</b> |



| Particulars                                                    | For the period ended |                 |                 |
|----------------------------------------------------------------|----------------------|-----------------|-----------------|
|                                                                | 31-03-2023           | 31-03-2022      | 31-03-2021      |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                  |                      |                 |                 |
| (a) Increase/(Decrease) in Borrowings                          | 583.87               | 539.65          | 890.24          |
| (b) Increase/(Decrease) in Long term Liabilities               | 631.49               | (467.89)        | 259.26          |
| (c) Increase / ( Decrease ) in Long Term Provisions            | -                    | (6.39)          | 3.31            |
| (d) Transfer of reserves due to demerger                       | -                    | (804.29)        | -               |
| (e) Interest Paid                                              | (80.72)              | (116.77)        | (88.48)         |
| <b>NET CASH FLOW IN FINANCING ACTIVITIES (C)</b>               | <b>1,134.63</b>      | <b>(855.69)</b> | <b>1,064.34</b> |
| <b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS (A)+(B)+(C)</b> | <b>55.04</b>         | <b>(29.05)</b>  | <b>26.39</b>    |
| <b>OPENING BALANCE – CASH &amp; CASH EQUIVALENT</b>            | <b>40.12</b>         | <b>69.18</b>    | <b>42.78</b>    |
| <b>CLOSING BALANCE - CASH &amp; CASH EQUIVALENT</b>            | <b>95.16</b>         | <b>40.12</b>    | <b>69.17</b>    |

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.



## SECTION V - GENERAL INFORMATION

Our Company was originally formed and registered as a partnership firm under the Partnership Act, 1932 (“Partnership Act”) in the name and style of “M/s Shree Tech Tex Company”, pursuant to a deed of partnership dated January 7, 2011. Subsequently, the constitution of partnership firm were changed on February 18, 2016, July 01, 2017, March 14, 2018 and June 12, 2020 by admission and retirement of partners. Later on, Name of “M/s Shree Tech Tex Company” was changed to “M/s Shri Techtex” on July 03, 2018 by amendment in Deed of Partnership. “M/s Shri Techtex” was thereafter converted from a partnership firm to a private limited company under Part I chapter XXI of the Companies Act, 2013 in the name of “Shri Techtex Private Limited” and received a certificate of incorporation dated September 08, 2018 from the Central Registration Center, Ministry of Corporate Affairs. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on December 31, 2022 and the name of our Company was changed to “Shri Techtex Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated January 03, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U36900GJ2018PLC104005.

### BRIEF INFORMATION ON COMPANY AND ISSUE

| Particulars                              | Details                                                                                                                                                                                                                                                                                                                                                                                              |                         |                  |                      |
|------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|------------------|----------------------|
| Name of Issuer                           | Shri Techtex Limited                                                                                                                                                                                                                                                                                                                                                                                 |                         |                  |                      |
| Registered Office                        | Harmony, 2nd Floor,15/A, Shree Vidhyanagar Co. Op. Hsg. Soc. Ltd. Opp. NABARD, Nr. Usmanpura Garden Ahmedabad Gujarat 380014 India<br><b>Telephone No:</b> +91 78741 32777<br><b>Website:</b> <a href="http://www.shritechtex.com">www.shritechtex.com</a><br><b>E-Mail:</b> <a href="mailto:cs@shritechtex.co.in">cs@shritechtex.co.in</a><br><b>Contact Person:</b> Mrs. Akanksha Aswani           |                         |                  |                      |
| Corporate Office                         | Not Applicable                                                                                                                                                                                                                                                                                                                                                                                       |                         |                  |                      |
| Date of Incorporation                    | September 08, 2018                                                                                                                                                                                                                                                                                                                                                                                   |                         |                  |                      |
| Company Identification Number            | U36900GJ2018PLC104005                                                                                                                                                                                                                                                                                                                                                                                |                         |                  |                      |
| Company Registration Number              | 104005                                                                                                                                                                                                                                                                                                                                                                                               |                         |                  |                      |
| Company Category                         | Company Limited by Shares                                                                                                                                                                                                                                                                                                                                                                            |                         |                  |                      |
| Registrar of Companies                   | ROC-Ahmedabad                                                                                                                                                                                                                                                                                                                                                                                        |                         |                  |                      |
| Address of the RoC                       | ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013 <b>Phone:</b> 079-27438531, <b>Fax:</b> 079-27438371                                                                                                                                                                                                                                                         |                         |                  |                      |
| Company Secretary and Compliance Officer | <b>Mrs. Akanksha Aswani</b><br>C/o. Shri Techtex Limited<br>Harmony, 2nd Floor,15/A, Shree Vidhyanagar Co. Op. Hsg. Soc. Ltd. Opp. NABARD, Nr. Usmanpura Garden Ahmedabad Gujarat 380014 India<br><b>Telephone No:</b> +91 78741 32777<br><b>Website:</b> <a href="http://www.shritechtex.com">www.shritechtex.com</a> <b>E-Mail:</b> <a href="mailto:cs@shritechtex.co.in">cs@shritechtex.co.in</a> |                         |                  |                      |
| Designated Stock Exchange                | EMERGE Platform of National Stock Exchange of India Limited<br><b>Address:</b> Exchange Plaza, Plot no. C/1, G Block, Bandra – Kurla Complex, Bandra I, Mumbai – 400051                                                                                                                                                                                                                              |                         |                  |                      |
| Anchor Investor Bidding Date             | Tuesday July 25, 2023                                                                                                                                                                                                                                                                                                                                                                                |                         |                  |                      |
| Issue Programme                          | Issue Opens On:                                                                                                                                                                                                                                                                                                                                                                                      | Wednesday July 26, 2023 | Issue Closes On: | Friday July 28, 2023 |

#### Note:

Investors can contact the Company Secretary and Compliance Officer in case of any pre-issue or post-issue related problems such as non-receipt of letter of allotment or credit of securities in depository’s beneficiary account or dispatch of refund order etc.

All grievances relating to the ASBA process and UPI Process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted or Sponsor Bank, as the case may be. The Applicant should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, PAN, UPI ID (in case of RII’s if applicable), date of submission of the Bid cum Application Form, address of the Bidder,



number of Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the Investors shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries/SCSB in addition to the information mentioned hereinabove.

#### BOARD OF DIRECTORS OF OUR COMPANY

The Board of Directors of our Company consists of:

| Sr. No. | Name of Directors              | Designation                    | Address                                                                                                          | DIN      |
|---------|--------------------------------|--------------------------------|------------------------------------------------------------------------------------------------------------------|----------|
| 1.      | Mrs. Shradha Hanskumar Agarwal | Chairman and Managing Director | 1, Ishwar Park, Opp. Prashant Society, Navarangpura Ahmedabad, Gujarat 380014                                    | 02195281 |
| 2.      | Mr. Hanskumar Ramakant Agarwal | Executive Director             | 1, Ishwar Park, Opp. Prashant Society, Navarangpura Ahmedabad, Gujarat 380014                                    | 00013290 |
| 3.      | Mr. Vikas Srikishan Agarwal    | Non-Executive Director         | 11, Mudra Apartment, Chaitanya society, Nr. Sardar Patel Stadium, Navrangpura, Ahmedabad-380009, Gujarat, India. | 03585140 |
| 4.      | Mr. Vimalkumar Mishralal Shah  | Independent Director           | 53, Khetan Tower, Near Rajasthan Hospital, Shahibaug, Ahmedabad, Gujarat -380 004, India.                        | 03011067 |
| 5.      | Mr. Anup Mahendra Gopalka      | Independent Director           | E- 301, Aura Villa, Thaltej, Hebatpur road, Ahmedabad, Gujarat- 380059, India.                                   | 01114195 |

For further details pertaining to the education qualification and experience of our directors, please refer the chapter titled “Our Management” beginning on page no 144 of this Red Herring prospectus.

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

| BOOK RUNNING LEAD MANAGER OF THE ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | REGISTRAR TO THE ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p><b>BEELINE CAPITAL ADVISORS PRIVATE LIMITED</b><br/> <b>SEBI Registration Number:</b> INM000012917<br/> <b>Address:</b> B 1311-1314 Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad – 380054, Gujarat, India.<br/> <b>Telephone Number:</b> 079-4918 5784<br/> <b>Email Id:</b> <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a><br/> <b>Investors Grievance Id:</b> <a href="mailto:ig@beelinemb.com">ig@beelinemb.com</a><br/> <b>Website:</b> <a href="http://www.beelinemb.com">www.beelinemb.com</a><br/> <b>Contact Person:</b> Mr. Nikhil Shah<br/> <b>CIN:</b> U67190GJ2020PTC114322</p> |  <p><b>Link Intime India Private Limited</b><br/> <b>SEBI Registration Number:</b> INR000004058<br/> <b>Address:</b> C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400083, Maharashtra, India<br/> <b>Tel. Number:</b> +91 810 811 4949<br/> <b>Fax-</b> 022 - 4918 6060<br/> <b>Email Id:</b> <a href="mailto:shritechtex.ipo@linkintime.co.in">shritechtex.ipo@linkintime.co.in</a><br/> <b>Investors Grievance Id:</b> <a href="mailto:shritechtex.ipo@linkintime.co.in">shritechtex.ipo@linkintime.co.in</a><br/> <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a><br/> <b>Contact Person:</b> Shanti Goapalkrishnan<br/> <b>CIN:</b> U67190MH1999PTC118368</p> |
| STATUTORY & PEER REVIEW AUDITOR OF THE COMPANY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | ADVISOR TO THE COMPANY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <p><b>M/s. A S R V &amp; Co.,</b><br/> Chartered Accountants<br/> <b>Address:</b> 813, I Square Business Park, Near Shukan Mall, Besides CIMS Hospital, Science City Road, Sola, Ahmedabad-380060.<br/> <b>Mobile No.:</b> +91 81603 41317</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <p><b>M/s. Loonia &amp; Associates,</b><br/> Chartered Accountants<br/> <b>Address:</b> 218, New Cloth Market, Opp. Raipur Gate, Ahmedabad-380002, Gujarat, India.<br/> <b>Mobile No.:</b> +91 93273 11334<br/> <b>Email:</b> <a href="mailto:loonias.associates@gmail.com">loonias.associates@gmail.com</a></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |



|                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Email:</b> <a href="mailto:careeturaj@gmail.com">careeturaj@gmail.com</a><br><b>Contact Person:</b> CA Reeturaj Verma<br><b>Membership Number:</b> 193591<br><b>Firm Registration Number:</b> 135182W<br><b>Peer Review Certificate Number:</b> 014698                                                                                                                                                                                                                    | <b>Contact Person:</b> CA Hitesh Loonia<br><b>Membership Number:</b> 135424<br><b>Firm Registration Number:</b> 130883W                                                                                                                                                                                                                                                                                                                                            |
| <b>BANKERS TO THE COMPANY</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>The Hongkong and Shanghai banking Corporation Limited</b><br><b>Address:</b> No. 35-47, Mardia Plaza, C.G. Road, Ahmedabad -380006 Gujarat India<br><b>Tel:</b> +91 22 6164 0221 <b>Fax:</b> +91 22 6664 6169<br><b>Email:</b> <a href="mailto:Khagen.ravaliya@hsbc.co.in">Khagen.ravaliya@hsbc.co.in</a><br><b>Website:</b> NA<br><b>Contact Person:</b> Mr. Khagen Ravaliya                                                                                             | <b>The Ahmedabad District Co-Op Bank Ltd</b><br><b>Address:</b> Kalikund Branch Kalijund Char Rasta Dholka Ahmedabad Gujarat India 382225<br><b>Tele No.:</b> +91 70696 10065<br><b>Email:</b> <a href="mailto:kalikund@adebank.coop">kalikund@adebank.coop</a><br><b>Contact Person:</b> Mr. Naisarg P Patel                                                                                                                                                      |
| <b>SYNDICATE MEMBER</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>BANKERS TO THE ISSUE, REFUND BANKER AND SPONSOR BANK</b>                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>SUNFLOWER BROKING PRIVATE LIMITED</b><br><b>Registered Office:</b> 5th Floor, Sunflower House, Near Bhakti Nagar Circle, Bhakti Nagar, Rajkot-360002<br><b>Tel:</b> 8905344010<br><b>Email Id:</b> <a href="mailto:compliance@sunflowerbroking.com">compliance@sunflowerbroking.com</a><br><b>Contact Person:</b> Mr. Bhavik Vira<br><b>Website:</b> <a href="http://www.sunflowerbroking.com">www.sunflowerbroking.com</a><br><b>SEBI Registration No.:</b> INZ000195131 | <b>Axis Bank Limited</b><br><b>Address:</b> Vastrapur Branch, 5 & 6, 105 & 106 Abhishree Adroit, Near Mansi Circle, Vastrapur, Ahmedabad – 380015, Gujarat. <b>Tel:</b> +91 8980800321<br><b>Mail:</b> <a href="mailto:vastrapur.branchhead@axisbank.com">vastrapur.branchhead@axisbank.com</a><br><b>Website:</b> <a href="http://www.axisbank.com">www.axisbank.com</a><br><b>Contact Person:</b> Shilpa Rathod<br><b>SEBI Registration Number-</b> INBI00000017 |
| <b>LEGAL ADVISOR TO THE COMPANY</b>                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>ANA ADVISORS</b><br><b>Address:</b> 118 Shila Vihar, Gokulpura, Kalwar Road Jhotwara, Jaipur-302012<br><b>Tel No.:</b> +91-9887906529<br><b>Email:</b> <a href="mailto:anaadvisors22@gmail.com">anaadvisors22@gmail.com</a><br><b>Contact Person:</b> Kamlesh Kumar Goyal                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

## DESIGNATED INTERMEDIARIES

### Self-Certified Syndicate Banks

The list of SCSBs, as updated till date, is available on website of Securities and Exchange Board of India at below link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

<https://www.sebi.gov.in/sebiweb/other/OtherfAction.do?doRecognisedFpi=yes&intmId=35>

Investors are requested to refer the SEBI website for updated list of SCSBs and their designated branches.

### Self-Certified Syndicate Banks eligible as Sponsor 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=41>

## BROKERS TO THE ISSUE

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

## REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS

The list of the Registrar to Issue and Share Transfer Agents (RTAs) eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>, as updated from time to time.

## COLLECTING DEPOSITORY PARTICIPANTS





The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

#### STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

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

#### CREDIT RATING

As this is an Issue of Equity Shares, there is no credit rating for this Issue.

#### IPO GRADING

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

#### FILING OF DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/ PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

The Draft Red Herring Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Issue 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>.

A copy of the Red Herring Prospectus/ Red Herring Prospectus / Prospectus, along with the material contracts and documents referred elsewhere in the Red Herring Prospectus/Prospectus, will be delivered to the RoC Office situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013.

#### CHANGES IN AUDITORS

| Particulars                                                                                                                                                                                                                                                                                                                                                                         | Date of change    | Reason of change                                                                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>M/s. Loonia &amp; Associates,</b><br>Chartered Accountants<br><b>Address:</b> 218, New Cloth Market,<br>Opp. Raipur Gate, Ahmedabad-<br>380002, Gujarat, India.<br><b>Mobile No.:</b> +91 93273 11334<br><b>Email:</b> loonia.associates@gmail.com<br><b>Contact Person:</b> CA Hitesh Loonia<br><b>Membership Number:</b> 135424<br><b>Firm Registration Number:</b><br>130883W | December 05, 2022 | Resignation Due to casual vacancy                                                                                                                                                                                        |
| <b>M/s. A S R V &amp; Co.,</b><br>Chartered Accountants<br><b>Address:</b> 813, I Square Business<br>Park, Near Shukan Mall, Besides<br>CIMS Hospital, Science City Road,<br>Sola, Ahmedabad-380060.<br><b>Mobile No.:</b> +91 81603 41317<br><b>Email:</b> <a href="mailto:careeturaj@gmail.com">careeturaj@gmail.com</a><br><b>Contact Person:</b> CA Reeturaj<br>Verma           | December 20, 2022 | Appointment as Statutory<br>Auditor of the company due to<br>Casual Vacancy of to hold.<br>Tenure of M/s. A S R V & Co. will<br>be until the conclusion of Annual<br>General Meeting to be held in<br>calendar year 2023 |



| Particulars                                                                                                                   | Date of change | Reason of change |
|-------------------------------------------------------------------------------------------------------------------------------|----------------|------------------|
| <b>Membership Number:</b> 193591<br><b>Firm Registration Number:</b> 135182W<br><b>Peer Review Certificate Number:</b> 014698 |                |                  |

## TRUSTEES

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

## APPRAISAL AND MONITORING AGENCY

As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only if Issue size exceeds ₹ 10,000 Lakhs. Hence, our Company is not required to appoint a monitoring agency in relation to the Issue. However, Audit Committee of our Company will be monitoring the utilization of the Issue Proceeds.

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

## BOOK BUILDING PROCESS

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process and advertised in in all editions of the English national newspaper, all editions of Hindi national newspaper and in Regional newspaper where our registered office is situated at least two working days prior to the Bid/Issue Opening date. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/Issue Closing Date.

Principal parties involved in the Book Building Process are-

- Our Company;
- The Book Running Lead Manager in this case being Beeline Capital Advisors Private Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with NSE Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue;
- The Escrow Collection Banks/ Bankers to the Issue and
- The Designated Intermediaries and Sponsor bank

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations

The Issue is being made through the Book Building Process wherein 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB 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 BRLM and the Designated Stock Exchange.

All Bidders, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount)



at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid 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 Book Running Lead Manager and the Stock Exchange. However, under – subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

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 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, 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. For details in this regards, specific attention is invited to the chapter titled “*Issue Procedure*” beginning on page 220 of the Red Herring Prospectus.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 220 of this Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

| Bid Quantity | Bid Amount (₹) | Cumulative Quantity | Subscription |
|--------------|----------------|---------------------|--------------|
| 500          | 24             | 500                 | 16.67%       |
| 1,000        | 23             | 1,500               | 50.00%       |
| 1,500        | 22             | 3,000               | 100.00%      |
| 2,000        | 21             | 5,000               | 166.67%      |
| 2,500        | 20             | 7,500               | 250.00%      |

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Company in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 220 of this Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.



- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

#### **Bid/Issue Program:**

| <b>Event</b>                                                                                            | <b>Indicative Dates</b>                |
|---------------------------------------------------------------------------------------------------------|----------------------------------------|
| Bid/Issue Opening Date                                                                                  | Wednesday July 26, 2023                |
| Bid/Issue Closing Date                                                                                  | Friday July 28, 2023                   |
| Finalization of Basis of Allotment with the Designated Stock Exchange                                   | On or before Wednesday August 02, 2023 |
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account | On or before Thursday, August 03, 2023 |
| Credit of Equity Shares to Demat accounts of Allottees                                                  | On or Before Thursday, August 03, 2023 |
| Commencement of trading of the Equity Shares on the Stock Exchange                                      | On or Before Monday, August 07, 2023   |

*\$ Our Company in consultation with the Book Running Lead Manager has consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Offer Opening Date.*

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE Emerge taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

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

#### **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the BRLM, reserve the right not to proceed with the Issue at any time before the Bid/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 BRLM, 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 Bid/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 AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement has been entered on July 13, 2023 Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being Issued through this Issue:

| <i>Details of the Underwriter</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <i>No. of shares underwritten</i> | <i>Amount Underwritten<br/>(₹ in Lakh)</i> | <i>% of the total Issue Size Underwritten</i> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|--------------------------------------------|-----------------------------------------------|
| Beeline Capital Advisors Private Limited<br>SEBI Registration Number: INM000012917<br>Address: B 1311-1314 Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad – 380054, Gujarat, India<br>Telephone Number: 079-4918 5784<br>Email Id: <a href="mailto:mb@Beelinemb.com">mb@Beelinemb.com</a><br>Investors Grievance Id: <a href="mailto:ig@Beelinemb.com">ig@Beelinemb.com</a><br>Website: <a href="http://www.beelinemb.com">www.beelinemb.com</a><br>Contact Person: Mr. Nikhil Shah<br>CIN: U67190GJ2020PTC114322 | 7400000                           | [●]                                        | 100%                                          |

*\*Includes 372000 Equity shares of ₹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.*

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above-mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full. The abovementioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act.

## DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Book Running Lead Manager have entered into an agreement dated July 13, 2023 with the following Market Maker to fulfil the obligations of Market Making:

### SUNFLOWER BROKING PRIVATE LIMITED

**Registered Office:** 5<sup>th</sup> Floor, Sunflower House, Near Bhakti Nagar Circle, Bhakti Nagar, Rajkot-360002.

**SEBI Registration No:** INZ000195131

**Contact Person:** Mr. Bhavik Vora

**Contact No.:** 0281-2361935

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

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2018 and the circulars issued by the NSE and SEBI in this regard from time to time.

Following is a summary of the key details pertaining to the proposed 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 Issued by the Market Maker(s).





- 2) The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he/she sells his/her entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 4) 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 (Including the 372000 Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above [●] Equity Shares 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 reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
- 5) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
- 6) 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.
- 7) 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. In case equilibrium price is not discovered the price band in the normal trading session shall be based on Issue price.
- 8) The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 9) 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.
- 10) The Market Maker(s) shall have the right to terminate said arrangement by giving a One month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further our Company and the Lead Manager reserve the right to appoint other Market 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 registered office from 11.00 a.m. to 5.00 p.m. on working days.
- 11) Risk containment measures and monitoring for Market Makers: Emerge Platform of NSE will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
- 12) Punitive Action in case of default by Market Makers: Emerge Platform of NSE 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.
- 13) 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.
- 14) Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:





- 15) In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- 16) In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.
- 17) Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
- 18) 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 Crore To ₹ 50 Crore | 20%                                                                                           | 19%                                                                                              |
| ₹ 50 Crore To ₹ 80 Crore | 15%                                                                                           | 14%                                                                                              |
| Above ₹80 Crore          | 12%                                                                                           | 11%                                                                                              |

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



## SECTION VI - CAPITAL STRUCTURE

The Equity Share Capital of our Company, before the issue and after giving effect to the issue, as on the date of filing of the Red Herring Prospectus, is set forth below:

(₹ In Lakh except per share amount)

| Sr. No. | Particulars                                                                                                                                                                                                                 | Aggregate Nominal value | Aggregate value at issue price |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|--------------------------------|
| 1.      | <b>AUTHORIZED SHARE CAPITAL</b><br>25000000 Equity Shares of face value of ₹ 10/- each                                                                                                                                      | 2,500.00                | -                              |
| 2.      | <b>ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL BEFORE THE ISSUE</b><br>17550000 Equity Shares of face value of ₹ 10/- each                                                                                          | 1,755.00                | -                              |
| 3.      | <b>PRESENT ISSUE IN TERMS OF THE RED HERRING PROSPECTUS*</b>                                                                                                                                                                |                         |                                |
|         | Issue of 7400000 Equity Shares of ₹ 10/- each at a price of ₹ [●]/- per Equity Share.                                                                                                                                       | 740.00                  | [●]                            |
|         | <b>Which comprises</b>                                                                                                                                                                                                      |                         |                                |
|         | <b>Reservation for Market Maker:</b><br>372000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share reserved as Market Maker Portion                                                                  | 37.20                   | [●]                            |
|         | <b>Net Issue to Public:</b><br>7028000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share to the Public                                                                                             | 702.80                  | [●]                            |
|         | <b>Net Issue to Public consists of</b>                                                                                                                                                                                      |                         |                                |
|         | <b>Allocation to Qualified Institutional Buyers:</b><br>Not more than 3510000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Qualified Institutional Buyers | [●]                     | [●]                            |
|         | <b>Allocation to Non-Institutional Investors:</b><br>At least 1056000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Non-Institutional Investors            | [●]                     | [●]                            |
|         | <b>Allocation to Retail Individual Investors:</b><br>At least 2462000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Retail Investors                       | [●]                     | [●]                            |
| 4.      | <b>PAID UP EQUITY CAPITAL AFTER THE ISSUE</b><br>24950000 Equity Shares of ₹ 10/- each                                                                                                                                      | 2,495.00                | -                              |
| 5.      | <b>SECURITIES PREMIUM ACCOUNT</b>                                                                                                                                                                                           |                         |                                |
|         | Before the Issue                                                                                                                                                                                                            | NIL                     |                                |
|         | After the Issue                                                                                                                                                                                                             | [●]                     |                                |

\* The Present Issue of 74,00,000 Equity Shares in terms of this Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated January 03, 2023 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of the members held on January 04, 2023.

### CLASS OF SHARES

The company has only one class of shares i.e. Equity shares of ₹ 10/- each only and all Equity Shares are ranked pari-passu in all respect. All Equity Shares issued are fully paid-up as on date of the Red Herring Prospectus.

Our Company does not have any partly paid-up equity shares as on the date of this Red Herring Prospectus.

Our Company does not have any outstanding convertible instruments as on the date of the Red Herring Prospectus.

### NOTES TO THE CAPITAL STRUCTURE:

#### 1. Changes in the Authorized Share Capital of our Company:



Since Incorporation of our Company, the authorized equity share capital of our Company has been changed in the manner set forth below:

| Sr. No. | Particulars of Increase                                                      | Cumulative no. of Equity Shares | Cumulative Authorized Share Capital (₹ in Lakh) | Date of Meeting   | Whether AGM/ EGM |
|---------|------------------------------------------------------------------------------|---------------------------------|-------------------------------------------------|-------------------|------------------|
| 1.      | On incorporation                                                             | 5000000                         | 500.00                                          | N.A.              | N.A.             |
| 2.      | Increase in authorized equity capital from ₹ 500.00 Lakhs to ₹ 2500.00 Lakhs | 25000000                        | 2500.00                                         | November 21, 2022 | EGM              |

## 2. History of Paid-up Share Capital:

Our existing Paid-up Equity Share Capital has been subscribed and allotted in the manner set forth below:

| Date of allotment | Nature of allotment                                      | No. of Equity Shares allotted | Face value (In ₹) | Issue price (In ₹) | Nature of consideration                                                                               | Cumulative Number of Equity Shares | Cumulative Paid-up share Capital (₹ in Lakh) | Cumulative Share Premium (In ₹ Lakhs) |
|-------------------|----------------------------------------------------------|-------------------------------|-------------------|--------------------|-------------------------------------------------------------------------------------------------------|------------------------------------|----------------------------------------------|---------------------------------------|
| On Incorporation  | Subscription to Memorandum of Association <sup>(1)</sup> | 2250000                       | 10                | 10                 | Cash- against the outstanding Credit Balance of respective Individual Partners' Fixed Capital Account | 2250000                            | 225.00                                       | 0.00                                  |
| December 22, 2022 | Bonus Issue <sup>(2)</sup>                               | 15300000                      | 10                | NIL                | Other than Cash                                                                                       | 17550000                           | 1755.00                                      | NIL                                   |

<sup>(1)</sup> The details of allotment of 2250000 Fully Paid-up Equity Shares made to the subscribers to the Memorandum of Associations upon Incorporation of company against their credit balance of Partners Fixed Capital Account, are as follows:

| Sr. No.      | Name of Allottee            | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|--------------|-----------------------------|-------------------------------|-----------------------------|------------------------------|
| 1.           | Kiranbhai Bhailalbhai Patel | 500                           | 10                          | 10                           |
| 2.           | Shradha Hanskumar Agarwal   | 11,19,500                     | 10                          | 10                           |
| 3.           | Radhadevi Agrawal           | 11,19,500                     | 10                          | 10                           |
| 4.           | Ramakant Bhojnagarwala      | 5,000                         | 10                          | 10                           |
| 5.           | Hanskumar Ramakant Agarwal  | 5,000                         | 10                          | 10                           |
| 6.           | Vikas Srikishan Agarwal     | 400                           | 10                          | 10                           |
| 7.           | Shuchi Vikas Agrawal        | 100                           | 10                          | 10                           |
| <b>Total</b> |                             | <b>2250000</b>                | <b>10</b>                   | <b>10</b>                    |

<sup>(2)</sup> The details of allotment of 15300000 Bonus Equity Shares made on December 22, 2022 in ratio of 68:10 i.e. 68 fully paid up Equity Shares for every 10 Equity Shares held on December 19, 2022, are as follows:

| Sr. No. | Name of Allottee            | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|---------|-----------------------------|-------------------------------|-----------------------------|------------------------------|
| 1.      | Kiranbhai Bhailalbhai Patel | 3400                          | 10                          | NIL                          |
| 2.      | Shradha Hanskumar Agarwal   | 5572600                       |                             |                              |
| 3.      | Radhadevi Agrawal           | 2058734                       |                             |                              |
| 4.      | Ramakant Bhojnagarwala      | 2074000                       |                             |                              |
| 5.      | Hanskumar Ramakant Agarwal  | 5587866                       |                             |                              |
| 6.      | Vikas Srikishan Agarwal     | 2720                          |                             |                              |



| Sr. No.      | Name of Allottee     | No. of Equity Shares Allotted | Face Value per share (in ₹) | Issue Price per share (in ₹) |
|--------------|----------------------|-------------------------------|-----------------------------|------------------------------|
| 7.           | Shuchi Vikas Agrawal | 680                           |                             |                              |
| <b>Total</b> |                      | <b>15300000</b>               | <b>10</b>                   | <b>NIL</b>                   |

- Our Company has not issued shares for consideration other than cash or out of revaluation of reserves at any point of time since Incorporation except for allotment of Bonus Equity Shares on December 22, 2022 in ratio of 68:10 i.e. 68 fully paid up Equity Shares for every 10 Equity Shares held on December 19, 2022, details of which are provided in point 2 (2) of this chapter.
- Our Company has not allotted any Equity Shares pursuant to any scheme approved Sections 230 to 234 of the Companies Act, 2013.
- Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- Our Company has not made allotment at price lower than the Issue Price during past one year from the date of the Red Herring Prospectus except mentioned below:

The details of allotment of 15300000 Equity Shares made on December 22, 2022 under Bonus Issue in ratio of 68:10 i.e., 68 fully paid Equity Shares for every 10 Equity Shares held on December 19, 2022, are as follows:

| Sr. No.      | Name of Allottee             | No. of Equity Shares Allotted | Face Value per share (in ₹) | Reason for allotment                   |
|--------------|------------------------------|-------------------------------|-----------------------------|----------------------------------------|
| 1.           | Kiranbhai Bhailalbhair Patel | 3400                          | 10                          | Capitalization of reserves and Surplus |
| 2.           | Shradha Hanskumar Agarwal    | 5572600                       |                             |                                        |
| 3.           | Radhadevi Agrawal            | 2058734                       |                             |                                        |
| 4.           | Ramakant Bhojnagarwala       | 2074000                       |                             |                                        |
| 5.           | Hanskumar Ramakant Agarwal   | 5587866                       |                             |                                        |
| 6.           | Vikas Srikishan Agarwal      | 2720                          |                             |                                        |
| 7.           | Shuchi Vikas Agrawal         | 680                           |                             |                                        |
| <b>Total</b> |                              | <b>15300000</b>               | <b>10</b>                   | <b>-</b>                               |

- Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2021.

## 8. Our Shareholding Pattern:

The Shareholding Pattern of our Company before the issue as per Regulation 31 of the SEBI (LODR) Regulations, 2015 is given here below:

### Declaration

| Sr. No. | Particular                                                                       | Yes/No | Promoter and Promoter Group | Public shareholder | Non-Promoter – Non-Public |
|---------|----------------------------------------------------------------------------------|--------|-----------------------------|--------------------|---------------------------|
| 1.      | Whether the Company has issued any partly paid-up shares?                        | No     | No                          | No                 | No                        |
| 2.      | Whether the Company has issued any Convertible Securities?                       | No     | No                          | No                 | No                        |
| 3.      | Whether the Company has issued any Warrants?                                     | No     | No                          | No                 | No                        |
| 4.      | Whether the Company has any shares against which depository receipts are issued? | No     | No                          | No                 | No                        |
| 5.      | Whether the Company has any shares in locked-in? *                               | No     | No                          | No                 | No                        |



| Sr. No. | Particular                                                               | Yes/No | Promoter and Promoter Group | Public shareholder | Non-Promoter – Non-Public |
|---------|--------------------------------------------------------------------------|--------|-----------------------------|--------------------|---------------------------|
| 6.      | Whether any shares held by promoters are pledge or otherwise encumbered? | No     | No                          | NA                 | NA                        |
| 7.      | Whether company has equity shares with differential voting rights?       | No     | No                          | No                 | No                        |

\* All Pre-IPO Equity Shares of our Company will be locked-in prior to listing of shares on Emerge Platform of NSE.



**(A). Table I - Summary Statement holding of Equity Shares**

| 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) | Sharehold ing, 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 encumbere d (XIII) |                                 | Number of equity shares held in dematerialized 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 shares held (b) |                                                     |
|             |                                |                            |                                              |                                              |                                                   |                                               |                                                                                                     | Class (eg: X)                                                 | Class (eg: Y) | Total    |                         |                                                                                     |                                                                                                                                                        |                                  |                                 |                                                          |                                 |                                                     |
| (A)         | Promoter & Promoter Group      | 7                          | 17550000                                     | 0                                            | 0                                                 | 17550000                                      | 100.00                                                                                              | 1755000                                                       | 0             | 17550000 | 100.00                  | 0                                                                                   | 100.00                                                                                                                                                 | 0                                | 0                               | 0                                                        | 0                               | 17550000                                            |
| (B)         | Public                         | 0                          | 0                                            | 0                                            | 0                                                 | 0                                             | 0                                                                                                   | 0                                                             | 0             | 0        | 0                       | 0                                                                                   | 0                                                                                                                                                      | 0                                | 0                               | 0                                                        | 0                               | 0                                                   |
| (C)         | Non-Promoter-Non Public        | 0                          | 0                                            | 0                                            | 0                                                 | 0                                             | 0                                                                                                   | 0                                                             | 0             | 0        | 0                       | 0                                                                                   | 0                                                                                                                                                      | 0                                | 0                               | 0                                                        | 0                               | 0                                                   |
| (C 1)       | Shares underlying DRs          | 0                          | 0                                            | 0                                            | 0                                                 | 0                                             | 0                                                                                                   | 0                                                             | 0             | 0        | 0                       | 0                                                                                   | 0                                                                                                                                                      | 0                                | 0                               | 0                                                        | 0                               | 0                                                   |
| (C 2)       | Shares held by Employee Trusts | 0                          | 0                                            | 0                                            | 0                                                 | 0                                             | 0                                                                                                   | 0                                                             | 0             | 0        | 0                       | 0                                                                                   | 0                                                                                                                                                      | 0                                | 0                               | 0                                                        | 0                               | 0                                                   |
|             | Total                          | 7                          | 17550000                                     | 0                                            | 0                                                 | 17550000                                      | 100.00                                                                                              | 1755000                                                       | 0             | 17550000 | 100.00                  | 0                                                                                   | 100.00                                                                                                                                                 | 0                                | 0                               | 0                                                        | 0                               | 17550000                                            |
| Note:       |                                |                            |                                              |                                              |                                                   |                                               |                                                                                                     |                                                               |               |          |                         |                                                                                     |                                                                                                                                                        |                                  |                                 |                                                          |                                 |                                                     |
| 1.          | C=C1+C2                        |                            |                                              |                                              |                                                   |                                               |                                                                                                     |                                                               |               |          |                         |                                                                                     |                                                                                                                                                        |                                  |                                 |                                                          |                                 |                                                     |
| 2.          | Grand Total=A+B+C              |                            |                                              |                                              |                                                   |                                               |                                                                                                     |                                                               |               |          |                         |                                                                                     |                                                                                                                                                        |                                  |                                 |                                                          |                                 |                                                     |





**(B). Table II - Statement showing shareholding pattern of the Promoters and Promoters' Group**

| Sr. No<br>·<br>(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 and 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) |                                                                                         |                                                                                                                                                      | Number of Locked in shares (XII) |                                 | Number of shares pledged or otherwise encumbered (XIII) |                                 |                                                     |
|                    |                                    |                            |                                              |                                              |                                                   |                                                |                                                                                                     | Class (eg: X)                                                 | Classes (eg: Y) | Total   |                         |                                                                                         |                                                                                                                                                      | No. (a)                          | As a % of total shares held (b) | No. (a)                                                 | As a % of total shares held (b) |                                                     |
| (1)                | Indian                             |                            |                                              |                                              |                                                   |                                                |                                                                                                     |                                                               |                 |         |                         |                                                                                         |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| (a)                | Individuals/Hindu undivided Family | 7                          |                                              |                                              |                                                   |                                                |                                                                                                     |                                                               |                 |         |                         |                                                                                         |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| 1                  | Hanskumar Ramakant Agarwal(P)      | -                          | 6409611                                      | 0                                            | 0                                                 | 6409611                                        | 36.52                                                                                               | 6409611                                                       | 0               | 6409611 | 36.52                   | 0                                                                                       | 36.52                                                                                                                                                | 0.00                             | 0.00                            | 0                                                       | 0.00                            | 6409611                                             |
| 2                  | Shradha Hanskumar Agarwal(P)       | -                          | 6392100                                      | 0                                            | 0                                                 | 6392100                                        | 36.42                                                                                               | 6392100                                                       | 0               | 6392100 | 36.42                   | 0                                                                                       | 36.42                                                                                                                                                | 0.00                             | 0.00                            | 0                                                       | 0.00                            | 6392100                                             |
| 3                  | Radhadevi Agrawal (PG)             | -                          | 2361489                                      | 0                                            | 0                                                 | 2361489                                        | 13.46                                                                                               | 2361489                                                       | 0               | 2361489 | 13.46                   | 0                                                                                       | 13.46                                                                                                                                                | 0.00                             | 0.00                            | 0                                                       | 0.00                            | 2361489                                             |
| 4                  | Ramakant Bhojnagarwala (PG)        | -                          | 2379000                                      | 0                                            | 0                                                 | 2379000                                        | 13.56                                                                                               | 2379000                                                       | 0               | 2379000 | 13.56                   | 0                                                                                       | 13.56                                                                                                                                                | 0.00                             | 0.00                            | 0                                                       | 0.00                            | 2379000                                             |
| 5                  | Shuchi Vikas Agrawal (PG)          | -                          | 780                                          | 0                                            | 0                                                 | 780                                            | Negligible                                                                                          | 780                                                           | 0               | 780     | Negligible              | 0                                                                                       | Negligible                                                                                                                                           | 0.00                             | 0.00                            | 0                                                       | 0.00                            | 780                                                 |
| 6                  | Vikas Srikishan Agarwal (PG)       | -                          | 3120                                         | 0                                            | 0                                                 | 3120                                           | 0.02                                                                                                | 3120                                                          | 0               | 3120    | 0.02                    | 0                                                                                       | 0.02                                                                                                                                                 | 0.00                             | 0.00                            | 0                                                       | 0.00                            | 3120                                                |



|            |                                                                                 |          |                 |          |          |                 |               |                 |          |                 |               |          |               |          |             |          |             |                 |
|------------|---------------------------------------------------------------------------------|----------|-----------------|----------|----------|-----------------|---------------|-----------------|----------|-----------------|---------------|----------|---------------|----------|-------------|----------|-------------|-----------------|
| 7          | Kiranbhai Bhailalbhair Patel (PG)                                               | -        | 3900            | 0        | 0        | 3900            | 0.02          | 3900            | 0        | 3900            | 0.02          | 0        | 0.02          | 0.00     | 0.00        | 0        | 0.00        | 3900            |
| (b)        | Central Government/ State Government(s)                                         | 0        | 0               | 0        | 0        | 0               | 0.00          | 0               | 0        | 0               | 0.00          | 0        | 0.00          | 0        | 0.00        | 0        | 0           | 0               |
| (c)        | Financial Institutions/ Banks                                                   | 0        | 0               | 0        | 0        | 0               | 0.00          | 0               | 0        | 0               | 0.00          | 0        | 0.00          | 0        | 0.00        | 0        | 0.00        | 0               |
| (d)        | Any Other (specify)                                                             | 0        | 0               | 0        | 0        | 0               | 0.00          | 0               | 0        | 0               | 0.00          | 0        | 0.00          | 0        | 0.00        | 0        | 0.00        | 0               |
|            | <b>Sub-Total (A)(1)</b>                                                         | <b>7</b> | <b>17550000</b> | <b>0</b> | <b>0</b> | <b>17550000</b> | <b>100.00</b> | <b>17550000</b> | <b>0</b> | <b>17550000</b> | <b>100.00</b> | <b>0</b> | <b>100.00</b> | <b>0</b> | <b>0.00</b> | <b>0</b> | <b>0</b>    | <b>17550000</b> |
| <b>(2)</b> | <b>Foreign</b>                                                                  |          |                 |          |          |                 |               |                 |          |                 |               |          |               |          |             |          |             |                 |
| (a)        | Individuals (Non-Resident Individuals/ Foreign Individuals)                     | 0        | 0               | 0        | 0        | 0               | 0.00          | 0               | 0        | 0               | 0.00          | 0        | 0.00          | 0        | 0.00        | 0        | 0.00        | 0               |
| (b)        | Government                                                                      | 0        | 0               | 0        | 0        | 0               | 0.00          | 0               | 0        | 0               | 0.00          | 0        | 0.00          | 0        | 0.00        | 0        | 0.00        | 0               |
| (c)        | Institutions                                                                    | 0        | 0               | 0        | 0        | 0               | 0.00          | 0               | 0        | 0               | 0.00          | 0        | 0.00          | 0        | 0.00        | 0        | 0.00        | 0               |
| (d)        | Foreign Portfolio Investor                                                      | 0        | 0               | 0        | 0        | 0               | 0.00          | 0               | 0        | 0               | 0.00          | 0        | 0.00          | 0        | 0.00        | 0        | 0.00        | 0               |
| (e)        | Any Other (specify)                                                             | 0        | 0               | 0        | 0        | 0               | 0.00          | 0               | 0        | 0               | 0.00          | 0        | 0.00          | 0        | 0.00        | 0        | 0.00        | 0               |
|            | <b>Sub-Total (A)(2)</b>                                                         | <b>0</b> | <b>0</b>        | <b>0</b> | <b>0</b> | <b>0</b>        | <b>0.00</b>   | <b>0</b>        | <b>0</b> | <b>0</b>        | <b>0.00</b>   | <b>0</b> | <b>0.00</b>   | <b>0</b> | <b>0.00</b> | <b>0</b> | <b>0.00</b> | <b>0</b>        |
|            | <b>Total Shareholding of Promoters and Promoters' Group (A)=(A)(1) + (A)(2)</b> | <b>7</b> | <b>17550000</b> | <b>0</b> | <b>0</b> | <b>17550000</b> | <b>100.00</b> | <b>17550000</b> | <b>0</b> | <b>17550000</b> | <b>100.00</b> | <b>0</b> | <b>100.00</b> | <b>0</b> | <b>0.00</b> | <b>0</b> | <b>0</b>    | <b>17550000</b> |

Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. - N.A.



| Note: |                                                                                                                                                             |
|-------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.    | PAN of the Shareholders will be provided by our Company to the Stock Exchange but would not be displayed on website of Stock Exchange(s).                   |
| 2.    | The term “Encumbrance” has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. |
| 3.    | P= Promoter<br>PG= Promoter Group                                                                                                                           |

**(C). Table III - Statement showing shareholding pattern of the public shareholder**

| Sr. No.<br>(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. (a)                          | As a % of total shares held (b) | No. (a)                                                 | As a % of total shares held (b) |                                                     |
|                |                              |                            |                                              |                                              |                                                   |                                                |                                                                                                     | Class (eg: X)                                                 | Class (eg: Y) | Total |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| B1             | Institutions (Domestic)      |                            |                                              |                                              |                                                   |                                                |                                                                                                     |                                                               |               |       |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| (a)            | Mutual Funds                 | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (b)            | Venture Capital Funds        | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (c)            | Alternate Investment Funds   | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (d)            | Banks                        | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (e)            | Insurance Companies          | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |



| Sr. No .<br>(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. (a)                          | As a % of total shares held (b) | No. (a)                                                 | As a % of total shares held (b) |                                                     |
|                 |                                |                            |                                              |                                              |                                                   |                                                |                                                                                                     | Class (eg: X)                                                 | Class (eg: Y) | Total |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| (f)             | Provident Funds/ Pension Funds | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (g)             | Asset reconstruction companies | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (h)             | Sovereign Wealth Funds         | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (i)             | NBFCs registered with RBI      | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (j)             | Other Financial Institutions   | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (k)             | Any Other (specify)            | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
|                 | Sub Total B1                   | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| B2              | Institutions (Foreign)         |                            |                                              |                                              |                                                   |                                                |                                                                                                     |                                                               |               |       |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| (a)             | Foreign Direct Investment      | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |



| Sr. No.<br>(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. (a)                          | As a % of total shares held (b) | No. (a)                                                 | As a % of total shares held (b) |                                                     |
|                |                                                        |                            |                                              |                                              |                                                   |                                                |                                                                                                     | Class (eg: X)                                                 | Class (eg: Y) | Total |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| (b)            | Foreign Venture Capital Investors                      | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (c)            | Sovereign Wealth Funds                                 | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (d)            | Foreign Portfolio Investors Category I                 | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (e)            | Foreign Portfolio Investors Category II                | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (f)            | Overseas Depositories (holding DRs) (balancing figure) | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (g)            | Any Other (specify)                                    | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |



| 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. (a) | As a % of total shares held (b)                         | No. (a) |                                                     | As a % of total shares held (b) |
|              |                                                                                              |                            |                                              |                                              |                                                   |                                                |                                                                                                     | Class (eg: X)                                                 | Class (eg: Y) | Total |                                                                                     |                                                                                                                                                      |                                  |         |                                                         |         |                                                     |                                 |
|              | Sub Total B2                                                                                 | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                                                                                | 0                                                                                                                                                    | 0                                | 0       | 0.00                                                    | 0       | 0.00                                                | 0                               |
| B3           | Central Government/ State Government(s)                                                      |                            |                                              |                                              |                                                   |                                                |                                                                                                     |                                                               |               |       |                                                                                     |                                                                                                                                                      |                                  |         |                                                         |         |                                                     |                                 |
| (a)          | Central Government / President of India                                                      | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                                                                                | 0                                                                                                                                                    | 0.00                             | 0       | 0.00                                                    | 0       | 0.00                                                | 0                               |
| (b)          | State Government / Governor                                                                  | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                                                                                | 0                                                                                                                                                    | 0.00                             | 0       | 0.00                                                    | 0       | 0.00                                                | 0                               |
| (c)          | Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                                                                                | 0                                                                                                                                                    | 0.00                             | 0       | 0.00                                                    | 0       | 0.00                                                | 0                               |
|              | Sub Total B3                                                                                 | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                                                                                | 0                                                                                                                                                    | 0                                | 0       | 0.00                                                    | 0       | 0.00                                                | 0                               |





| Sr. No<br>·<br>(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. (a)                          | As a % of total shares held (b) | No. (a)                                                 | As a % of total shares held (b) |                                                     |
|                    |                                                                                       |                            |                                              |                                              |                                                   |                                                |                                                                                                     | Class (eg: X)                                                 | Class (eg: Y) | Total |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| B4                 | Non-Institutions                                                                      |                            |                                              |                                              |                                                   |                                                |                                                                                                     |                                                               |               |       |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| (a)                | Associate Companies / Subsidiaries                                                    | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (b)                | Directors and their relatives (excluding independent directors and nominee directors) | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (c)                | Key Managerial Personnel                                                              | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0.00                                                                                                                                                 | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |



| Sr. No .<br>(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 and 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. (a)                          | As a % of total shares held (b) | No. (a)                                                 | As a % of total shares held (b) |                                                     |
|                 |                                                                                                                              |                            |                                              |                                              |                                                   |                                                |                                                                                                     | Class (eg: X)                                                 | Class (eg: Y) | Total |                         |                                                                                         |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| (d)             | Relatives of promoter (other than ‘immediate relatives’ of promoters disclosed under ‘Promoter and Promoter Group’ category) | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                       | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |



| 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. (a)                          | As a % of total shares held (b) | No. (a)                                                 | As a % of total shares held (b) |                                                     |
|              |                                                                                                                                   |                            |                                              |                                              |                                                   |                                                |                                                                                                     | Class (eg: X)                                                 | Class (eg: Y) | Total |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| (e)          | Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust' | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (f)          | Investor Education and Protection Fund (IEPF)                                                                                     | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (g)          | Resident Individuals holding nominal share capital upto ₹ 2 Lakhs                                                                 | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |



| Sr. No.<br>(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. (a)                          | As a % of total shares held (b) | No. (a)                                                 | As a % of total shares held (b) |                                                     |
|                |                                                                   |                            |                                              |                                              |                                                   |                                                |                                                                                                     | Class (eg: X)                                                 | Class (eg: Y) | Total |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| (h)            | Resident Individuals holding share capital in excess of ₹ 2 Lakhs | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (i)            | Non Resident Indians (NRIs)                                       | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (j)            | Foreign Nationals                                                 | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (k)            | Foreign Companies                                                 | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (l)            | Bodies Corporate                                                  | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (m)            | Any Other (specify)                                               | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
|                | HUF                                                               | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
|                | Non-Resident Indian (NRI)                                         | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
|                | LLP                                                               | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |



| Sr. No<br>-<br>(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. (a)                          | As a % of total shares held (b) | No. (a)                                                 | As a % of total shares held (b) |                                                     |
|                                                                                                                                                                                                                |                                                                                                                                                   |                            |                                              |                                              |                                                   |                                                |                                                                                                     | Class (eg: X)                                                 | Class (eg: Y) | Total |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
|                                                                                                                                                                                                                | Bodies Corporate                                                                                                                                  | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
|                                                                                                                                                                                                                | Clearing Members                                                                                                                                  | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
|                                                                                                                                                                                                                | Sub Total B4                                                                                                                                      | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
|                                                                                                                                                                                                                | B=B1+B2+B3+B4                                                                                                                                     | 0                          | 0                                            | 0                                            | 0                                                 | 0                                              | 0.00                                                                                                | 0                                                             | 0             | 0     | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0                               | 0                                                       | 0.00                            | 0                                                   |
| Details of the shareholders acting as persons in Concert including their Shareholding (No. and %):                                                                                                             |                                                                                                                                                   |                            |                                              |                                              |                                                   |                                                |                                                                                                     |                                                               |               |       |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. |                                                                                                                                                   |                            |                                              |                                              |                                                   |                                                |                                                                                                     |                                                               |               |       |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| Note:                                                                                                                                                                                                          |                                                                                                                                                   |                            |                                              |                                              |                                                   |                                                |                                                                                                     |                                                               |               |       |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| 1.                                                                                                                                                                                                             | PAN would not be displayed on website of Stock Exchange(s).                                                                                       |                            |                                              |                                              |                                                   |                                                |                                                                                                     |                                                               |               |       |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| 2.                                                                                                                                                                                                             | The above format needs to disclose name of all holders holding more than 1% of total number of shares                                             |                            |                                              |                                              |                                                   |                                                |                                                                                                     |                                                               |               |       |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| 3.                                                                                                                                                                                                             | W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available |                            |                                              |                                              |                                                   |                                                |                                                                                                     |                                                               |               |       |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |



**(D). 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. (a)                          | As a % of total shares held (b) | No. (a)                                                 | As a % of total shares held (b) |                                                     |
|              |                                                                                                                                                    |                            |                                              |                                              |                                                   |                                               |                                                                                                     | Class (eg: X)                                                 | Class (eg: Y) | Total    |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| (A)          | Custodian/DR Holder - Name of DR Holders (If Available)                                                                                            | 0                          | 0                                            | 0                                            | 0                                                 | 0                                             | 0.00                                                                                                | 0                                                             | 0             | 0        | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
| (B)          | Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)                                                               | 0                          | 0                                            | 0                                            | 0                                                 | 0                                             | 0.00                                                                                                | 0                                                             | 0             | 0        | 0.00                    | 0                                                                                   | 0                                                                                                                                                    | 0                                | 0.00                            | 0                                                       | 0.00                            | 0                                                   |
|              | <b>Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)</b>                                                                              | <b>0</b>                   | <b>0</b>                                     | <b>0</b>                                     | <b>0</b>                                          | <b>0</b>                                      | <b>0.00</b>                                                                                         | <b>0</b>                                                      | <b>0</b>      | <b>0</b> | <b>0.00</b>             | <b>0</b>                                                                            | <b>0</b>                                                                                                                                             | <b>0</b>                         | <b>0.00</b>                     | <b>0</b>                                                | <b>0.00</b>                     | <b>0</b>                                            |
| <b>Note:</b> |                                                                                                                                                    |                            |                                              |                                              |                                                   |                                               |                                                                                                     |                                                               |               |          |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| 1.           | PAN would not be displayed on website of Stock Exchange(s).                                                                                        |                            |                                              |                                              |                                                   |                                               |                                                                                                     |                                                               |               |          |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| 2.           | The above format needs to disclose name of all holders holding more than 1% of total number of shares                                              |                            |                                              |                                              |                                                   |                                               |                                                                                                     |                                                               |               |          |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |
| 3.           | W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available. |                            |                                              |                                              |                                                   |                                               |                                                                                                     |                                                               |               |          |                         |                                                                                     |                                                                                                                                                      |                                  |                                 |                                                         |                                 |                                                     |





9. The shareholding pattern of our Promoters and Promoters' Group and public before and after the Issue:

| Sr. No.                                      | Name of shareholders        | Pre issue            |                               | Post issue           |                               |
|----------------------------------------------|-----------------------------|----------------------|-------------------------------|----------------------|-------------------------------|
|                                              |                             | No. of equity shares | As a % of Pre-Issued Capital* | No. of equity shares | As a % of Post Issued Capital |
| Promoters                                    |                             |                      |                               |                      |                               |
| 1.                                           | Hanskumar Ramakant Agarwal  | 6409611              | 36.52                         | 6409611              | 25.69                         |
| 2.                                           | Shradha Hanskumar Agarwal   | 6392100              | 36.42                         | 6392100              | 25.62                         |
| Total - A                                    |                             | 12801711             | 72.94                         | 12801711             | 51.31                         |
| Promoters' Group                             |                             |                      |                               |                      |                               |
| 1.                                           | Radhadevi Agrawal           | 2361489              | 13.46                         | 2361489              | 9.46                          |
| 2.                                           | Ramakant Bhojnagarwala      | 2379000              | 13.56                         | 2379000              | 9.54                          |
| 3.                                           | Kiranbhai Bhailalbhai Patel | 3900                 | 0.02                          | 3900                 | 0.02                          |
| 4.                                           | Vikas Srikishan Agarwal     | 3120                 | 0.02                          | 3120                 | 0.01                          |
| 5.                                           | Shuchi Vikas Agrawal        | 780                  | Negligible                    | 780                  | Negligible                    |
| Total - B                                    |                             | 4748289              | 27.06                         | 4748289              | 19.03                         |
| Total Promoter & Promoter Group Shareholding |                             | 17550000             | 100.00                        | 17550000             | 70.34                         |
| Public                                       |                             |                      |                               |                      |                               |
| 1.                                           | Public in IPO               | -                    | -                             | 7400000              | 29.66                         |
| Total - C                                    |                             | -                    | -                             | 7400000              | 29.66                         |
| Total (A+B+C)                                |                             | 17550000             | 100.00                        | 24950000             | 100.00                        |

10. Details of Major Shareholders:

(A) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of the Red Herring Prospectus:

| Sr. No.      | Name of shareholders       | No. of Equity Shares held* | % of Pre-issue paid up Capital**# |
|--------------|----------------------------|----------------------------|-----------------------------------|
| 1.           | Hanskumar Ramakant Agarwal | 6409611                    | 36.52                             |
| 2.           | Shradha Hanskumar Agarwal  | 6392100                    | 36.42                             |
| 3.           | Radhadevi Agrawal          | 2361489                    | 13.46                             |
| 4.           | Ramakant Bhojnagarwala     | 2379000                    | 13.56                             |
| <b>Total</b> |                            | <b>17542200</b>            | <b>99.96</b>                      |

\* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Draft Prospectus.

\*\* Rounded off

# the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.

(B) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date ten days prior to the date of the Red Herring Prospectus:

| Sr. No.      | Name of shareholders       | No. of Equity Shares held* | % of Pre-issue paid up Capital**# |
|--------------|----------------------------|----------------------------|-----------------------------------|
| 1.           | Hanskumar Ramakant Agarwal | 6409611                    | 36.52                             |
| 2.           | Shradha Hanskumar Agarwal  | 6392100                    | 36.42                             |
| 3.           | Radhadevi Agrawal          | 2361489                    | 13.46                             |
| 4.           | Ramakant Bhojnagarwala     | 2379000                    | 13.56                             |
| <b>Total</b> |                            | <b>17542200</b>            | <b>99.96</b>                      |

\* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Draft Prospectus.

\*\* Rounded off

# the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.



**(C) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on One year prior to the date of the Red Herring Prospectus:**

| Sr. No.      | Name of shareholders      | No. of Equity Shares held* | % of then existing paid up Share Capital**# |
|--------------|---------------------------|----------------------------|---------------------------------------------|
| 1.           | Shradha Hanskumar Agarwal | 11,19,500                  | 49.76                                       |
| 2.           | Radhadevi Agrawal         | 11,19,500                  | 49.76                                       |
| <b>Total</b> |                           | <b>22,39,000</b>           | <b>99.52</b>                                |

\* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Draft Prospectus.

\*\* Rounded off

# the % has been calculated based on then existing Paid up Capital of the Company.

**(D) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on Two years prior to the date of the Red Herring Prospectus:**

| Sr. No.      | Name of shareholders      | No. of Equity Shares held* | % of Pre-issue paid up Capital**# |
|--------------|---------------------------|----------------------------|-----------------------------------|
| 1.           | Shradha Hanskumar Agarwal | 11,19,500                  | 49.76                             |
| 2.           | Radhadevi Agrawal         | 11,19,500                  | 49.76                             |
| <b>Total</b> |                           | <b>2250000</b>             | <b>99.52</b>                      |

\* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Draft Prospectus.

\*\* Rounded off

# the % has been calculated based on then existing Paid up Capital of the Company.

- 11.** There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, and right issue or in any other manner during the period commencing from the date of the Red Herring Prospectus until the Equity Shares of our Company have been listed or refund of application monies in pursuance of the Red Herring Prospectus.

As on the date of filing the Red Herring Prospectus document, our Company does not have any such plan for altering the capital structure by way of split or consolidation of the denomination of the shares, or issue of specified securities on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement. Further, our Company may alter its capital structure by way of split / consolidation of the denomination of Equity Shares or issue of equity shares on a preferential basis or issue of bonus or rights or further public issue of equity shares or qualified institutions placement, within a period of six months from the date of opening of the present issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or for any other purpose, as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

**12. Shareholding of the Promoter of our Company:**

As on the date of the Red Herring Prospectus, our Promoters Hanskumar Ramakant Agarwal and Shradha Hanskumar Agarwal holds total 12801711 Equity Shares respectively representing 72.94% of the pre-issue paid up equity share capital of our Company. The build-up of equity shareholding of Promoters of our Company is as follows:



| <b>HANSKUMAR RAMAKANT AGARWAL</b> |                                                     |                         |                                 |                             |                                        |                                 |                        |                         |
|-----------------------------------|-----------------------------------------------------|-------------------------|---------------------------------|-----------------------------|----------------------------------------|---------------------------------|------------------------|-------------------------|
| Date of Allotment / Transfer      | Nature of Issue Allotment / Transfer                | Number of Equity shares | Cumulative No. of Equity Shares | Face Value (in ₹) per share | Issue/ Transfer Price (in ₹) per share | Total Consideration Paid (in ₹) | % of Pre Issue Capital | % of post issue Capital |
| On Incorporation                  | Subscription to Memorandum of Association           | 5000                    | 5000                            | 10                          | 10                                     | 50000                           | 0.03                   | 0.02                    |
| December 16, 2022                 | Transfer from Radhadevi Agarwal (By way of Gift)    | 816745                  | 821745                          | 10                          | 0.00                                   | 0.00                            | 4.65                   | 3.27                    |
| December 22, 2022                 | Allotment under Bonus Issue                         | 5587866                 | 6409611                         | 10                          | 0.00                                   | 0.00                            | 31.84                  | 22.40                   |
| <b>Total</b>                      |                                                     | <b>6409611</b>          |                                 |                             |                                        | <b>50000</b>                    | <b>36.52</b>           | <b>25.69</b>            |
| <b>SHRADHA HANSKUMAR AGARWAL</b>  |                                                     |                         |                                 |                             |                                        |                                 |                        |                         |
| Date of Allotment / Transfer      | Nature of Issue Allotment / Transfer                | Number of Equity shares | Cumulative No. of Equity Shares | Face Value (in ₹) per share | Issue/ Transfer Price (in ₹) per share | Total Consideration Paid (in ₹) | % of Pre Issue Capital | % of post issue Capital |
| On Incorporation                  | Subscription to Memorandum of Association           | 1119500                 | 1119500                         | 10                          | 10                                     | 1,11,95,000                     | 6.38                   | 4.49                    |
| December 16, 2022                 | Transfer to Ramakant Bhojnagarwala (By way of Gift) | (300000)                | 819500                          | 10                          | NA                                     | 0.00                            | (1.71)                 | (1.20)                  |
| December 22, 2022                 | Allotment under Bonus Issue                         | 5572600                 | 6392100                         | 10                          | N. A                                   | N. A                            | 31.75                  | 22.34                   |
| <b>Total</b>                      |                                                     | <b>6392100</b>          |                                 |                             |                                        | <b>1,11,95,000.00</b>           | <b>36.42</b>           | <b>25.62</b>            |

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

| Sr. No. | Name of Promoters          | No. of Equity Shares held | Average Cost of Acquisition per equity share (in ₹) * |
|---------|----------------------------|---------------------------|-------------------------------------------------------|
| 1.      | Hanskumar Ramakant Agarwal | 6409611                   | 0.01                                                  |
| 2.      | Shradha Hanskumar Agarwal  | 6392100                   | 1.75                                                  |

\*The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid or by them to acquire and Shares allotted to them against their credit balance in Partners capital Account of erstwhile partnership firm as reduced by amount received on sell of shares i.e. net of sale consideration is divided by net quantity of shares acquired.

14. We have 7 (Seven) shareholders as on the date of filing of the Red Herring Prospectus.

15. As on the date of the Red Herring Prospectus, our Promoters and Promoters' Group hold total 17550000 Equity Shares representing 100% of the pre-issue paid up share capital of our Company.

16. there were no shares purchased/sold by the Promoter(s) and Promoter Group, directors of our Company and their relatives during last six months.

17. The members of the Promoters' Group, our directors and the relatives of our directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing the Red Herring Prospectus.



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

Our Promoter have given written consent to include 4990000 Equity Shares subscribed and held by her as a part of Minimum Promoters' Contribution constituting 20.00% of the post issue Paid-up Equity Shares Capital of our Company ("Minimum Promoters' contribution") in terms of Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018 and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoters' Contribution, and to be marked Minimum Promoters' Contribution as locked-in.

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, Minimum Promoters' Contribution as mentioned above shall be locked-in for a period of three years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.

**Explanation:** The expression "date of commencement of commercial production" means the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilized as stated in the offer document, is expected to commence.

In our case, the company is going to utilize proceeds of issue towards existing projects of the company. Therefore, Minimum Promoters' Contribution shall be locked in for a period of 3 years from date of allotment in Initial Public Offer.

We further confirm that Minimum Promoters' Contribution of 20.00% of the post Issue Paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoters' Contribution has been brought into to the extent of not less than the 20.00% of the Post Issue Capital and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

The lock-in of the Minimum Promoters' Contribution will be created as per applicable regulations and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of Minimum Promoters' Contribution are as follows:

| SHRADHA HANSKUMAR AGARWAL    |                         |                                       |                         |                             |                                        |                         |                       |                        |                                                       |
|------------------------------|-------------------------|---------------------------------------|-------------------------|-----------------------------|----------------------------------------|-------------------------|-----------------------|------------------------|-------------------------------------------------------|
| Date of Allotment / Transfer | Date when Fully Paid-up | Nature of Issue/ Allotment / Transfer | Number of Equity shares | Face Value (in ₹) per share | Issue/ Transfer Price (in ₹) per share | Source of Contribution* | %of Pre issue Capital | %of post issue Capital | Date up to which Equity Shares are subject to Lock-in |
| December 22, 2022            | December 22, 2022       | Allotment (Bonus)                     | 4990000                 | 10                          | 0.00                                   | NA                      | 28.43                 | 20.00                  | 3 years                                               |
| <b>Total</b>                 |                         |                                       | <b>4990000</b>          |                             |                                        |                         | <b>28.43</b>          | <b>20.00</b>           |                                                       |

\* On December 22, 2022 total of 5,572,600 Bonus Equity Shares were allotted. However, for the purpose of minimum promoters contribution only 49,90,000 Equity Shares are offered.

All the Equity Shares held by the Promoter / members of the Promoters' Group are in already dematerialized as on date of this Red Herring Prospectus. – **Noted for Compliance.**

In terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018, we confirm that the Minimum Promoters' Contribution of 20.00% of the Post Issue Capital of our Company as mentioned above does not consist of;

- Equity Shares acquired during the preceding three years for;
  - consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction;
  - resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the company or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- The Equity Shares held by the Promoters and offered for Minimum Promoters' contribution which are subject to any pledge with any creditor;
- Equity Shares acquired by Promoters during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Initial Public offer;



- As per Regulation 237 (1) if the Shares are issued to the promoters during the preceding One Year at a price less than the Price at which specified securities are being offer to the public in initial public offer is ineligible for minimum promoters' contribution.
- However as per clause (c) of sub regulation (1) of Regulation 237 of SEBI (ICDR), 2018 specified securities allotted to promoters 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, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management:

Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible; **Not Applicable**

#### **19. Lock in of Equity Shares held by Promoters in excess of Minimum Promoters' contribution:**

In addition to Minimum Promoters' Contribution which shall be locked-in for three years, the balance 7,811,711 Equity Shares held by Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer as provided in clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018.

#### **20. Lock in of Equity Shares held by Persons other than the Promoters:**

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly, 4748289 Equity shares held by the Persons other than Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

#### **21. Inscription or recording of non-transferability:**

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

#### **22. Pledge of Locked in Equity Shares:**

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters and locked in may be pledged as a collateral security for a loan granted by a scheduled commercial bank or public financial institution or a systemically important non-banking finance company or housing finance company, subject to following;

- In case of Minimum Promoters' Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan.
- In case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of equity shares is one of the terms of sanction of the loan.

However, lock in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock in period stipulated has expired.

#### **23. Transferability of Locked in Equity Shares:**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable;

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

- 24. Our Company, our Directors and the Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.



25. As on date of the Red Herring Prospectus, there are no Partly Paid-up Shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
26. Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Red Herring Prospectus.
27. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large.
28. There are no safety net arrangements for this public issue.
29. As on the date of filing of the Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
30. As per RBI regulations, OCBs are not allowed to participate in this offer.
31. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we may consider raising bridge financing facilities, pending receipt of the Net Proceeds.
32. There are no Equity Shares against which depository receipts have been issued.
33. As on date of the Red Herring Prospectus, other than the Equity Shares, there are is no other class of securities issued by our Company.
34. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
35. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
36. Since present issue is a Book Built Issue, the allocation in the net offer to the public category in terms of Regulation 253(1) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows:
  - (a). not less than thirty-five per cent to Retail Individual Investors;
  - (b). not less than fifteen per cent to Non-Institutional Investors;
  - (c). not more than fifty per cent to Qualified Institutional Buyers, five per cent of which shall be allocated to mutual funds

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in any other category.

Provided further that in addition to five per cent allocation available in terms of clause (c), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.
37. No incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise shall be offered by any person connected with the distribution of the issue to any person for making an application in the Initial Public Offer, except for fees or commission for services rendered in relation to the issue.
38. Our Promoters and the members of our Promoters' Group will not participate in this Issue.
39. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoters' Group between the date of filing the Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
40. Except as stated below, none of our other Directors or Key Managerial Personnel holds Equity Shares in our Company.

| Sr. No. | Name                           | Designation                    | No. of Equity Shares held | % of Pre Issue Equity Share Capital | % of Post Issue Equity Share Capital |
|---------|--------------------------------|--------------------------------|---------------------------|-------------------------------------|--------------------------------------|
| 1.      | Mrs. Shradha Hanskumar Agarwal | Chairman and Managing Director | 6392100                   | 36.42                               | 25.62                                |
| 2.      | Mr. Hanskumar Ramakant Agarwal | Executive Director             | 6409611                   | 36.52                               | 25.69                                |





| Sr. No. | Name                          | Designation                              | No. of Equity Shares held | % of Pre Issue Equity Share Capital | % of Post Issue Equity Share Capital |
|---------|-------------------------------|------------------------------------------|---------------------------|-------------------------------------|--------------------------------------|
| 3.      | Mr. Vikas Srikishan Agarwal   | Non-Executive Director                   | 3120                      | 0.02                                | 0.01                                 |
| 4.      | Mr. Vimalkumar Mishralal Shah | Independent Director                     | NIL                       | NIL                                 | NIL                                  |
| 5.      | Mr. Anup Mahendra Gopalka     | Independent Director                     | NIL                       | NIL                                 | NIL                                  |
| 6.      | Mr. Aashish Ashok Bhaiya      | Chief Finance Officer                    | NIL                       | NIL                                 | NIL                                  |
| 7.      | Mrs. Akanksha Aswani          | Company Secretary and Compliance Officer | NIL                       | NIL                                 | NIL                                  |



## SECTION VII – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue constitutes a public Issue of 7400000 Equity Shares of our Company at an Issue Price of ₹ [●]/- per Equity Share.

#### FRESH ISSUE

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

1. Construction Of Factory Shed
2. Purchase of Machineries
3. Commissioning of Solar Plant
4. To Meet Working Capital Requirements
5. General Corporate Purpose
6. To meet Public 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 Emerge Platform of NSE. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

Our company is engaged in the business of Polypropylene (PP) Non-Woven Fabric manufacturing. The practical use of non-woven fabric in non-woven industry is more ecological for certain applications, especially in fields and industries where disposable or single use products are important, such as organic farming, hospitals, health care, nursing homes, home furnishing, vehicle upholstery seat fabrication, Mattress & furniture covering, ecological packaging, industrial and consumer goods. We manufacture PP non-woven fabric in variety of sizes and density.

The objects clause of our Memorandum 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.

#### REQUIREMENTS OF FUNDS

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be ₹ [●] Lakhs (the “Net Issue Proceeds”).

The following table summarizes the requirement of funds:

| Particulars                         | Amount<br>(₹ in) Lakhs |
|-------------------------------------|------------------------|
| Gross Issue Proceeds                | [●]                    |
| Less: Public Issue Related Expenses | [●]                    |
| <b>Net Issue Proceeds</b>           | <b>[●]</b>             |

#### UTILIZATION OF NET ISSUE PROCEEDS

The Gross Issue Proceeds will be utilized for following purpose:

| Sr. No. | Particulars                          | Amount<br>(₹ in) Lakhs | % of Gross Issue Proceeds |
|---------|--------------------------------------|------------------------|---------------------------|
| 1.      | Construction of Factory Shed         | 371.25                 | [●]                       |
| 2.      | Purchase of Machineries              | 630.83                 | [●]                       |
| 3.      | Commissioning of Solar Plant         | 489.70                 | [●]                       |
| 4.      | To Meet Working Capital Requirements | 1,531.47               | [●]                       |
| 5.      | General Corporate Purpose            | [●]                    | [●]                       |
|         | <b>Net Issue Proceeds</b>            | <b>[●]</b>             | <b>[●]</b>                |

#### MEANS OF FINANCE

We intend to finance our Objects of the Issue through Issue Proceeds which are as follows:



| Sr. No. | Particulars                  | Amount Required<br>(₹ in Lakhs) | From IPO Proceeds | Internal Accruals/Equity/Reserves | Balance from Long/Short Term Borrowing |
|---------|------------------------------|---------------------------------|-------------------|-----------------------------------|----------------------------------------|
| 1.      | Construction of Factory Shed | 371.25                          | 371.25            | 0.00                              | 0.00                                   |
| 2.      | Purchase of Machineries      | 630.83                          | 630.83            | 0.00                              | 0.00                                   |
| 3.      | Commissioning of Solar Plant | 489.70                          | 489.70            | 0.00                              | 0.00                                   |
| 4.      | Working Capital Requirements | 5,068.84                        | 1,531.47          | 2,615.70                          | 921.67                                 |
| 5.      | General Corporate Purpose    | [●]                             | [●]               | 0.00                              | 0.00                                   |
| 6.      | Public Issue Expenses        | [●]                             | [●]               | 0.00                              | 0.00                                   |
|         | <b>Total</b>                 | <b>[●]</b>                      | <b>[●]</b>        | <b>2,615.70</b>                   | <b>921.67</b>                          |

Based on certificate duly certified by Statutory Auditors M/s. A S R V & Co., Chartered Accountants dated July 12, 2023, bearing UDIN: 23151324BHABXG6597. Our company has paid total amount of Rs. 327.02 Lakhs (including payment towards Public Issue expenses to the extent of ₹9.49 Lakhs) for above objects out of internal accrual / existing loan facilities available with the company. Our company will reimburse/recoup such payment out of the net issue proceeds.

Accordingly, we confirm that we are in compliance with the requirement to make the firm arrangement of finance under Regulation 230(1) (e) of the SEBI ICDR Regulations and Clause 9 (C) of Part A of Schedule VI of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals).

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 Internal / external circumstances or costs or other financial conditions and other 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 utilized for repayment of any Part of unsecured loan outstanding as on date of Red Herring 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 no. 26 of this Red Herring Prospectus.

## DETAILS OF USE OF ISSUE PROCEEDS

### 1. CONSTRUCTION OF FACTORY SHED

Our company intends to utilise ₹ 371.25 lakhs towards construction of factory shed with RCC Structure at adjoining land to our existing manufacturing facility located at Survey No. 165P, 166P, 167P Simej- Ruppadh Road, Vill- Simaj, Taluka Dholka District Ahmedabad Gujarat. The land is owned by our company on which existing manufacturing facility and proposed manufacturing facility is located. Total construction area of factory shed is estimated to be 5243.59 Sq Mtr. Our company has obtained estimates of expenses for construction of factory shed from M/s. NIJ Buildcon LLP dated Janaury 23, 2023. Our company intends to construct factory shed for installing two machineries viz. Machineries related to Hot melt Coating Lamination and PP Multifilament Yarn having installed capacity of 3360 tons and 1200 tons per annum respectively.

Details of Construction of factory shed is as follows;



| Sr. No. | Particulars       | Area Sqm | Rate | Amount<br>(₹ in Lakhs) |
|---------|-------------------|----------|------|------------------------|
| 1.      | Factory Shed Area | 5243.59  | 6000 | 314.62                 |
|         | GST @ 18%         |          |      | 56.63                  |
|         | <b>Total</b>      |          |      | <b>371.25</b>          |

Based on quotation received from M/s. NIJ Buildcon LLP dated January 23, 2023 valid till August 2023.

#### Material Specification:

- RCC in Foundation and column will be M-25 grade Concrete.
- RCC in all type of beam and slab will be M-20 grade concrete.
- PCC in all work will be M-10 grade concrete.
- RCC flooring will be M-30 grade concrete.
- Structure work as per given details by structure engineer.

Above cost of construction includes complete building all structure material including M S Column, rafters, Purlin, roofing, flooring, Plumbing, Doors, windows, shutters duly painted.

As per the estimation total cost of factory shed construction is estimated to be ₹ 371.25 Lakhs. Our company intends to fund 100% of cost of construction out of Net Issue proceeds. Till the date of this Red Herring Prospectus our company has not paid any advance nor has finalised any vendor for above object. Our Board of Directors in the best interest of company may prefer any other vendor for construction of Factory Shed.

## 2. PURCHASE OF MACHINERIES

Our company intends to utilise ₹ 630.83 Lakhs towards purchase of Machineries out of which approximately ₹ 293.60 Lakhs will be utilised for purchase of imported machine viz. machinery for Hot Melt Coating Lamination and balance ₹ 337.22 Lakhs for purchase of indigenous machine viz. Machine for PP Multifilament Yarn. Details of Machineries to be purchase are as follows;

| Sr. No | Particulars                         | Origin     | Amount (₹ in Lakhs) |
|--------|-------------------------------------|------------|---------------------|
| 1.     | Hot melt coating laminating machine | Imported   | 293.60              |
| 2.     | PP Multifilament Yarn Machine       | Indigenous | 337.22              |
|        | <b>Total</b>                        |            | <b>630.83</b>       |

### a. Hot Melt Coating Laminating Machine

The TG1300 hot melt coating laminating machine system is designed for applying PSA adhesive on fabric and laminate with another face material. The geometry of the TG1300 is designed for good access to the unwind, splicing, coating and rewind stands. Due to the compact nature of the machine, it can be readily threaded and is quick to operate. The whole system is control via Siemens PLC (Programmable Logic Controller), include machine running, unwind tension, rewind tension and coat weight, running length, all parameters are access by HMI (Human Machine Interface). The installed capacity of Hot Melt Coating Laminating Machine is 3360 tons per year.

| Name of the Machine             | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Qty | Amount     |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|------------|
| TG1300 hot melt coating machine | <p>Parameters of the machine:</p> <ol style="list-style-type: none"> <li>1. Substrate material to be coated: fabric</li> <li>2. Max. machine speed: 25m/mint</li> <li>3. Coating speed: 3-20m/mint</li> <li>4. Coating weight: 400-900gsm/m<sup>2</sup> ±3% (MD and CD)</li> <li>5. Max. coating width: 1220mm</li> <li>6. Roller face width: 1300mm</li> <li>7. Adhesive type: PMB&lt;15,000CPS</li> <li>8. Colour of machine: White or tailor-made</li> <li>9. Power: AC 415 V 3 phases + N + PE 50HZ ≈135KW(transformer)</li> <li>10. Compressed air: 6 Bar 0.1 cubic metres/minute</li> </ol> <p><b>Main Configuration</b></p> <ol style="list-style-type: none"> <li>1 Fabric Unwinder - 2 sets</li> <li>2 Liner Unwind -2 Set</li> </ol> | 1   | USD 358000 |



| Name of the Machine         | Particulars                                                                                                                                          | Qty | Amount     |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|-----|------------|
|                             | 3 Coating & laminating -1 set<br>4. Accumulator -1 Set<br>5 Rewinder -1 set<br>6 Control system -1 set<br>7 Reactor -1 sets<br>8 Drum melter -4 Sets |     |            |
| Total                       |                                                                                                                                                      |     | USD 358000 |
| Exchange Rate (USD to INR)* |                                                                                                                                                      |     | 82.0124*   |
| Amount in INR (₹ in Lakhs)  |                                                                                                                                                      |     | ₹ 293.60   |

\* (Source: [www.fbi.org.in/#/home](http://www.fbi.org.in/#/home) as on June 28, 2023)

Our company has paid advance of ₹ ₹ 90.32 Lakhs to Xiamen CN Import and Export Co. Ltd. for purchase of Hot melt coating laminating machine upto July 10, 2023.

#### b. PP Multifilament Yarn Machine

| Sr. No | Particulars                                                                                                                                                                                                                                                                                                                                                                             | Qty | Amount (₹ in Lakhs) |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|---------------------|
| 1.     | <sup>1</sup> Spin-Draw-Wind Line for PP Multifilament Yarn Model: Lofil 160 HT Duo HS with Heating Oven, Ultrasonic Cleaner, AC Panel.                                                                                                                                                                                                                                                  | 1   | 227.22              |
| 2.     | <sup>2</sup> <b>Twister Machine</b><br>KEI-1320D/EE—15SE / 90SP /300POT/ OC/PLC—TFO for one Twisting Machine 90 Spindle, DIA 300 POT, 15 Section, 440 Spindle Pitch, 250MM Traverse, Overhead Creel Complete with PLC Servo Drive to twist FDY PPMF Yarn & FOC Spares worth R.s 50,000 to be supplied along with Machine.                                                               | 2   | 78.02               |
| 3.     | <sup>3</sup> <b>Air Compressor (Model GA 55 VSD @7 Bar Pack Model</b><br>Type: Rotary Screw<br>Colling Type: Air<br>Free Air deliver at discharge pressure of 7 bar (g) 371 CFM@7 BAR<br>Rated Power: 55kw (75HP)<br>Power: 400 V+/- 10%, 3Ph, 50Hz<br>Drive: Gear Drive<br>Dimensions: with Dryer 2250*180*2104<br>Approximate Mass: with Dryer 1580 KG<br>Working pressure: Max 7 Bar | 1   | 31.99               |
| Total  |                                                                                                                                                                                                                                                                                                                                                                                         |     | 337.22              |

1 Based quotation received from Lohia Corp dated December 29, 2022. Our company has made entire payment of ₹ 227.22 Lakhs to Lohia Corp Limited upto date of this Addendum out of internal accruals of the company.

2 Based on proforma invoice received from Kristeel-Shinwa Industries Limited. Our company has received such machinery from Kristeel-Shinwa Industries Limited however payment for said Machine is pending and will be made out of Net Issue proceeds.

3 Based on quotation received from Arth Air Technologies Pvt. Ltd dated January 27, 2023. Our company has received part of machineries amounting to ₹ 20.13 Lakhs. Price for remaining machinery will be based on initial quotation dated January 27, 2023 as confirmed by Arth Air Technologies Pvt. Ltd vide their email dated July 11, 2023.

Estimated installed capacity of PP Multifilament Yarn machine is 1200 ton per annum

Out of total estimated cost of ₹ 630.83 Lakhs for purchase of above machineries, our company has placed 100% order for purchase of machineries.

None of the machineries to be purchased or purchased are second hand.

### 3. COMMISSIONING OF SOLAR PV PLANT

Our company intends to utilise ₹ 489.70 lakhs towards commissioning of Solar Photovoltaic (PV) Plant having Capacity of 1000 KW (Roof + Ground) at our manufacturing facility located at Dholka Taluka in Ahmedabad District of Gujarat. Ground mounted Solar will be installed at Survey No. 165P, 166P, 167P Simej- Ruggadh Road, Vill- Simaj, Taluka Dholka District Ahmedabad Gujarat. The land is owned by our company on solar plant will be installed.



Details of Plant is as follows;

| Sr. No | Model          | Plant Size (KWP) | Module Wp | No of Modules | Module Make                                                            | Basic Rate (₹ INR/Wp) | Base Rate (₹ in Lakhs) | Total Price Inclusive of GST (₹ in Lakhs) |
|--------|----------------|------------------|-----------|---------------|------------------------------------------------------------------------|-----------------------|------------------------|-------------------------------------------|
| 1.     | Rooftop        | 600              | 540/545   | 1112 (540 Wp) | Znshine/Jinko/Canadian Solar/Equivalent Imported Make Tier – 1 Modules | ₹ 41.50               | 415.00                 | 489.70                                    |
| 2.     | Ground Mounted | 400              |           | 741 (540 Wp)  |                                                                        |                       |                        |                                           |

*Based on quotation received from Prozeal Infra Engineering Private Limited dated January 23, 2023. Quotation is valid till end of July 2023. Our company does not require any specific approval for commissioning of solar plant at its manufacturing activity.*

As per the quotation, it will take 4-5 months for installation of Solar Plant from date of advance payment. The company expects 14 Lakhs kwh/MWp units to be generated from above solar PV Plant for Year-1 (Thereafter, Capacity of Power generation degrades gradually over the period). Expected life of Solar PV Plant is estimated to be 25 years. Our company expects saving in electricity expenses to the extent of ₹ 80 Lakhs to ₹ 100 Lakhs in first year of installation. Our Board of Directors in the best interest of company may prefer any other vendor for Commissioning of Solar PV Plant.

#### 4. WORKING CAPITAL REQUIREMENTS:

Our Company is engaged in the business of Polypropylene (PP) Non-Woven Fabric manufacturing. The practical use of non-woven fabric in non-woven industry is more ecological for certain applications, especially in fields and industries where disposable or single use products are important, such as organic farming, hospitals, health care, nursing homes, home furnishing, vehicle upholstery seat fabrication, Mattress & furniture covering, ecological packaging, industrial and consumer goods. We manufacture PP non-woven fabric in variety of sizes and density. We fund a majority of our working capital requirements in the ordinary course of business from our internal accruals, loan from Directors, financing from banks.

Our company is planning for business expansion by adding new business lines viz. Manufacturing of Hot melt coating lamination and PP Multifilament Yarn. Our company intends to utilise ₹ 1,531.47 lakhs towards working capital requirement for existing business and for working capital requirement new business lines.

As on March 31, 2023, Net Working Capital requirement of our Company on restated basis was ₹ 2,930.42 Lakhs as against that of ₹ 917.16 lakhs as on March 31, 2022 and ₹ 1203.81 lakhs as on March 31, 2021. The Net Working capital requirements for the FY 2023-24 is estimated to be ₹ 5,068.84 Lakhs. The Company will meet the requirement to the extent of ₹ 1531.47 Lakhs from the Net Proceeds of the Issue and balance from internal accruals & Loan Funds at an appropriate time as per the requirement.

Working capital requirement of our company was reduced from ₹ 1,203.81 Lakhs in FY 2020-21 to ₹ 976.16 Lakhs in FY 2021-22 is due to demerger of Unit I (For further details related demerger please refer to chapter titled as “Business Overview” and “History and Corporate Structure” on page 103 & 131 of the Red Herring Prospectus). Our company started its own manufacturing operations w.e.f. October 01, 2021. Reduction in Working capital requirement is also due to streamlining of credit period given to our customers. Working Capital requirement for FY 2022-23 is ₹ 2,930.42 Lakhs increased mainly on account of increase in sales and business operations of the company. Working Capital Requirement of our company also affected by gap in credit period given to our customers and credit period received from our suppliers.

Our company has estimated working capital requirement for FY 2023-24 to be ₹ 5,068.84 Lakhs. Profitability of our company depends on better pricing of our raw materials. Business of our company is volume driven. To avail better pricing our company is planning to make early payments which will ultimately increase the profitability of the company. For FY 2023-24 working capital requirement of our company is mainly on account of achieving the projected revenue from





operations and profits of the company. Difference in credit period given by our customers and early payment given to our suppliers has resulted in working capital gap for our company. Our company is also required to keep appropriate amount of inventory level to ensure uninterrupted manufacturing process.

Basis of estimation of working capital requirement and estimated Working Capital Requirement;

(Amount in ₹ Lakhs)

| Particulars                               | Restated Financials |                 |                 | Projected Financials |
|-------------------------------------------|---------------------|-----------------|-----------------|----------------------|
|                                           | 31-Mar-21           | 31-Mar-22       | 31-Mar-23       | 31-Mar-24            |
| ➤ <b>Inventories</b>                      |                     |                 |                 |                      |
| Raw Material                              | 49.92               | 326.20          | 489.32          | 525.00               |
| Stores and spares                         | 65.37               | 10.96           | 17.00           | 25.10                |
| Finished goods/Waste                      | 49.23               | 97.69           | 658.83          | 1,238.83             |
| Trade receivables                         | 1,118.83            | 1,001.04        | 1,170.60        | 2,236.16             |
| Cash and cash equivalents                 | 69.18               | 40.12           | 95.16           | 186.15               |
| Loans and Advances                        | 876.64              | 140.70          | 981.44          | 1,085.52             |
| Other Assets                              | 6.66                | 8.56            | 30.95           | 50.00                |
| <b>Total Assets</b>                       | <b>2,235.84</b>     | <b>1,625.28</b> | <b>3,443.31</b> | <b>5,346.76</b>      |
|                                           |                     |                 |                 |                      |
| Trade payables                            | 408.02              | 565.12          | 455.66          | 232.93               |
| Other liabilities (Including Non Current) | 509.32              | 68.87           | 39.59           | 25.00                |
| Short-term provisions                     | 114.69              | 74.13           | 17.65           | 20.00                |
| <b>Total Current Liabilities</b>          | <b>1,032.02</b>     | <b>708.12</b>   | <b>512.89</b>   | <b>277.93</b>        |
| <b>Net Working Capital</b>                | <b>1,203.81</b>     | <b>917.16</b>   | <b>2,930.42</b> | <b>5,068.84</b>      |
|                                           |                     |                 |                 |                      |
| <b>Sources of Funds</b>                   |                     |                 |                 |                      |
| Short Term Borrowing- CC                  | 0.36                | 460.53          | 570.49          | 921.67               |
| Unsecured Loan                            | -                   | -               | -               | -                    |
| Internal Accruals/Existing Net worth      | 1,203.43            | 456.63          | 2,359.93        | 2,615.70             |
| Proceeds from IPO                         | 0.00                | 0.00            | 0.00            | 1,531.47             |
| <b>Total</b>                              | <b>1,203.81</b>     | <b>917.16</b>   | <b>2,930.42</b> | <b>5,068.84</b>      |

Sources: Based on certificate issued by Statutory Auditor M/s. A S R V & Co., Chartered Accountants vide its certificate dated July 13, 2023, bearing UDIN: 23151324BHABXF3375.

**Assumptions for working capital requirement.**

| Particulars      | Holding level (in Months) |                     |                    |                     | Justification for Holding (FY 2023-24)                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------|---------------------------|---------------------|--------------------|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                  | FY 20-21 (Restated)       | FY 21-22 (Restated) | FY22-23 (Restated) | FY23-24 (Projected) |                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Inventory        |                           |                     |                    |                     |                                                                                                                                                                                                                                                                                                                                                                                                                           |
| ➤ Raw Material   | 0.72                      | 1.22                | 1.36               | 1.12                | Raw Material holding period for FY 2023-24 is based on raw material holding period for FY 2022-23. In order to ensure uninterrupted manufacturing, our Company anticipates inventory days at 1.12 month (Approx 30-35 Days) for FY 2023-24. This will ensure that there is no supply chain disruption impacting production. Our company also intends to streamline working capital cycle for raw material for FY 2023-24. |
| ➤ Finished Goods | 0.27                      | 0.98                | 1.29               | 0.99                | Finished Goods holding period for FY 2023-24 is estimated to be                                                                                                                                                                                                                                                                                                                                                           |



| Particulars       | Holding level (in Months) |                        |                       |                        | Justification for Holding<br>(FY 2023-24)                                                                                                                                                                                                                                                                                                                                                                  |
|-------------------|---------------------------|------------------------|-----------------------|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                   | FY 20-21<br>(Restated)    | FY 21-22<br>(Restated) | FY22-23<br>(Restated) | FY23-24<br>(Projected) |                                                                                                                                                                                                                                                                                                                                                                                                            |
|                   |                           |                        |                       |                        | 0.99 Months (Approx 30 Days). This estimation is based on the Finished Goods Holding period of previous financial year FY 2022-23 and to meet expected turnover requirement for FY 2023-24. Our company also intends to streamline working capital cycle for Finished Goods for FY 2023-24.                                                                                                                |
| Trade Receivables | 3.40                      | 2.35                   | 2.47                  | 3.29                   | Trade receivables are amount owed to Company by customers following sale of goods on credit. Our Trade Receivables for FY 2020-21, FY 2021-22 and FY 2022-23 are in the range of 1.50 months to 3.50 months. Our Company has estimated average trade receivable cycle to be 3.29 (Approx 100 Days) Months for FY 2023-24 to meet expected turnover for FY 2023-24.                                         |
| Trade Payables    | 2.17                      | 1.69                   | 1.20                  | 0.44                   | Trade payables include dues to micro and small enterprises and other creditors. Trade Payable Cycle is estimated to be at 0.44 Months (Appx 13-15 Days) which is based on trade payable cycle of FY 2022-23. Our company expects credit period cycle of 0.44 Months (Approx 13-15 Days) for FY 2023-24 to avail better pricing and reducing the cost of purchase by availing discounts from our suppliers. |

Apart from above there are other working capital requirements such as Cash and Cash Equivalents, Other Current assets, loans and advances, short term provisions and other current liabilities. Details of which are given below.

|                           |                                                                                                                                                                                                                                                                                           |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Stores and spares         | Stores and Spares material is estimated based on previous years outstanding amount and for expected Business requirement of company.                                                                                                                                                      |
| Cash and Cash Equivalents | Cash and cash equivalents include balances in current accounts and cash in hand. Cash and Cash Equivalent balance is estimated based on previous years outstanding amount and for expected Business requirement of company.                                                               |
| Loans and Advances        | Loans and advances mainly include Security / Business Deposits / Advance, Balance with Revenue Authority, Advance Income tax Payment, Advance to suppliers,. Loans and advances is estimated based on previous years outstanding amount and for expected Business requirement of company. |
| Other Current Assets      | Other Current Assets mainly Prepaid Expenses and Interest receivable. Other Current Assets is estimated based on previous years outstanding amount and for expected Business requirement of company.                                                                                      |



|                                         |                                                                                                                                                                                                                                                                                       |
|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Other liabilities (Including long term) | Other Liabilities mainly includes Security Deposits, Advance from customers, Statutory Dues, Employee benefit payable, Unpaid expense and Other payables. Other liabilities is estimated based on previous years outstanding amount and for expected Business requirement of company. |
| Short-term provisions                   | Short-term provisions mainly include Provision for income tax and expenses and Bonus Payable. Short-term provisions is estimated based on previous years outstanding amount and for expected Business requirement of company.                                                         |

## 5. GENERAL CORPORATE PURPOSE:

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 ₹ [●] Lakh towards the general corporate purposes to drive our business growth. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purpose subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- 1) funding growth opportunities;
- 2) servicing our repayment obligations (principal and interest) under our existing & future financing arrangements;
- 3) capital expenditure, including towards expansion/development/refurbishment/renovation of our assets;
- 4) working capital;
- 5) meeting expenses incurred by our Company in the ordinary course of business or other uses or contingencies; and/or
- 6) strategic initiatives and
- 7) On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above in any permissible manner. 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 Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

## 6. ISSUE RELATED EXPENSES

The total expenses of the Issue are estimated to be approximately ₹ [●] lakhs. The expenses of this include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows:

| Expenses                                                                      | Expenses<br>(Rs. In Lakh) | Expenses<br>(% of Total<br>Issue expenses) | Expenses<br>(% of Gross<br>Issue Proceeds) |
|-------------------------------------------------------------------------------|---------------------------|--------------------------------------------|--------------------------------------------|
| Lead Manger Fees including Underwriting Commission                            | [●]                       | [●]                                        | [●]                                        |
| Fees Payable to Registrar to the Issue                                        | [●]                       | [●]                                        | [●]                                        |
| Fees Payable Advertising, Marketing Expenses and Printing Expenses            | [●]                       | [●]                                        | [●]                                        |
| Fees Payable to Regulators including Stock Exchanges and other Intermediaries | [●]                       | [●]                                        | [●]                                        |
| Fees payable to Peer Review Auditor                                           | [●]                       | [●]                                        | [●]                                        |
| Fees Payable to Market Maker (for Two Years)                                  | [●]                       | [●]                                        | [●]                                        |
| Escrow Bank Fees                                                              | [●]                       | [●]                                        | [●]                                        |
| <b>Total Estimated Issue Expenses</b>                                         | [●]                       | <b>100.00</b>                              | [●]                                        |

**Notes:**



1. Up to July 11, 2023, Our Company has deployed/incurred expense of ₹ 9.49 Lakhs towards Issue Expenses and custodian connectivity charges out of internal accruals & existing loan facilities duly certified by Statutory Auditor M/s. A S R V & Co., Chartered Accountants vide its certificate dated July 12, 2023, bearing UDIN: 23151324BHABXG6597.
2. Any expenses incurred towards aforesaid issue related expenses during the period from November 01, 2022 to till the date of listing of Equity Shares will be reimburse/recouped out of the gross proceeds of the issue:
3. 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% or ₹ 100/- whichever is less ^ (exclusive of GST)  
 Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (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).
4. 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.
5. 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.
6. 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.
7. Issuer banks for UPI Mechanism as registered with SEBI 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 them.
8. Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed ₹ [●]/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds ₹ [●]/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.

#### SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

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

| Sr. No. | Particulars                          | Total Estimated Cost | Amount to be funded from the Net Issue Proceeds (₹ in Lakhs) | Amount already deployed (₹ in Lakhs) <sup>1</sup> | Estimated Utilization of Net Proceeds (₹ in Lakhs) (Upto Financial year 2023-24)* |
|---------|--------------------------------------|----------------------|--------------------------------------------------------------|---------------------------------------------------|-----------------------------------------------------------------------------------|
| 1.      | Construction of Factory Shed         | 371.25               | 371.25                                                       | 0.00                                              | 371.25                                                                            |
| 2.      | Purchase of Machineries              | 630.83               | 630.83                                                       | 317.54                                            | 630.83                                                                            |
| 3.      | Commissioning of Solar Plant         | 489.70               | 489.70                                                       | 0.00                                              | 489.70                                                                            |
| 4.      | To Meet Working Capital Requirements | 5,068.84             | 1,531.47                                                     | 0.00                                              | 1531.47                                                                           |
| 5.      | General Corporate Purpose            | [●]                  | [●]                                                          | [●]                                               | [●]                                                                               |



\* To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated schedule of deployment specified above; our Company shall deploy the Net issue Proceeds in the subsequent Financial Years towards the Object. Due to business exigencies, use of issue proceeds may be interchangeable.

<sup>1</sup> based on certificate duly certified by Statutory Auditor M/s. A S R V & Co., Chartered Accountants dated July 12, 2023, bearing UDIN: 23151324BHABXG6597. Our company has paid ₹ 317.54 Lakhs for purchase of machinery out of internal accrual / existing loan facilities available with the company. Our company will reimburse/recouped such advances out of the net proceeds of the issue.

| Sr. No.                      | Month of Commencement | Month of Completion |
|------------------------------|-----------------------|---------------------|
| Construction of Factory Shed | September 2023        | November 2023       |
| Purchase of Machineries      | As below*             |                     |
| Commissioning of Solar Plant | August 2023           | November 2023       |
| Working Capital Requirements | Upto March 31, 2024   |                     |
| General Corporate Purpose    | Upto March 31, 2024   |                     |

#### \*Purchase of Machineries

| Sr. No. | Particulars           | Tentative Time        |                     |
|---------|-----------------------|-----------------------|---------------------|
|         |                       | Month of Commencement | Month of Completion |
| 1.      | Placement of Order    | December 2022         | September 2023      |
| 2.      | Delivery              | June 2023             | January 2024        |
| 3.      | Installation          | January 2024          | February 2024       |
| 4.      | Trial Run             | March 2024            | March 2024          |
| 5.      | Commercial Production | April 2024            |                     |

#### APPRAISAL REPORT

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

#### BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance the existing ongoing project facility requirements until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance our existing/ongoing projects will be repaid from the Net Proceeds of the Issue.

#### INTERIM USE OF FUNDS

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

#### MONITORING UTILIZATION OF FUNDS

There is no requirement for the appointment of a monitoring agency, as the Issue size is less than ₹ 10,000 Lakhs. Our Board will monitor the utilization of the proceeds of the Issue and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Application 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 Red Herring 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.



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## **VARIATION IN OBJECTS**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, 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 through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the “Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

## **OTHER CONFIRMATIONS**

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





## BASIS FOR ISSUE PRICE

The issue price has been determined by the issuer in consultation with the Book Running Lead Manager. The financial data presented in this section are based on our Company's Restated Financial Information. Investors should also refer to the sections/chapters titled "*Risk Factors*" and "*Restated Financial Information*" on page no. 26 and 161 respectively of this Red Herring Prospectus to get a more informed view before making the investment decision.

## QUALITATIVE FACTORS

- Experienced Promoters and Management Team
- Prime Location of our Manufacturing Facility
- Infrastructure and Integrated capabilities to deliver quality Products
- Wide Application of Products

For details of qualitative factors, please refer to the paragraph "*Our Competitive Strengths*" in the chapter titled "*Business Overview*" beginning on page no. 114 of this Red Herring Prospectus.

## QUANTITATIVE FACTORS

### 1. Basic & Diluted Earnings Per Share (EPS):

$$\text{Basic earnings per share (₹)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding}}$$

$$\text{Diluted earnings per share (₹)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding after adjusting adjusted for the effects of all dilutive potential equity shares}}$$

| Financial Year/Period                            | Basic and Diluted EPS (in ₹) | Weights |
|--------------------------------------------------|------------------------------|---------|
| Financial Year ended March 31, 2021 (Post Bonus) | 7.21                         | 1       |
| Financial Year ended March 31, 2022 (Post Bonus) | 4.71                         | 2       |
| Financial Year ended March 31, 2023 (Post Bonus) | 5.19                         | 3       |
| <b>Weighted Average</b>                          | <b>5.37</b>                  |         |

### 2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ [●]:

$$\text{Price to Earnings Ratio(P/E)} = \frac{\text{Issue Price}}{\text{Restated Earnings Per Share}}$$

| Particulars                                                      | EPS (in ₹) | P/E at the Issue Price (₹ [●]) |
|------------------------------------------------------------------|------------|--------------------------------|
| Based on EPS of Financial year ended March 31, 2023 (Post Bonus) | 5.19       | [●]                            |
| Based on Weighted Average EPS                                    | 5.37       | [●]                            |

### Industry PE

- i. Highest = 37.76
- ii. Lowest= 25.28
- iii. Average= 31.52

(Based on Peer Data presented in point 5 below)

### 3. Average Return on Net Worth:

$$\text{Return on Net Worth (\%)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Net Worth}} * 100$$

| Financial Year/Period               | Return on Net Worth (%) | Weights |
|-------------------------------------|-------------------------|---------|
| Financial Year ended March 31, 2021 | 60.98                   | 1       |



| Financial Year/Period               | Return on Net Worth (%) | Weights |
|-------------------------------------|-------------------------|---------|
| Financial Year ended March 31, 2022 | 39.37                   | 2       |
| Financial Year ended March 31, 2023 | 30.54                   | 3       |
| <b>Weighted Average</b>             | <b>38.56</b>            |         |

#### 4. Net Asset Value per Equity Share:

$$\text{Restated Net Asset Value per equity share (₹)} = \frac{\text{Restated Net Worth as at the end of the year}}{\text{Number of Equity Shares outstanding}}$$

| Particular                           | Amount (in ₹) |
|--------------------------------------|---------------|
| As at March 31, 2023 (Post Bonus)    | 16.99         |
| NAV per Equity Share after the Issue | [●]           |
| Issue Price per Equity Share         | [●]           |

#### 5. Comparison of Accounting Ratios with Peer Group Companies:

| Name of the company               | Standalone / Consolidated | Face Value (₹) | Current Market Price (₹) <sup>@</sup> | EPS (₹) Basic | P/E Ratio | RoNW (%) | NAV per Equity Share (₹) | Revenue from operations (₹ in Lakhs) |
|-----------------------------------|---------------------------|----------------|---------------------------------------|---------------|-----------|----------|--------------------------|--------------------------------------|
| Shri Techtex Limited              | Standalone                | 10             | [●]                                   | 5.19          | [●]       | 30.54%   | 16.99                    | 5,692.39                             |
| <b>Peer Group<sup>S</sup></b>     |                           |                |                                       |               |           |          |                          |                                      |
| Garware Technical Fabrics Limited | Standalone                | 10             | 2,907.05                              | 77.17         | 37.67     | 15.73    | 498.30                   | 1,25,361.68                          |
| Shubham Polyspin Limited          | Standalone                | 10             | 17.44                                 | 0.69          | 25.28     | 5.94     | 11.93                    | 4460.92                              |

\$ The Figures as at March 31, 2023 and are taken from the financial results uploaded on respective Stock Exchange(s)  
 @ Current Market Price is considered same as issue price of Equity share.

#### Note:

- (1) The EPS, P/E Ratio, NAV, RoNW and revenue from operations of Shri Techtex Limited are taken as per Restated Financial Statement for the Financial Year 2022-23.
- (2) Current Market Price (CMP) is taken as the closing price of respective scripts as on March 31, 2023 at NSE / BSE.

The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is [●] times the face value of equity share.

The Issue Price of ₹ [●]/- is determined by our Company in consultation with the Book Running Lead Manager is justified based on the above accounting ratios. For further details, please refer to the section titled “Risk Factors” and chapters titled “Business Overview” and “Restated Financial Information” beginning on page nos. 26, 114 and 161 respectively of this Red Herring Prospectus.

#### KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS (“KPIs”)

Key Performance Indicators (KPIs) are imperative to the Financial and Operational performance evaluation of the company. However, KPIs disclosed below shall not be considered in isolation or as substitute to the Restated Financial information. In the opinion of our Management the KPIs disclosed below shall be supplementary tool to the investor for evaluation of the company

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated June 23, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Red Herring Prospectus. Further, the KPIs herein have been certified by M/s. A S R V & Co., Chartered Accountants by their certificate dated June 23, 2023.



The KPIs of our Company have been disclosed in the sections “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” starting on pages 163 and 162, respectively. We have described and defined the KPIs, as applicable, in “*Definitions and Abbreviations*” beginning on page 1.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI (ICDR) Regulations, 2018.

Set forth below are KPIs which have been used historically by our Company to understand and analyse the business performance, which in result, help us in analyzing the growth of various verticals of the Company that have a bearing for arriving at the Basis for the Issue Price

#### Explanation for KPI metrics

| KPI                                                                     | Explanations                                                                                                                                                                                       |
|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Revenue from Operations (₹ in Lakhs)                                    | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business. |
| Growth in Revenue from Operations                                       | Growth in Revenue from Operations provides information regarding the growth of our business for the respective period.                                                                             |
| Gross Profit (₹ in Lakhs)                                               | Gross Profit provides information regarding the profits from manufacturing of products by the Company.                                                                                             |
| Gross Profit Margin (%)                                                 | Gross Profit Margin is an indicator of the profitability on sale of products manufactured by the Company.                                                                                          |
| EBITDA (₹ in Lakhs)                                                     | EBITDA provides information regarding the operational efficiency of the business.                                                                                                                  |
| EBITDA Margin (%)                                                       | EBITDA Margin is an indicator of the operational profitability and financial performance of our business.                                                                                          |
| Profit After Tax (₹ in Lakhs)                                           | Profit after tax provides information regarding the overall profitability of the business                                                                                                          |
| PAT Margin (%)                                                          | PAT Margin is an indicator of the overall profitability and financial performance of our business.                                                                                                 |
| RoE (%)                                                                 | RoE provides how efficiently our Company generates profits from shareholders’ funds.                                                                                                               |
| RoCE (%)                                                                | ROCE provides how efficiently our Company generates earnings from the capital employed in the business.                                                                                            |
| Net Fixed Asset Turnover (In Times)                                     | Net Fixed Asset turnover ratio is indicator of the efficiency with which our Company is able to leverage its assets to generate revenue from operations.                                           |
| Net Working Capital Days                                                | Net working capital days indicates the working capital requirements of our Company in relation to revenue generated from operations.                                                               |
| Operating Cash Flows (₹ in Lakhs)                                       | Operating cash flows provides how efficiently our company generates cash through its core business activities.                                                                                     |
| Total Quantity Sold (in MTs)                                            | This metric helps us to track the growth in volumes of our business.                                                                                                                               |
| Average sales realization (per MTs)                                     | This metric enables us to track the average pricing we are able to achieve for our products.                                                                                                       |
| Revenue split between domestic and exports                              | This metric enables us to track the progress of our revenues in the domestic and export markets.                                                                                                   |
| Contribution to revenue from operations of top 1 / 3 / 5 / 10 customers | This metric enables us to track the contribution of our key customers to our revenue and also assess any concentration risks                                                                       |

#### FINANCIAL KPIs OF OUR COMPANY BASED ON RESTATED FINANCIAL STATEMENT

| Particulars                           | For the Year ended on March 31 |          |          |
|---------------------------------------|--------------------------------|----------|----------|
|                                       | 2023                           | 2022     | 2021     |
| Revenue from Operations (₹ in Lakhs)  | 5,692.39                       | 5,117.63 | 3,946.76 |
| Growth in Revenue from Operations (%) | 11.23%                         | 29.67%   | -        |
| Gross Profit                          | 2,086.39                       | 2,242.32 | 3,052.74 |



| Particulars                         | For the Year ended on March 31 |            |            |
|-------------------------------------|--------------------------------|------------|------------|
|                                     | 2023                           | 2022       | 2021       |
| Gross Profit Margin (%)             | 36.65%                         | 43.82%     | 77.35%     |
| EBITDA (₹ in Lakhs)                 | 1,250.78                       | 1,226.21   | 1,807.08   |
| EBITDA Margin (%)                   | 21.97%                         | 23.96%     | 45.79%     |
| Profit After Tax (₹ in Lakhs)       | 910.63                         | 826.56     | 1,265.68   |
| PAT Margin (%)                      | 16.00%                         | 16.15%     | 32.07%     |
| RoE (%)                             | 35.84%                         | 39.59%     | 121.95%    |
| RoCE (%)                            | 20.07%                         | 29.21%     | 44.55%     |
| Net Fixed Asset Turnover (In Times) | 1.50 Times                     | 1.69 Times | 2.24 Times |
| Net Working Capital Days            | 186 Days                       | 60 Days    | 148 Days   |
| Operating Cash Flows (₹ in Lakhs)   | (759.79)                       | 2,175.10   | 355.13     |

Source: The Figure has been certified by Statutory Auditor M/s A S R V & Co. Chartered Accountant vide their certificate dated June 23, 2023.

#### Notes:

- 1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- 2) Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
- 3) Gross Profit is calculated as Revenue from Operation less cost of material consumed, Purchase of traded goods and changes in inventories of finished goods and work-in-progress.
- 4) Gross Profit Margin (%) is calculated as Gross Profit divided by Revenue from Operations.
- 5) EBITDA is calculated as profit for the period / year, less other Income, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), finance costs and depreciation and amortization expenses.
- 6) EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
- 7) Profit After Tax Means Profit for the period/year as appearing in the Restated Financial Statements.
- 8) PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
- 9) RoE (Return on Equity) (%) is calculated as net profit after tax for the year / period divided by Average Shareholder Equity.
- 10) RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes (excluding other Income) divided by Average capital employed. Capital Employed includes Shareholders fund, Long term borrowings and Short term borrowings.
- 11) Net Fixed Asset Turnover is calculated as Net Turnover divided by average Fixed Assets which consists of property, plant and equipment and capital work-in-progress.

Net Working Capital Days is calculated as working capital (current assets minus current liabilities (Excluding Short term Borrowing) as at the end of the year divided by revenue from operations multiplied by number of days

- 13) Operating cash flows means net cash generated from operating activities as mentioned in the Restated Standalone Financial Statements.

#### OPERATIONAL KPIs OF THE COMPANY:

| Particulars                                       | For the Year ended on March 31 |          |          |
|---------------------------------------------------|--------------------------------|----------|----------|
|                                                   | 2023                           | 2022     | 2021     |
| <b>Capacity Utilization</b>                       |                                |          |          |
| Technical textiles unit I (demerged)              | -                              | 71.96%   | 71.92%   |
| Technical textiles unit II (post demerger)        | 85.00%*                        | 46.56%   | -        |
| <b>Revenue split between domestic and exports</b> |                                |          |          |
| Domestic Market (in Lakhs)                        | 3,627.38                       | 513.84   | 1,948.16 |
| Export Market (in Lakhs)                          | 2,065.02                       | 4,603.79 | 1,998.60 |



| Particulars                                                                   | For the Year ended on March 31 |        |        |
|-------------------------------------------------------------------------------|--------------------------------|--------|--------|
|                                                                               | 2023                           | 2022   | 2021   |
| Domestic Market (%)                                                           | 63.72%                         | 10.04% | 49.36% |
| Export Market (%)                                                             | 36.28%                         | 89.96% | 50.64% |
| <b>Contribution to revenue from operations of top 1 / 3 / 5/ 10 customers</b> |                                |        |        |
| Top 1(%)                                                                      | 32.12%                         | 79.95% | 32.63% |
| Top 3(%)                                                                      | 84.47%                         | 87.59% | 63.97% |
| Top 5(%)                                                                      | 94.08%                         | 94.09% | 89.05% |

\* Production of Unit-II located at Survey No.165,166,167, Paiki, Simej Rupgadh Road, Post Simej, Taluka Dholka, Ahmedabad, Gujarat 382365 had been started from October, 2021.

The Figure has been certified by our statutory auditors M/s. A S R V & Co., Chartered Accountants vide their certificate dated June 23, 2023.

#### COMPARISON OF FINANCIAL AND OPERATIONAL KPIs OF OUR COMPANY AND OUR LISTED PEERS:

Our Company, Shri Techtext Limited, is engaged in the business of Polypropylene (PP) Non-Woven Fabric manufacturing. Based on this, following are our listed peers.

#### Comparison of Financial KPIs for the Company with that of Company's listed peers based on Standalone Financial Statement:

| Particulars                           | Shri Techtext Limited          |            |            | Garware Technical Fibers Limited |            |            | Shubham Polyspin Limited       |            |            |
|---------------------------------------|--------------------------------|------------|------------|----------------------------------|------------|------------|--------------------------------|------------|------------|
|                                       | For the Year ended on March 31 |            |            | For the Year ended on March 31   |            |            | For the Year ended on March 31 |            |            |
|                                       | 2023                           | 2022       | 2021       | 2023                             | 2022       | 2021       | 2023                           | 2022       | 2021       |
| Revenue from Operations               | 5,692.39                       | 5,117.63   | 3,946.76   | 125,361.68                       | 117,605.46 | 101,726.21 | 4,460.92                       | 5,291.25   | 3,852.20   |
| Growth in Revenue from Operations (%) | 11.23%                         | 29.67%     | -          | 6.60%                            | 15.61%     | -          | -15.69%                        | 37.36%     | -          |
| Gross Profit                          | 2,086.39                       | 2,242.32   | 3,052.74   | 85,257.77                        | 82,031.37  | 72,080.69  | 901.78                         | 846.57     | 927.97     |
| Gross Profit Margin (%)               | 36.65%                         | 43.82%     | 77.35%     | 68.01%                           | 69.75%     | 70.86%     | 20.22%                         | 16.00%     | 24.09%     |
| EBITDA                                | 1,250.78                       | 1,226.21   | 1,807.08   | 21,297.62                        | 21,639.46  | 19,874.89  | 128.31                         | 114.53     | 240.11     |
| EBITDA Margin                         | 21.97%                         | 23.96%     | 45.79%     | 16.99%                           | 18.40%     | 19.54%     | 2.88%                          | 2.16%      | 6.23%      |
| Profit After Tax                      | 910.63                         | 826.56     | 1,265.68   | 15,907.01                        | 16,073.06  | 15,462.98  | 83.39                          | 67.53      | 71.64      |
| PAT Margin (%)                        | 16.00%                         | 16.15%     | 32.07%     | 12.69%                           | 13.67%     | 15.20%     | 1.87%                          | 1.28%      | 1.86%      |
| RoE (%)                               | 35.84%                         | 39.59%     | 121.95%    | 15.73%                           | 17.49%     | 19.16%     | 5.94%                          | 5.08%      | 5.65%      |
| RoCE (%)                              | 20.07%                         | 29.21%     | 44.55%     | 17.07%                           | 19.36%     | 19.66%     | -0.06%                         | 0.88%      | 4.94%      |
| Net Fixed Asset Turnover (In Times)   | 1.50 Times                     | 1.69 Times | 2.24 Times | 5.17 Times                       | 4.90 Times | 4.14 Times | 2.87 Times                     | 3.88 Times | 3.23 Times |
| Net Working Capital Days              | 186 Days                       | 60 Days    | 148 Days   | 80 Days                          | 148 Days   | 160 Days   | 71 Days                        | 65 Days    | 97 Days    |
| Operating Cash Flows                  | (759.79)                       | 2,175.10   | 355.13     | 18,538.92                        | 5,986.14   | 20,535.93  | 349.58                         | 405.06     | 255.05     |

#### Comparison of Operational KPIs for the Company with that of Company's listed Peers:

| Particulars                                                                   | Shri Techtext Limited          |          |          | Garware Technical Fibers Limited |      |      | Shubham Polyspin Limited       |      |      |
|-------------------------------------------------------------------------------|--------------------------------|----------|----------|----------------------------------|------|------|--------------------------------|------|------|
|                                                                               | For the Year ended on March 31 |          |          | For the Year ended on March 31   |      |      | For the Year ended on March 31 |      |      |
|                                                                               | 2023                           | 2022     | 2021     | 2023                             | 2022 | 2021 | 2023                           | 2022 | 2021 |
| <b>Utilization</b>                                                            |                                |          |          |                                  |      |      |                                |      |      |
| Technical textiles unit I (demerged)                                          | -                              | 71.96%   | 71.92%   | N.A.                             | N.A. | N.A. | N.A.                           | N.A. | N.A. |
| Technical textiles unit II (post demerger)                                    | 84.77%*                        | 46.56%   | -        | N.A.                             | N.A. | N.A. | N.A.                           | N.A. | N.A. |
| <b>Revenue split between domestic and exports</b>                             |                                |          |          |                                  |      |      |                                |      |      |
| Domestic Market (in Lakhs)                                                    | 3,627.38                       | 513.84   | 1,948.16 | N.A.                             | N.A. | N.A. | N.A.                           | N.A. | N.A. |
| Export Market (in Lakhs)                                                      | 2,065.02                       | 4,603.79 | 1,998.60 | N.A.                             | N.A. | N.A. | N.A.                           | N.A. | N.A. |
| Domestic Market (%)                                                           | 63.72%                         | 10.04%   | 49.36%   | N.A.                             | N.A. | N.A. | N.A.                           | N.A. | N.A. |
| Export Market (%)                                                             | 36.28%                         | 89.96%   | 50.64%   | N.A.                             | N.A. | N.A. | N.A.                           | N.A. | N.A. |
| <b>Contribution to revenue from operations of top 1 / 3 / 5/ 10 customers</b> |                                |          |          |                                  |      |      |                                |      |      |
| Top 1(%)                                                                      | 32.12%                         | 79.95%   | 32.63%   | N.A.                             | N.A. | N.A. | N.A.                           | N.A. | N.A. |
| Top 3(%)                                                                      | 84.47%                         | 87.59%   | 63.97%   | N.A.                             | N.A. | N.A. | N.A.                           | N.A. | N.A. |
| Top 5(%)                                                                      | 94.08%                         | 94.09%   | 89.05%   | N.A.                             | N.A. | N.A. | N.A.                           | N.A. | N.A. |

- Contribution to Revenue from Operations of top 1 / 3 / 5 customers means aggregate revenue from top 1 / 3 / 5 customers divided by total Revenue from Operations



2. Data of Operational KPI's of the Company's listed peers is either not available in the public domain or the basis and manner of calculation of the figures mentioned is not ascertainable and therefore, may not be an accurate comparison with the Company's information not available in a comparable manner, and hence not mentioned.

#### WEIGHTED AVERAGE COST OF ACQUISITION:

**a) The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities).**

There has been no issuance of Equity Shares or convertible securities, excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of 30 days.

**b) The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities).**

There are no secondary transaction except for gift where the Promoters, members of the promoter group, selling shareholders, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

**c) Price per share based on the last five primary or secondary transactions;**

Since there are no transactions to report to under (a) & (b) therefore information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction) not older than 3 years prior to the date of this Red Herring Prospectus irrespective of the size of transactions is required to be disclosed. However there are no transactions in last three years except gift and bonus issue.

**d) Weighted average cost of acquisition, floor price and cap price:**

| Types of transactions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Weighted average cost of acquisition (₹ per Equity Share) | Times Issue Price |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|-------------------|
| Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity / convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Red Herring Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options), in a single transaction or multiple transactions combined together over a span of rolling 30 days.                                                                                                          | N.A.                                                      | N.A.              |
| Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity / convertible securities), where Promoters / promoter group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days. ** | N.A.                                                      | N.A.              |





| Types of transactions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Weighted average cost of acquisition (₹ per Equity Share) | Times Issue Price |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|-------------------|
| Since there were no secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of this Red Herring Prospectus, which are equal to or more than 5% of the fully diluted paid-up share capital of our Company, the information has been disclosed for price per share of our Company based on the last five secondary transactions where Promoters /promoter group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction, not older than three years prior to the date of filing of this Red Herring Prospectus irrespective of the size of the transaction. | N.A.                                                      | N.A.              |

Note:

\*\*There were no secondary sales / acquisition of shares of shares (equity/ convertible securities) transactions (except gift) in last 18 months from the date of this Red Herring Prospectus which are equal to or more than 5% of the fully diluted paid-up share capital of our Company.

**Explanation for Issue Price being [●] times price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in (d) above) along with our Company's key performance indicators and financial ratios for the period March 2023, 2022 and 2021.**

Please note the following rationale in relation to the justification of the issue Price:

- [●]

**Explanation for Issue Price being [●] times price of face value.**

The Issue Price of ₹ [●] has been determined by our Company in consultation with the Book Running Lead Managers.

Investors should read the abovementioned information along with “Risk Factors”, “Business Overview”, “Management's Discussion and Analysis of Financial information” and “Restated Financial Information” on pages 26, 114, 163 and 161, respectively, to have a more informed view.



## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
The Board of Directors,  
Shri Techtex Limited  
Harmony, 2nd Floor, 15/A,  
Shree Vidhyanagar Co. Op. Hsg. Soc. Ltd.  
Opp. Nabard, Nr. Usmanpura Garden,  
Ahmedabad Gujarat 380014 India

Dear Sir,

**Subject - Statement of possible tax benefits (“the statement”) available to Shri Techtex Limited (“the company”), 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 - Initial Public Offer of Equity Shares by Shri Techtex Limited**

1. We hereby confirm that the enclosed Annexure I, prepared by Shri Techtex Limited ('the Company'), which provides the possible special tax benefits under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively the “Taxation Laws”), the rules, regulations, circulars and notifications issued thereon, as applicable to the assessment year 2024-25 relevant to the financial year 2023-24, available to the Company, its shareholders. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Taxation 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.
2. This statement of possible special tax benefits is required as per Schedule VI (Part A) (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (‘SEBI ICDR Regulations’). While the term ‘special tax benefits’ has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, its shareholders and the same would include those benefits as enumerated in the statement. The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company, its Shareholders and do not cover any general tax benefits available to them. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement
3. 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.
4. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
5. 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 I would be met with; and
  - iii) the revenue authorities’ courts will concur with the views expressed herein.
6. The Content 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.



7. 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.
8. 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.
9. 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 Red Herring Prospectus/Red Herring 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.

**For M/s. A S R V & Co.,  
Chartered Accountants  
FRN: 135182W**

**CA Reeturaj Verma  
Partner  
M. No. 193591  
UDIN: 23193591BGUVKQ9501**

**Place: Ahmedabad  
Date: June 23, 2023**



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

The information provided below sets out the possible special tax benefits available to the Company, the Shareholders under the Taxation Laws 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 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 Taxation Laws.

### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

The Shareholders of the Company are not entitled to any special tax benefits under the Taxation Laws.

#### **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.

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



## SECTION VIII – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

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. Neither we nor any other person connected with the Issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.

### GLOBAL OUTLOOK

Global growth has slowed to the extent that the global economy is perilously close to falling into recession—defined as a contraction in annual global per capita income—only three years after emerging from the pandemic-induced recession of 2020. Very high inflation has triggered unexpectedly rapid and synchronous monetary policy tightening around the world to contain it, including across major advanced economies. Although this tightening has been necessary for price stability, it has contributed to a significant worsening of global financial conditions, which is exerting a substantial drag on activity. This drag is set to deepen given the lags between changes in monetary policy and its economic impacts, and the fact that real rates are expected to continue to increase.

Asset prices have been in broad, synchronous decline, investment growth has weakened substantially, and housing markets in many countries are worsening rapidly. Shockwaves continue to emanate from the Russian Federation’s invasion of Ukraine, especially in energy and other commodity markets. Against this backdrop, confidence has fallen precipitously. The world’s three major engines of growth—the United States, the euro area, and China—are undergoing a period of pronounced weakness, with adverse spillovers for emerging market and developing economies (EMDEs), many of which are already struggling with weakening domestic conditions.

Global inflation has been pushed higher by demand pressures, including those from the lagged effects of earlier policy support, and supply shocks, including disruptions to both global supply chains and the availability of key commodities. In some countries, inflation has also been spurred by large currency depreciations relative to the U.S. dollar, as well as tight labor market conditions.

Inflation remains high worldwide and well above central bank targets in almost all inflation targeting economies. Although inflation is likely to gradually moderate over the course of the year, there are signs that underlying inflation pressures could be becoming more persistent. In response, central banks around the world have been tightening policy faster than previously expected. Monetary policy tightening in advanced economies, a strong U.S. dollar, geopolitical tensions, and high inflation have dampened risk appetite and led to widespread capital outflows and slowing bond issuance across EMDEs. Financial conditions have particularly worsened for less creditworthy EMDEs, especially if they are also energy importers (figure 1.1.B).

Fiscal space has narrowed considerably, and concerns over debt sustainability in many countries have risen as global financial conditions have made it more difficult to service debt loads that have accumulated rapidly in recent years, particularly during the pandemic. Nonetheless, many governments have announced new support measures to shield households and firms from the effects of sharply rising prices, slowing the pace of fiscal consolidation as pandemic-related stimulus is withdrawn.

Most commodity prices have eased, to varying degrees, largely due to the slowdown in global growth and concerns about the possibility of a global recession. By historical standards, however, they remain elevated, prolonging challenges associated with energy and food insecurity. Crude oil prices have steadily declined from their mid-2022 peak; meanwhile, natural gas prices in Europe soared to an all-time high in August but have since fallen back toward pre-invasion levels. Non-energy prices, particularly metal prices, have declined alongside weak demand. While food prices have eased from earlier peaks, food price inflation remains very high in some EMDEs.

Against this backdrop, global growth is forecast to slow to 1.7 percent in 2023 (figure 1.1.C). This pace of growth would be the third weakest in nearly three decades, overshadowed only by the global recessions caused by the pandemic in 2020 and the global financial crisis in 2009. This forecast is 1.3 percentage points lower than in June, largely reflecting more aggressive monetary policy tightening, deteriorating financial conditions, and declining confidence. Growth projections



have been downgraded for almost all advanced economies and about two-thirds of EMDEs in 2023, and for about half of all countries in 2024 (figure 1.1.D). Global trade is also expected to slow sharply alongside global growth, despite support from a continued recovery in services trade. Downgrades to growth projections mean that global activity is now expected to fall even further below its pre-pandemic trend over the forecast horizon, with EMDEs accounting for most of the shortfall from trend (figure 1.1.E). This suggests that the negative shocks of the past three years—namely the pandemic, the invasion of Ukraine, and the rapid increase in inflation and associated tightening of monetary policy worldwide—are having a lasting impact on economic prospects.

In advanced economies, conditions have deteriorated sharply, owing to declining confidence alongside high inflation and rapid monetary policy tightening. In the United States, one of the most aggressive monetary policy tightening cycles in recent history is expected to slow growth sharply. The euro area is also contending with severe energy supply disruptions and price hikes associated with the Russian Federation's invasion of Ukraine. In all, growth in advanced economies is forecast to slow from 2.5 percent in 2022 to 0.5 percent in 2023.

In EMDEs, growth prospects have worsened materially, with the forecast for 2023 downgraded 0.8 percentage point to a subdued 3.4 percent. The downward revision results in large part from weaker external demand and tighter financing conditions. EMDE growth is anticipated to remain essentially unchanged in 2023 relative to last year, as a pickup in China offsets a decline in other EMDEs. Excluding China, EMDE growth is forecast to decelerate from 3.8 percent in 2022 to 2.7 percent in 2023 as significantly weaker external demand is compounded by high inflation, tighter financial conditions, and other domestic headwinds. The deviation between EMDE investment and its pre-pandemic trend is expected to remain substantial. EMDE investment growth is envisaged to remain below its 2000-21 average pace, dampened significantly by weakening activity, heightened uncertainty, and rising borrowing costs. Low-income countries (LICs) are expected to grow 5.1 percent in 2023, with forecasts downgraded in about 65 percent of countries. Cost-of-living increases and a deterioration in the external environment are weighing heavily on activity in many LICs and compounding weakness in LICs with fragile and conflict affected situations (FCS).

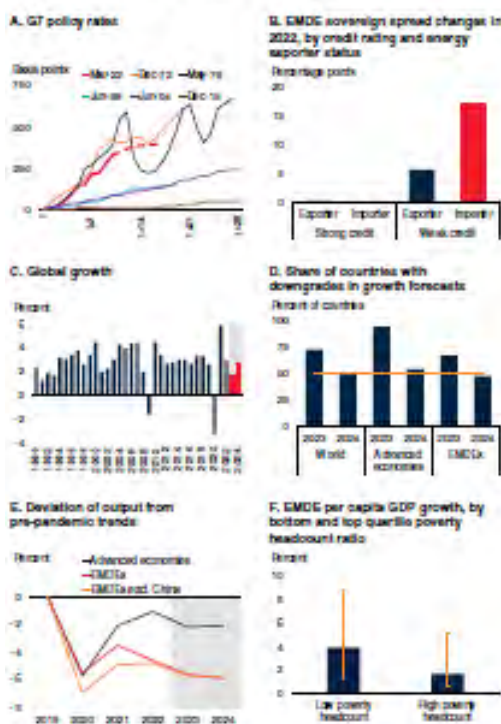
As a result of the sharp slowdown in global growth, per capita income is not expected to surpass 2019 levels until at least 2024 in about one-third of EMDEs. Per capita income growth is expected to be slowest where poverty is highest (figure 1.1.F). In Sub-Saharan Africa—which accounts for about 60 percent of the world's poor - growth in per capita income over 2023-24 is forecast to average only 1.2 percent, far less than the pace that would be needed over the remainder of the decade to reach a 3 percent poverty rate by 2030.





FIGURE 1.1 Global prospects

High global inflation has prompted rapid, synchronous monetary tightening. This has contributed to worsening financial conditions, particularly for less creditworthy emerging market and developing economies (EMDEs). Global growth in 2023 is expected to be the third weakest in nearly three decades, overshadowed only by global recessions. More country forecasts have been downgraded. The recovery from the pandemic recession is far from complete, especially in EMDEs, and the per-capita income outlook is particularly subdued for poverty-stricken countries.



Sources: BIS (Haldane); Bloomberg; Fitch Analytics; Moody's; JP Morgan; World Bank.  
Notes: EMDE = Emerging Market and Developing Economies; EMDEs = emerging market and developing economies. Unless otherwise indicated, aggregate growth rates are calculated using real U.S. dollar GDP weights at average 2010-15 prices and market exchange rates. Shaded areas indicate forecasts.  
A. Short-term policy rates, weighted by nominal GDP in current U.S. dollars. "F" is the month before the U.S. policy rate increase. Cycle ends when the U.S. policy rate peaks. Judgement used to define "headline-growth" cycle. March 2022 cycle extended using market-implied interest rate expectations from January 2022 onward, observed on December 15, 2022.  
B. Changes in EMDE sovereign spreads since January 2022, using Moody's sovereign foreign currency ratings. Sample includes: 11 EMDEs energy exporters and 36 EMDEs energy importers. Strong credit defined as ratings from Aaa to Aaa2. Weak credit defined as ratings from Caa to Caa. Sample excludes Belarus, the Russian Federation, and Ukraine. Last observation is December 15, 2022.  
C. Sample includes up to 37 advanced economies and 144 EMDEs.  
D. Figure shows share of countries with forecast downgrades since the June 2022 Global Economic Prospects.  
E. Figure shows deviation between current forecasts and January 2020 Global Economic Prospects. January 2020 baseline included into 2023 and 2024 using projected growth for 2020.  
F. "Low poverty headcount" are EMDEs with poverty headcount in the 25th percentile, and "high poverty headcount" are those in the 75th percentile. Data show average per capita GDP growth over 2002-21 for 36 EMDEs. Whiskers show minimum-maximum range. Sample excludes Belarus and the Russian Federation. Poverty data are the poverty headcount ratio at \$2.15 a day (2017 PPP).

## Global Trade

Global trade growth decelerated in the second half of 2022, in tandem with deteriorating activity in major economies. Weakening trade mirrored the slowdown in global industrial production, as demand shifted toward its pre-pandemic composition and away from goods. Despite this moderation, goods trade surpassed pre-pandemic levels last year; meanwhile, services trade continued to recover, supported by the gradual shift in demand toward services. Tourism flows rebounded as many countries eased travel restrictions but remained well below pre-pandemic levels and uneven across regions (WTO 2022).

## Global Inflation

Inflation rose throughout 2022 in almost all economies. Median global headline inflation exceeded 9 percent in the second half of the year, its highest level since 1995. Inflation reached almost 10 percent in EMDEs, its highest level since 2008, and in advanced economies just over 9 percent, the highest since 1982. Inflation was above target in virtually all countries that have adopted inflation targeting.

Soaring inflation in 2022 reflected a combination of demand and supply factors (Ha, Kose, and Ohnsorge 2022; Shapiro 2022). On the demand side, the acceleration of growth during the initial rebound from the 2020 global recession, as well as the lagged effects of earlier macroeconomic support, contributed to persistent price pressures. Price increases were particularly large in sectors such as shipping and air travel, where compositional shifts in demand encountered ongoing capacity constraints and supply chain disruptions (Kalemli-Özcan et al. 2022). On the supply side, shortages of key commodities, exacerbated by Russia's invasion of Ukraine, contributed substantially to higher energy and food prices. In some countries, tight conditions and mismatches in labor markets further added to rising wages and higher input and production costs. Finally, many countries experienced large currency depreciations that passed through into higher import, producer, and consumer prices. The higher share of food in consumer spending has caused inflation to accelerate more in low-income countries compared to other EMDEs.

*(Source: Global Economic Prospects, January 2023)*

In general, global economic shocks in the past were severe but spaced out in time. This changed in the third decade of this millennium. At least three shocks have hit the global economy since 2020. It all started with the pandemic-induced contraction of the global output, followed by the Russian-Ukraine conflict leading to a worldwide surge in inflation.

Then, the central banks across economies led by the Federal Reserve responded with synchronised policy rate hikes to curb inflation. The rate hike by the US Fed drove capital into the US markets causing the US Dollar to appreciate against most currencies. This led to the widening of the Current Account Deficits (CAD) and increased inflationary pressures in net importing economies. The rate hike and persistent inflation also led to a lowering of the global growth forecasts for 2022 and 2023 by the IMF in its October 2022 update of the World Economic Outlook. The frailties of the Chinese economy further contributed to weakening the growth forecasts. Slowing global growth apart from monetary tightening may also lead to a financial contagion emanating from the advanced economies where the debt of the non-financial sector has risen the most since the global financial crisis. With inflation persisting in the advanced economies and the central banks hinting at further rate hikes, downside risks to the global economic outlook appear elevated. The Indian economy, however, appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY23. Yet in the current year, India has also faced the

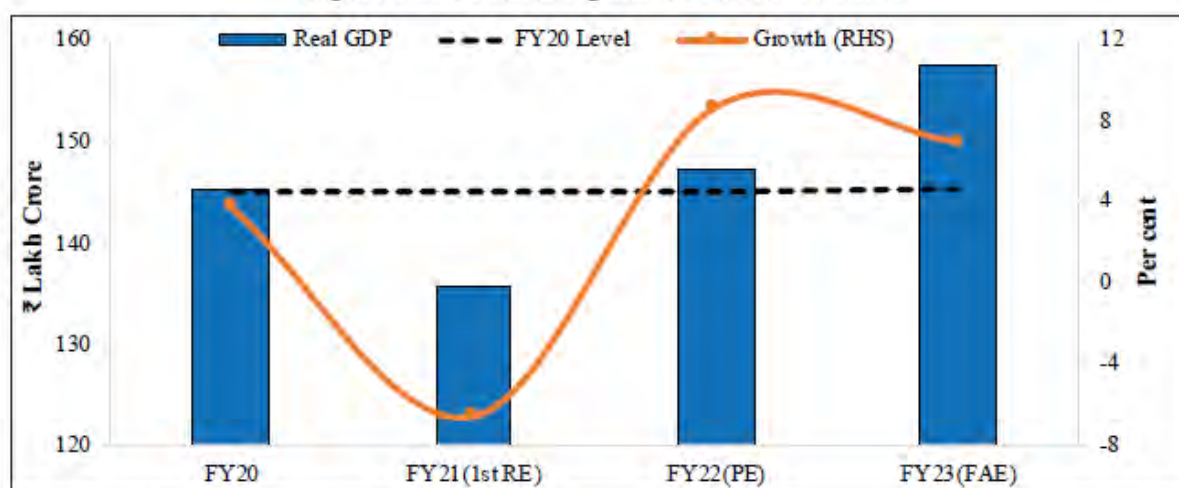


challenge of reining in inflation that the European strife accentuated. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target in November 2022. However, the challenge of the depreciating rupee, although better performing than most other currencies, persists with the likelihood of further increases in policy rates by the US Fed. The widening of the CAD may also continue as global commodity prices remain elevated and the growth momentum of the Indian economy remains strong. The loss of export stimulus is further possible as the slowing world growth and trade shrinks the global market size in the second half of the current year.

Despite these, agencies worldwide continue to project India as the fastest-growing major economy at 6.5-7.0 per cent in FY23. These optimistic growth forecasts stem in part from the resilience of the Indian economy seen in the rebound of private consumption seamlessly replacing the export stimuli as the leading driver of growth. The uptick in private consumption has also given a boost to production activity resulting in an increase in capacity utilisation across sectors. The rebound in consumption was engineered by the near-universal vaccination coverage overseen by the government that brought people back to the streets to spend on contact-based services, such as restaurants, hotels, shopping malls, and cinemas, among others. The world's second-largest vaccination drive involving more than 2 billion doses also served to lift consumer sentiments that may prolong the rebound in consumption. Vaccinations have facilitated the return of migrant workers to cities to work in construction sites as the rebound in consumption spilled over into the housing market. This is evident in the housing market witnessing a significant decline in inventory overhang to 33 months in Q3 of FY23 from 42 months last year.

The impact of the pandemic on India was seen in a significant GDP contraction in FY21. The following year, FY22, the Indian economy started to recover despite the Omicron wave of January 2022. This third wave did not affect economic activity in India as much as the previous waves of the pandemic did since its outbreak in January 2020. Mobility enabled by localised lockdowns, rapid vaccination coverage, mild symptoms and quick recovery from the virus contributed to minimising the loss of economic output in the January-March quarter of 2022. Consequently, output in FY22 went past its pre-pandemic level in FY20, with the Indian economy staging a full recovery ahead of many nations. The experience with the Omicron variant engendered a cautious optimism that it was possible to stay physically mobile and engage in economic activities despite the pandemic. FY23 thus opened with a firm belief that the pandemic was rapidly on the wane and that India was poised to grow at a fast pace and quickly ascend to the pre-pandemic growth path.

**Figure I.9: Economic growth remains resilient**



Source: NSO, MoSPI

Note: AE stands for Advanced Estimates, PE stands for Provisional Estimates, RE stands for Revised Estimates

For many countries around the world, including India, 2021 was a period of recovery for health and economies from the impact of the pandemic. For the advanced economies, in particular, the enormous fiscal stimulus earlier injected by their governments supported a strong demand revival. Growth in world trade subsequently followed, of which India was also

a beneficiary. India's exports surged in FY22, and the momentum lasted up to the first half of FY23. Export growth was strong enough to increase India's share in the world market of merchandise exports. However, due to aggressive and synchronised monetary tightening, global economic growth has started to slow, and so has world trade. As per United Nations Conference on Trade and Development (UNCTAD) latest global trade update, global trade growth turned negative during the H2:2022, and geopolitical frictions, persisting inflationary pressures, and subdued demand are expected to



suppress global trade further in 2023. This is likely to affect many countries, including India, with the prospects of sluggish exports continuing into FY24, compared to the promise shown at the beginning of the current year.

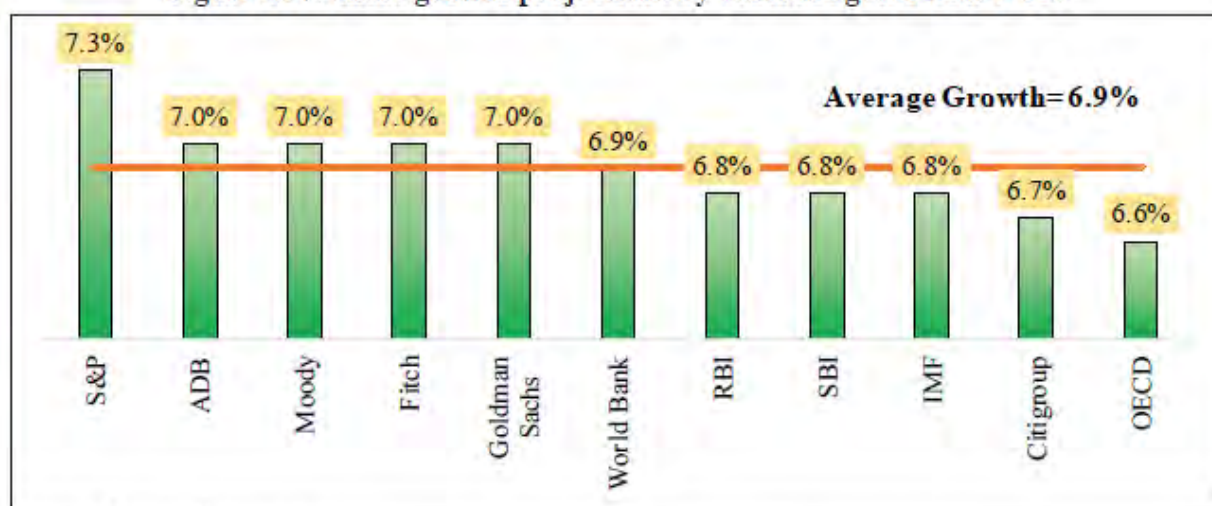
*(Source: Economic Survey 2022-23)*

## INDIAN ECONOMY

### India's Economic Resilience and Growth Drivers

Monetary tightening by the RBI, the widening of the CAD, and the plateauing growth of exports have essentially been the outcome of geopolitical strife in Europe. As these developments posed downside risks to the growth of the Indian economy in FY23, many agencies worldwide have been revising their growth forecast of the Indian economy downwards. These forecasts, including the advance estimates released by the NSO, now broadly lie in the range of 6.5-7.0 per cent. Despite the downward revision, the growth estimate for FY23 is higher than for almost all major economies and even slightly above the average growth of the Indian economy in the decade leading up to the pandemic. IMF estimates India to be one of the top two fast-growing significant economies in 2022. Despite strong global headwinds and tighter domestic monetary policy, if India is still expected to grow between 6.5 and 7.0 per cent, and that too without the advantage of a base effect, it is a reflection of India's underlying economic resilience; of its ability to recoup, renew and re-energise the growth drivers of the economy.

**Figure I.17: India growth projections by various agencies for FY23**



Source: Various Agencies

Note: ADB stands for Asian Development Bank, IMF is International Monetary Fund

India's economic resilience can be seen in the domestic stimulus to growth seamlessly replacing the external stimuli. The growth of exports may have moderated in the second half of FY23. However, their surge in FY22 and the first half of FY23 induced a shift in the gears of the production processes from mild acceleration to cruise mode. Manufacturing and investment activities consequently gained traction. By the time the growth of exports moderated, the rebound in domestic consumption had sufficiently matured to take forward the growth of India's economy. Private Consumption as a percentage of GDP stood at 58.4 per cent in Q2 of FY23, the highest among the second quarters of all the years since 2013-14, supported by a rebound in contact-intensive services such as trade, hotel and transport, which registered sequential growth of 16 per cent in real terms in Q2 of FY23 compared to the previous quarter.

Although domestic consumption rebounded in many economies, the rebound in India was impressive for its scale. It contributed to a rise in domestic capacity utilisation. Domestic private consumption remains buoyant in November 2022, as indicated by Motilal Oswal's Economic Activity Index. The index estimates that private consumption grew at a five-month high pace of 5.6 per cent YoY, driven by auto sales and broad-based expansion of services.

### INDUSTRY: STEADY RECOVERY

The industry holds a prominent position in the Indian economy contributing about 30 percent of total gross value added in the country. In FY23, the Indian industry faced some extraordinary challenges as the Russian-Ukraine conflict broke out. That led to a sharp rise in the prices of many commodities. Prices of edible oil, crude oil, fertilisers and food grains rose sharply. They remained at elevated levels for several months. The risk of another round of supply chain disruptions emerged, but they were not as severe as feared. Nonetheless, both the price and the availability of essential commodities





had the potential to dent the industry's optimism on consolidating the recovery of FY22 and further accelerating it. It is fair to say that the Indian industry acquitted itself rather well under trying circumstances. Overall Gross Value Added (GVA) by the Industrial Sector, based on data available for the first half of the FY23, rose 3.7 per cent, which is higher than the average growth of 2.8 per cent achieved in H1 of the last decade.

Robust domestic conditions since FY22 have provided a demand stimulus to industrial growth. Private Final Consumption Expenditure (PFCE) as a share of GDP in H1 of FY23 was the highest among all half years, H1 or H2, since FY15. Further, the strong export performance of FY22 continued somewhat in the first half of FY23. In this half of the year, exports of goods and services as a share of GDP have been the highest since FY16. However, the performance began to wane in the first half itself as the Year-on-Year (YoY) growth of exports declined from Q1 to Q2 due to persistently high inflation and rising interest rates in the advanced economies. The increase in investment demand has emerged as another powerful stimulus to industrial growth. It has been triggered by the augmented capex of the central government in the current and the previous year as compared to the pre-pandemic years. The leap also has crowded in private investment, already upbeat on the pent-up demand, export stimulus, and strengthening of the corporate balance sheets.

The pandemic and the Russia-Ukraine conflict have demonstrated the risk of supply chain shocks to the global economic order. As companies adapt their manufacturing and supply chain strategies to build resilience, India has a unique opportunity to become a global manufacturing hub this decade. In this context, the government's Make-in-India initiative

has facilitated investment, fostered innovation and built world-class infrastructure while addressing the gaps in domestic manufacturing capabilities. The Production Linked Incentive (PLI) schemes across 14 categories has further complemented it with an estimated Capex of around ₹3 lakh crore over the next five years and the potential to generate over 60 lakh jobs. In the medium term, the scheme will help reduce net imports by building domestic manufacturing capacity that will cater to domestic and global needs.

#### **Government support to help textile Industry weather current challenges**

The Textile industry is one of the country's most significant sources of employment generation, with an estimated 4.5 crore people directly engaged in this sector, including a large number of women and the rural population. In the current financial year, the textile industry has been facing the challenge of moderating exports compared to FY22. However, the levels in the eight six months still prevail, 9.5 per cent higher than the corresponding pre-pandemic level of FY20. Export of readymade garments registered a growth of 3.2 per cent YoY basis during the same period. FDI inflows into the textile sector are yet to recover to pre-pandemic levels.

To develop integrated large-scale and modern industrial infrastructure facilities for the entire value chain of the textile industry, the government approved the setting up of seven PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks. The parks will not only reduce logistics costs and improve the competitiveness of Indian Textiles but also boost employment generation, attract domestic investment and FDI, and position India firmly in the global textile market. The parks are expected to create a total of one lakh direct and two lakh indirect employment.

Further, to boost the production capacity, the government launched the Textile PLI Scheme with an approved outlay of ₹10,683 crore over five years starting from 1st January 2022 to promote investments and increase the production of Man-Made Fibre (MMF) Apparel, MMF Fabrics and Products of Technical Textiles. This will enable the textile sector to achieve size and scale, enhancing export competitiveness. In the approved 64 applications so far, the proposed total investment commitment is ₹19,798 crore, with projected turnover and employment generation of ₹1.9 lakh crore and 2.5 lakh, respectively.

*(Source: Economic Survey 2022-23)*

### **Technical Textile Industry**

#### **Global Market Size**

Technical Textiles have seen an upward trend globally in the recent years due to improving economic conditions. Technological advancements increase in end-use applications, cost-effectiveness, durability, user-friendliness, and eco-friendliness of Technical Textiles has led to the upsurge of its demand in the global market. Indutech, Mobiltech, Packtech, Buildtech and Homotech together represent 2/3rd of the global market in value.

The demand for Technical Textiles was pegged at USD 165 Bn in the year 2018 and is expected to grow up to USD 220 Bn by 2025, at a CAGR of 4% from 2018-25. The Asia-Pacific has been leading the Technical Textiles sector by capturing 40% of the global market, while North America and Western Europe stand at 25% & 22% respectively. Asia-Pacific has seen a tremendous growth in this sector and captures the largest market share due to rapid urbanisation and technological



advancements in medical, automobile and construction industries. This is further catalysed by easy production, low-cost labour and conducive government policy support.

### India's Market Size

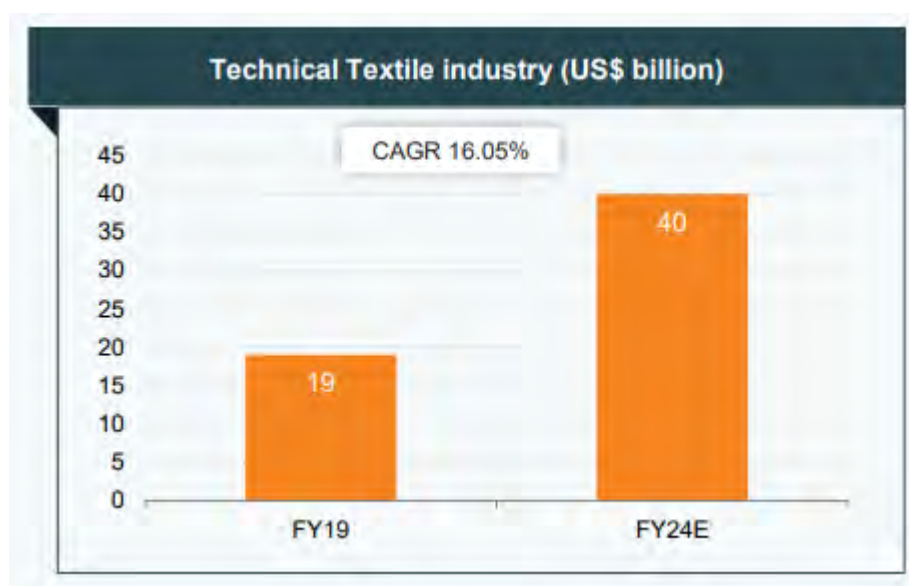
The current Indian technical textiles market is estimated at USD 19 Bn, growing at a CAGR of 12% since past five years. It contributes to about 0.7% to India's GDP and accounts for approximately 13% of India's total textile and apparel market. In 2017-18, Packtech segment had the highest share of 41%, followed by Indutech, Homotech, and Mobiltech with a share of 11%, 10% and 10%, respectively.

Although, Packtech accounts for 41% of the total market share, it is a lowvalue, low technology product.

Availability of raw materials such as cotton, wood, jute and silk along with a strong value chain, low-cost labour, power and changing consumer trends are some of the contributing factors to India's growth in this sector. India's technical textiles market shows a promising growth of 20% from USD 16.6 Bn in 2017-18 to USD 28.7 Bn by 2020-21, as per the Baseline Survey of technical textile industry by Ministry of Textiles.

(Source: <https://technotextileindia.in/home>)

### Technical Textile Industry - A New Arena of Growth



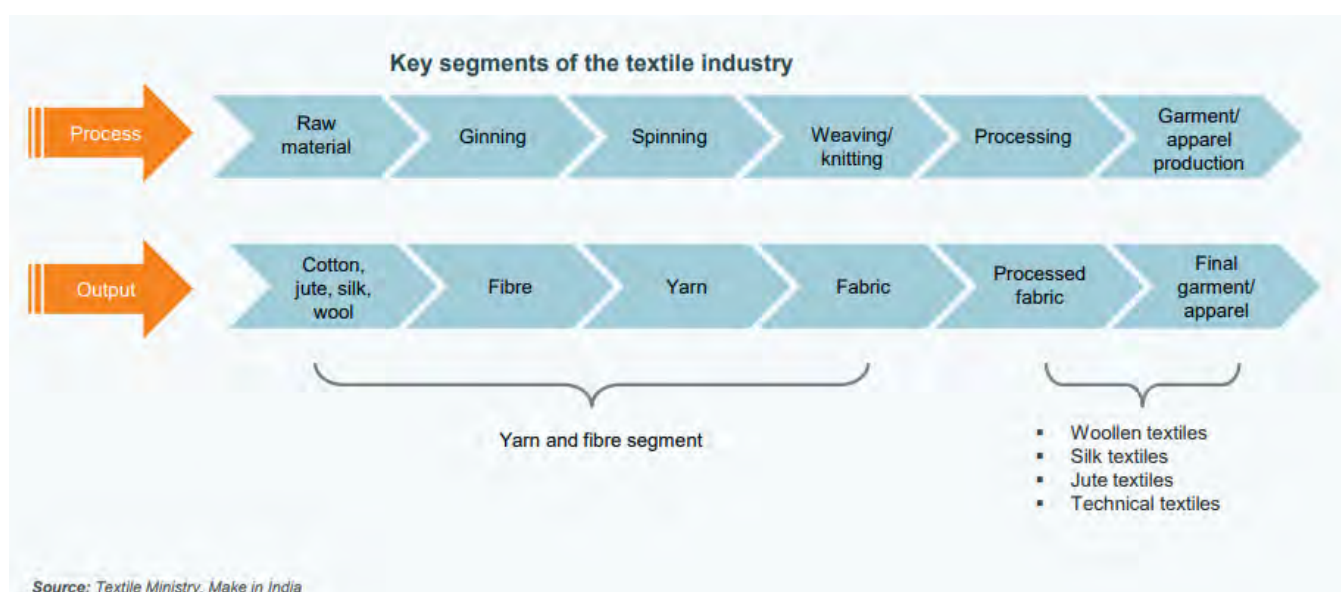
- Technical textile industries major service offerings include thermal protection and blood-absorbing materials, seatbelts and adhesive tapes. Healthcare and infrastructure sectors are two major drivers of the technical textile industry.
- The Government has assigned 207 Harmonized System Nomenclature (HSN) to promote India's technical textile industry. As of November 2021, 377 technical textiles products were developed according to the Bureau of Indian Standards (BIS).
- Government introduced six additional courses for technical textiles in its skill development programme called Samarth.
- In 2022-23, the Sardar Vallabhbhai Patel International School of Textiles and Management (SVPISTM) is planning to offer B.Sc. And MBA courses in technical textiles.
- Exports for 207 technical textile items stood at Rs. 12,028.58 crore (US\$ 1.5 billion) between April-October, 2021.



- The Indian government has notified uniform GST rate at 12% on man-made fabrics (MMF), MMF yarns, MMF fabrics and apparel, which came into effect from January 1, 2022.
- In November 2021, Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, stated the desire to target a 3-5x time increase in the export of technical textiles worth US\$ 10 billion over the next three years.
- The production-linked incentive (PLI) scheme for man-made fibre and technical textiles will help boost manufacturing increase exports and attract investments into the sector.
- In March 2022, the Ministry of Textiles, in collaboration with the Confederation of Indian Industries (CII), organized a day-Long International Conference on Technical Textiles with the theme: Creating the Winning Leap in Technical Textiles.
- The Government of India has earmarked a corpus of Rs. 1,000 crore (US\$ 127.72 million) dedicated for research and development of the technical textiles sector.

#### Key facts

- The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre / yarns from natural fibres like cotton, jute, silk and wool to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.
- India's textiles industry contributed 7% to the industry output (by value) in 2018-19.
- The Indian textiles and apparel industry contributed 2% to the GDP, 12% to export earnings and held 5% of the global trade in textiles and apparel in 2018-19.



### 3

#### Technical textiles

- Increased awareness of goods, higher disposable incomes, changing customer patterns and some sector-specific growth drivers are estimated to bolster the Indian technical textiles market to US\$ 23.3 billion in 2027, up from US\$ 14 billion in 2020 in the Asia-Pacific region.
- The technical textiles market for automotive textiles is projected to increase to US\$ 3.7 billion by 2027, from US\$ 2.4 billion in 2020. Similarly, the industrial textiles market is likely to increase at an 8% CAGR from US\$ 2 billion in 2020 to US\$ 3.3 billion in 2027.

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



## BUSINESS OVERVIEW

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Red Herring Prospectus, including the information contained in the section titled “*Risk Factors*” on Page no. 26 of this Red Herring Prospectus. In this chapter, unless the context requires otherwise, any reference to the terms “We”, “Us” “Shritech” and “Our” refers to Our Company. Unless stated otherwise, the financial data in this section is as per our Restated Financial Information prepared in accordance with the Accounting Standard set forth in the Red Herring Prospectus.

Our Company was originally formed and registered as a partnership firm under the Partnership Act, 1932 (“Partnership Act”) in the name and style of “M/s Shree Tech Tex Company”, pursuant to a deed of partnership dated January 7, 2011. Subsequently, the constitution of partnership firm were changed on February 18, 2016, July 01, 2017, March 14, 2018 and June 12, 2020 by admission and retirement of partners. Later on, Name of “M/s Shree Tech Tex Company” was changed to “M/s Shri Techtex” on July 03, 2018 by amendment in Deed of Partnership. “M/s Shri Techtex” was thereafter converted from a partnership firm to a private limited company under Part I chapter XXI of the Companies Act, 2013 in the name of “Shri Techtex Private Limited” and received a certificate of incorporation dated September 08, 2018 from the Central Registration Center, Ministry of Corporate Affairs. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on December 31, 2022 and the name of our Company was changed to “Shri Techtex Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated January 03, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U36900GJ2018PLC104005.

Our company is engaged in the business of manufacturing of Polypropylene (PP) Non-Woven Fabric. The practical use of non-woven fabric is more ecological for certain applications, especially in fields and industries where disposable or single use products are important, such as organic farming, hospitals, health care, nursing homes, home furnishing, vehicle upholstery seat fabrication, Mattress & furniture covering, ecological packaging, industrial and consumer goods. We manufacture PP non-woven fabric in variety of sizes and density. As on the date of this Red Herring Prospectus, we manufacture PP non-woven fabric upto 4.5 meters size and 15 GSM to 800 GSM.

Our manufacturing facility is situated at Simaj of Dholka Taluka in Ahmedabad District of Gujarat. The manufacturing facility is well connected with near about transport hubs. Our manufacturing facility is spread across 41548 sq. meters. The manufacturing facility is installed with manufacturing capacity of 3600 MT PP non-woven fabric per annum.

In past, since FY 2011, as a Partnership firm, we were engaged in the business of industrial trading activity in Polymers, Chemicals, Packaging Materials and other allied products. Upon conversion of Partnership Firm to company, our company continued manufacturing on job work basis and in the initial phase we were engaged in job work basis exclusively for our group companies. However, w.e.f. April 01, 2021, as a result of demerger, the said business of contract manufacturing was transferred to resultant company Aurum Fabritech Private Limited (Aurum Fabritech Private Limited was converted to LLP w.e.f. February 02, 2022). After the demerger, till date, our company is engaged in the business of manufacturing of Polypropylene (PP) Non-Woven Fabric.

Till date, in our existing manufacturing vertical, we have been catering majorly to offshore customers. In last 3 years we have derived our revenue from exports from countries namely USA, Taiwan, Canada, Denmark and China. However, recently, we have started focusing more on domestic market for products manufactured by us. As on the date of this Red Herring Prospectus, we derive revenue from domestic sales from states namely Gujarat, Tamil Nadu and West Bengal.

In order to improve our product portfolio, Our company is planning for business expansion by adding new business lines viz. Manufacturing of Hot melt Coating Lamination and PP Multifilament Yarn. Our company expect both machineries to be ready for commercial production by April 2024 having installed capacity of 3360 tons and 1200 tons per annum respectively. For more details please refer to the chapter titled “*Objects of the Issue*” beginning from page no 85 of this Red Herring Prospectus.

We have experienced sustained growth with respect to the various financial indicators as well as a consistent improvement in our balance sheet position in the last three Fiscals, wherein we have seen an increase in our net worth. We have organically grown our operations over the years.

## FINANCIAL HIGHLIGHTS

Our Company has robust growth and improvement in top line and bottom line on restated basis over period of previous financial years. Following are the Key Performance Indicators of our company for the Financial Years ended on March 31, 2023, 2022 and 2021.

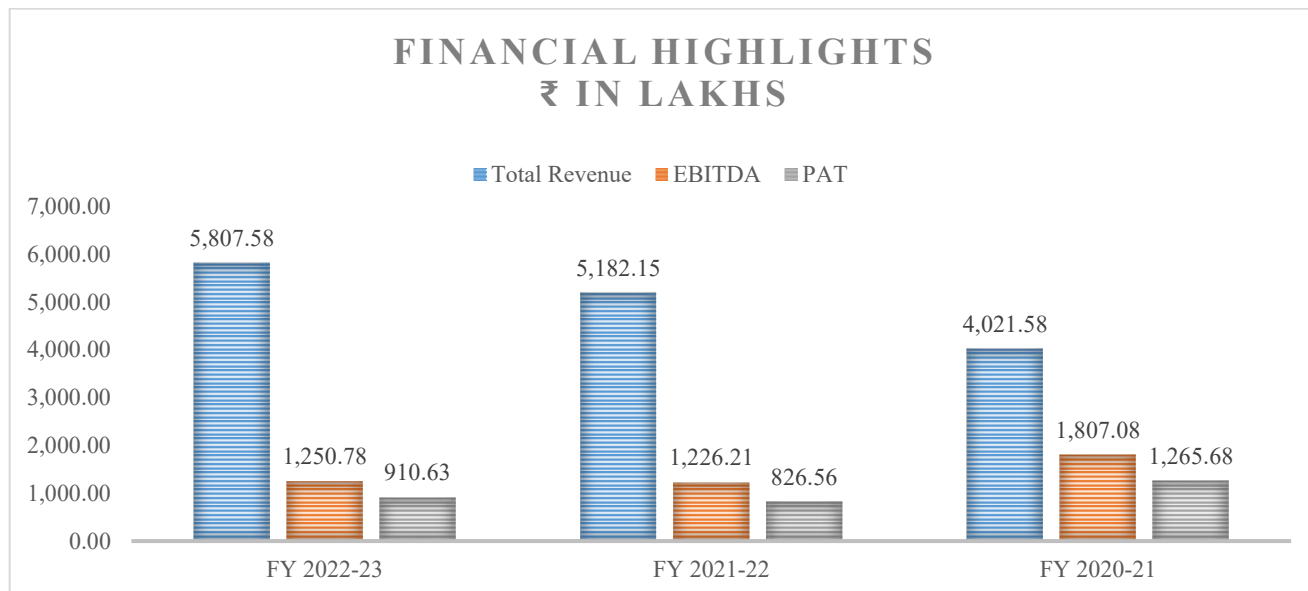
(₹ In Lakhs unless mentioned otherwise)





| Particulars                                | For the Year ended on March 31 |          |          |
|--------------------------------------------|--------------------------------|----------|----------|
|                                            | 2023                           | 2022     | 2021     |
| Total Revenue from operations (₹ in Lakhs) | 5,807.58                       | 5,182.15 | 4,021.58 |
| EBITDA (₹ in Lakhs)                        | 1,250.78                       | 1,226.21 | 1,807.08 |
| PAT (₹ in Lakhs)                           | 910.63                         | 826.56   | 1,265.68 |

Following is the graphical representation of the above



#### KEY BUSINESS METRICS

Our Company has robust growth and improvement in top line and bottom line on restated basis over period of previous financial years. Following are the Key Performance Indicators of our company for the Financial Years ended on March 31, 2023, 2022 and 2021.

(₹ In Lakhs unless mentioned otherwise)

| Particulars                           | For the Year ended on March 31 |            |            |
|---------------------------------------|--------------------------------|------------|------------|
|                                       | 2023                           | 2022       | 2021       |
| Revenue from Operations (₹ in Lakhs)  | 5,692.39                       | 5,117.63   | 3,946.76   |
| Growth in Revenue from Operations (%) | 11.23%                         | 29.67%     | -          |
| Gross Profit                          | 2,086.39                       | 2,242.32   | 3,052.74   |
| Gross Profit Margin (%)               | 36.65%                         | 43.82%     | 77.35%     |
| EBITDA (₹ in Lakhs)                   | 1,250.78                       | 1,226.21   | 1,807.08   |
| EBITDA Margin (%)                     | 21.97%                         | 23.96%     | 45.79%     |
| Profit After Tax (₹ in Lakhs)         | 910.63                         | 826.56     | 1,265.68   |
| PAT Margin (%)                        | 16.00%                         | 16.15%     | 32.07%     |
| RoE (%)                               | 35.84%                         | 39.59%     | 121.95%    |
| RoCE (%)                              | 20.07%                         | 29.21%     | 44.55%     |
| Net Fixed Asset Turnover (In Times)   | 1.50 Times                     | 1.69 Times | 2.24 Times |
| Net Working Capital Days              | 186 Days                       | 60 Days    | 148 Days   |
| Operating Cash Flows (₹ in Lakhs)     | -759.79                        | 2,175.10   | 355.13     |

#### Revenue Bifurcation

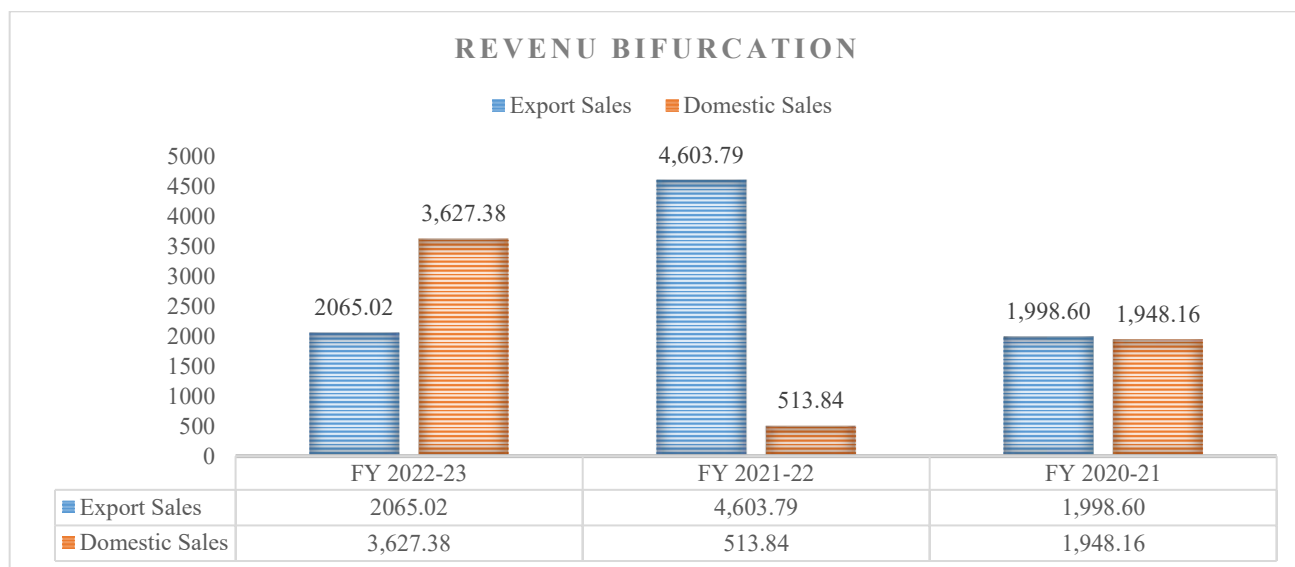
Following the bifurcation of our operating revenue for financial years ended on March 31, 2023, 2022 and 2021.

(₹ in Lakhs)



| Particulars    | FY 2022-23      |                | FY 2021-22      |                | FY 2020-21      |                |
|----------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|
|                | Amount          | Percentage     | Amount          | Percentage     | Amount          | Percentage     |
| Export Sales   | 2065.02         | 36.28%         | 4,603.79        | 89.96%         | 1,998.60        | 50.64%         |
| Domestic Sales | 3,627.38        | 63.72%         | 513.84          | 10.04%         | 1,948.16        | 49.36%         |
| <b>Total</b>   | <b>5,692.39</b> | <b>100.00%</b> | <b>5,117.63</b> | <b>100.00%</b> | <b>3,946.76</b> | <b>100.00%</b> |

Following is the graphical representation of the above table



#### **Geographical Exports Revenue Bifurcation**

Following the geographical bifurcation of our Exports revenue for financial years ended on March 31, 2023, 2022 and 2021.

(₹ In Lakhs)

| Particulars  | FY 2022-23     |                 | FY 2021-22      |                 | FY 2020-21      |                 |
|--------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|              | Amount         | Percentage      | Amount          | Percentage      | Amount          | Percentage      |
| USA          | 1,924.15       | 93.18%          | 4,250.74        | 92.33%          | 1,940.67        | 97.10%          |
| Taiwan       | 0              | 0.00%           | 0               | 0.00%           | 57.93           | 2.90%           |
| Canada       | 109.46         | 5.30%           | 179.68          | 3.90%           | 0               | 0.00%           |
| Denmark      | 31.41          | 1.52%           | 20.19           | 0.44%           | 0               | 0.00%           |
| China        | 0.00           | 0.00%           | 153.19          | 3.33%           | 0               | 0.00%           |
| <b>Total</b> | <b>2065.02</b> | <b>100.00 %</b> | <b>4,603.79</b> | <b>100.00 %</b> | <b>1,998.60</b> | <b>100.00 %</b> |

#### **Geographical Domestic Revenue Bifurcation**

Following the geographical bifurcation of our domestic revenue for financial years ended on March 31, 2023, 2022 and 2021.

(₹ In Lakhs)

| Particulars  | FY 2022-23    | FY 2021-22    | FY 2020-21      |
|--------------|---------------|---------------|-----------------|
| Gujarat      | 2096.78       | 461.07        | 1,948.16        |
| Tamil Nadu   | 64.25         | 52.77         | 0.00            |
| West Bengal  | 1,466.34      | 0.00          | 0.00            |
| <b>Total</b> | <b>513.84</b> | <b>513.84</b> | <b>1,948.16</b> |

#### **LOCATIONAL PRESENCE**



## **MANUFACTURING FACILITY**

Survey No. 165P, 166P, 167P Simej- Rupgadh Road, Vill- Simaj, Taluka Dholka District Ahmedabad

## **REGISTERED OFFICE**

Harmony, 2nd Floor, 15/A, Shree Vidhyanagar Co.Op. Hsg. Soc. Ltd. Opp. Nabard, Nr. Usmanpura Garden Ahmedabad - 380014, Gujarat, India.

## **PHOTOGRAPHS OF MANUFACTURING FACILITY**

Following is glimpse of our manufacturing facility situated at Dholka-Ahmedabad.



**MANUFACTURING PREMISE ENTRY**



**CUTTING AND SLICING AREA**



**MIXING AND PROCESSING AREA**



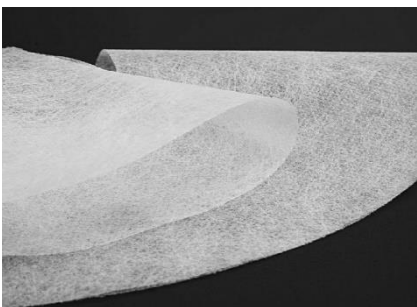
**FINISHING AREA**

## **OUR PRODUCT PORTFOLIO**

We are engaged in the business of manufacturing of PP Non-woven fabrics. We manufacture fabric with different sizes, and density depending upon the client's requirement. Our products have variety of applications in multiple industries such as Geotextile, Horticulture, Furniture, Construction and Healthcare etc.

Below are the products of our company:



|                                                                                   |                                                                                    |                                                                                     |
|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|  |  |  |
| <b>NON – WOVEN FEBRIC ROLL</b>                                                    | <b>BREATHABLE NON – WOVEN FEBRIC</b>                                               | <b>NON – WOVEN FEBRIC</b>                                                           |

### APPLICATION OF OUR PRODUCTS IN MAJOR INDUSTRIES

Based on its application, our product portfolio can be majorly classified in following categories.

1. Non-Woven Geotextile
2. Non-Woven Synthetic Roofing Underlayment
3. Insulation Non-woven Fabric
4. Furniture Industry
5. Horticulture Industry
6. Healthcare Industry

Following are the major Industries in which Products manufactured by our company is used:

#### 1. Non-Woven Geotextile

Our Non-Woven Geotextile is made from 100% Virgin Polypropylene or Polyester staple fibres which are mechanically needle punched to form a fabric of randomly entangles fibres giving the fabric multi-dimensional strength and stability. This fabric when used for separation and stabilization gives an outstanding performance. The specialized weave pattern helps to hold the soil and gravel in its place while letting the water to pass through preventing soil erosion, or displacement.

Our Non-Woven Geotextile resist against ultraviolet rays, deterioration, rotting and biological degradation and it also resists the commonly encountered soil chemicals and natural bases and acids.

Our Non-Woven geotextile are National Transportation Product Evaluation Program (NTPEP) approved so it can be ideally used in various construction activities such as earth stabilization, erosion control, roadways, temporary pathways, drainage, railways sports field and many other uses.

We offer a wide range of Geotextiles keeping in mind the region-specific requirements and as a result we are marketing our products in foreign market as well.

**Prodcut Range :**

| <b>In terms of GSM</b>   | <b>In terms of Width</b> |
|--------------------------|--------------------------|
| From 80 gsm upto 800 gsm | Up to 4.5 mtrs           |

#### 2. Non-Woven Synthetic Roofing Underlayment

We produce Spun bond non-woven synthetic roofing underlayment using specialized polymers and additives processed on our state-of-the-art plant and machinery. Our specialised coating lines gives our underlayment special characteristics so it can easily and effectively replace the traditional tar paper roofing underlayment. We can make a wide range of Synthetic roofing underlayment suitable for both Metal and Shingle roofs. We have also developed the self-adhesive roofing underlayment used for specific roofing applications.

**Prodcut Range :**

| <b>In terms of GSM</b>  | <b>In terms of Width</b> |
|-------------------------|--------------------------|
| From 70 gsm upto 250gsm | Up to 3.2 mtrs           |





### 3. **Insulation Non-woven Fabric**

Our non-woven fabrics, also called mats or felts, are a network of discontinuous fire-retardant fibres, oriented and deposited randomly on a surface, and mechanically joined together by needles that interlace them to be able to be manipulated together, as if it were a normal and ordinary fabric.

This type of textile constructions, for thermal insulation applications, offer qualities due to their considerable thickness with really low grammages. For thermal insulation, the thickness of the different textile layers is a determining factor, and with nonwovens, excellent thermal barriers are achieved without excessively increasing the weight of the whole.

They are products designed mainly to fulfil the function of insulation, even acoustic, and where their qualities are best used is in the inner layers.

### 4. **Furniture Industry**

Our wide range of non-woven fabric can be used as backing of carpets and wall coverings, and also as low-quality blankets, hidden layers in furniture systems, and wadding/padding. Non-woven materials are used in furnishing and bedding, as coverings and sheets. Spunbonded non-woven are applied as a backing layer for wallcoverings, carpets, curtains, and furniture. They are also used as upholstery layers, filters, and tablecloths.

Our fabrics are available in a wide weight range to meet the requirement for the end use application.

| PRODUCT APPLICATION           | DESCRIPTION OF APPLICATION                                                                                                                                            |
|-------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Furniture Applications</b> | <ul style="list-style-type: none"> <li>• Decking</li> <li>• Dustcover</li> <li>• Insulator</li> <li>• Pull strips</li> <li>• Semi attached back lining</li> </ul>     |
| <b>Bedding Applications</b>   | <ul style="list-style-type: none"> <li>• Flange</li> <li>• Quilt Backing</li> <li>• Dust Covers</li> <li>• Insulators</li> <li>• Filler Cloth (box spring)</li> </ul> |

### 5. **HORTICULTURE INDUSTRY**

Our product has variety of applications in Horticulture Industry, following is illustrative list of our product and its application in Horticulture Industry.

#### **NON-WOVEN LANDSACPING FABRIC**

| PRODUCT APPLICATION     | DESCRIPTION OF APPLICATION                                                                                                                                                                                                                                                                                                                       |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Row Cover</b>        | Light weight material with adequate light penetration made from Spun bonded fabric from 17 GSM upto 30 GSM. This elegantly engineered material helps create a protective environment that supports the growth of vegetable and crops at the same time shield the access to insects and flies pests.                                              |
| <b>Crop Cover</b>       | Made from Spun bonded NW PP white fabrics from 25 to 50 GSM. This elegantly engineered material that allow breathability and is micro pours for light vapour at the same time shield the access to insects and flies pests that may contaminate the crop. Corp cover retains some of the heat which creates a conducive environment crop growth. |
| <b>Plant Protection</b> | A verity of different grades of Spun bonded NW PP fibres Fabric used for Plant and fruit covers to create protection from pest insects, Weather, excess exposure from the Sun, pesticides. The Non-woven creates a protection later that stop insects and flies, Reduces the                                                                     |



|                               |                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                               | overexposure to direct sun, maintains higher humidity and temperature creating an ideal growth environment.                                                                                                                                                                                                                                                                                                                               |
| <b>Landscape Fabric</b>       | Made from Spun bonded NW PP white fibres material is used by professional landscapers and Home and commercial gardeners. Fabric reduces the penetration light to the ground which suppresses the weed from growing, It is Easy to Cut, Easy to lay in position, Allows the water to flow through, can be used to make root barrier between two different type of plants or surfaces garden materials, available from 30 GSM upto 130 GSM. |
| <b>Mulch Fabric</b>           | Spun bonded NW PP white fibres material ranging from 30 GSM upto 100 GSM Specifically designed to create a Weed free environment for crop and plants. Non-Woven Fabric is Easy to Cut, Easy to lay in position, Allows the water to flow through, can be used to make root barrier.                                                                                                                                                       |
| <b>Paving Underlay Fabric</b> | Spun bonded NW PP white fibres material 50 GSM upto 100 GSM designed as an underlay below the pavement and light roadways. Non-Woven helps Stabilize the under layer ground under the pavement. Weed and grass is unable to grow between the pavement blocks.                                                                                                                                                                             |

## 6. HEALTHCARE INDUSTRY

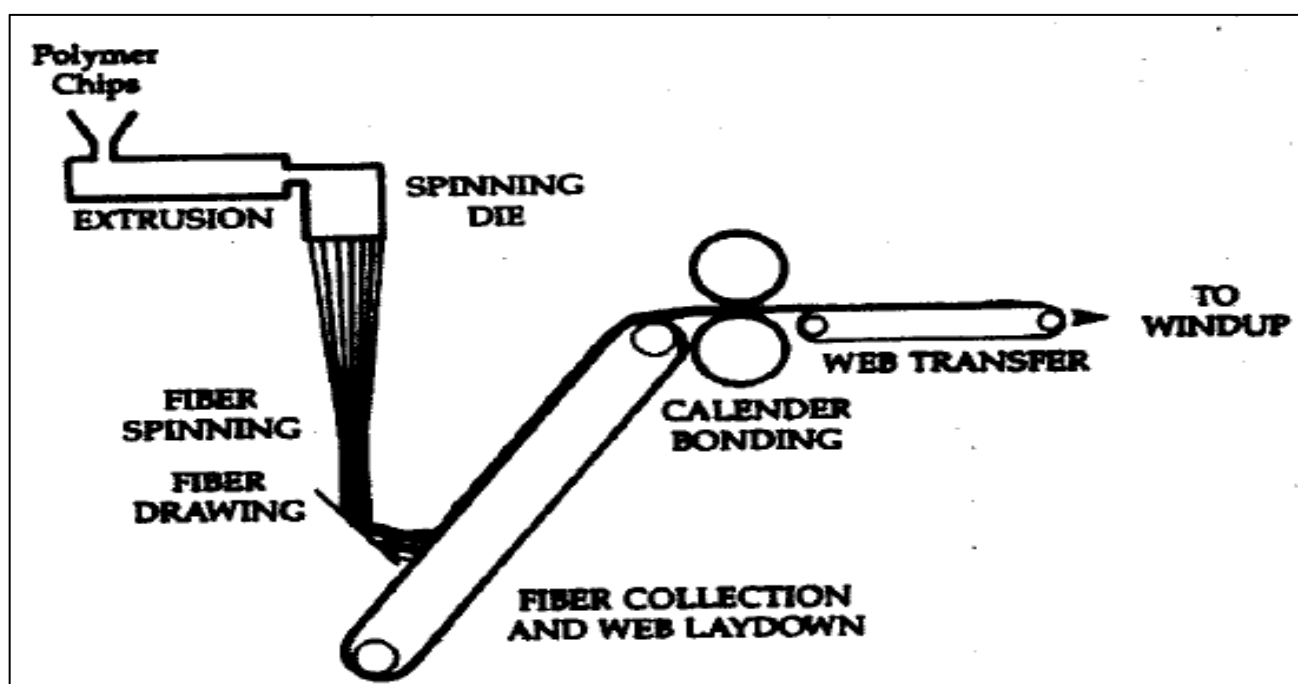
Nonwoven medical textiles have become indispensably important in surgery and medicine, these days. The range of uses for this material is a testament to its incredible versatility and adaptability. Our product has variety of applications in Healthcare Industry, following is illustrative list of our product and its application in Horticulture Industry.

| Sr. No. | Product Application    | Sr. No. | Product Application           |
|---------|------------------------|---------|-------------------------------|
| 1.      | Bandages               | 2.      | Surgical gowns                |
| 3.      | Cast paddings & covers | 4.      | Packs                         |
| 5.      | Surgical drapes        | 6.      | Sterile packaging             |
| 7.      | Dressings              | 8.      | Sterile overwraps             |
| 9.      | Surgical masks         | 10.     | Swabs                         |
| 11.     | Under pads             | 12.     | Surgical & Non-Surgical Masks |

## MANUFACTURING PROCESS

We manufacture PP Non-woven fabric by Spun-bonding method. In spun-bonding process, fabrics are produced directly from a thermoplastic polymer such as polypropylene. The molten polymer is extruded through a spinneret, cooled slightly in the air, and laid on a moving conveyor belt to form a continuous web. As the web cools, the fibers bond. Following is a process flow of the manufacturing process:





## OUR COMPETITIVE STRENGTH

### 1. Experienced Promoters and Management Team:

Our management team is well experienced in the industry in which we are operating and has been responsible for the growth of our operations and financial performance. Our Promoters Mr. Hanskumar Ramakant Agarwal and Mrs. Shradha Hanskumar Agarwal leads the company with their vision. They have experience of more than two decades in the Technical Textile Industry. They both look after the strategic as well as day-to-day business operations. The strength and entrepreneurial vision of our Promoters and management have been instrumental in driving our growth and implementing our strategies. We believe that a motivated and experienced employee base is essential for maintaining a competitive advantage. Our motivated team of management and key managerial personnel complement each other to enable us to deliver high levels of client satisfaction.

### 2. Prime Location of our Manufacturing Facility and installed Capacity:

Our Manufacturing Facility is located at village Simaj in Dholka Taluka in Ahmedabad District of Gujarat. Our Manufacturing facility is well equipped with necessary infrastructure facilities such as power, roads facilities, water etc. The Manufacturing Facility is strategically located. Our manufacturing units enjoy the good connectivity through National Highway roads and railway, which makes the movements of the raw material as well as finished goods easy and comfortable. Thus, it helps with smooth procurement of raw material from the suppliers and delivery of finished goods to the customers. The vicinity advantage adds to the cost effectiveness and reliability for our suppliers and customers. At present, our company is having manufacturing of Polypropylene (PP) Non-Woven Fabric upto 3600 MT p.a.

### 3. Infrastructure and Integrated capabilities to deliver quality Products

We are in requirement of new machineries due to addition of new product line in our existing product portfolio and we need to be updated with the new technology, with our staff members and customer demand we do updation as and when required. Our aim is to continuously earn customer's trust and confidence through personal attention, and hence the output of the product as per customer requirement is the foremost thing which shall be considered and attended through technology mode. We believe in providing quality products to our customers. We are devoted to quality assurance. The quality checks ensure that no defective products reached the customer and ensure reduced process rejection. We believe that our quality products have earned us a goodwill from our customers, which has resulted in customer retention and order repetition also new addition to the customer base. We provide products with competitive rates. We have developed internal procedure of checking the products at each stage of production right from receipt of raw material to dispatch of our products. Our Company focuses on consistently delivering qualitative products, thereby building customer loyalty for our product.

### 4. Wide Application of Products



Our products are widely used in various application for Geotextile, Horticulture, Furniture, Construction and Healthcare etc. This benefits us from less dependency on one industry, which ultimately helps us in achieving strong financial growth.

## BUSINESS STRATEGY

### 1. Expanding product portfolio

In order to improve our product portfolio, Our company is planning for business expansion by adding new business lines viz. Manufacturing of Hot melt Coating Lamination and PP Multifilament Yarn. Our company expect both machineries to be ready for commercial production by April 2024 having installed capacity of 3360 tons and 1200 tons per annum respectively. For more details please refer to the chapter titled “Objects of the Issue” beginning from page no 78 of this Red Herring Prospectus..

### 2. Continue improving financial performance through focus on operational and functional efficiencies

Optimization and reduction of costs remains our key focus area and we continue to work towards attaining cost efficiencies, whether it be in supply chain management or during the production process. Our core team also focuses on the refinement of our manufacturing processes, aimed at improved yield and efficiency, by optimizing and modifications of various parameters. We also propose to develop eco-friendly and cost-effective production processes. We are also focused on improving our cost efficiency by optimizing the effective sourcing of raw materials, which we have ensured, as a business strategy, over the last several years. Ensuring cost efficiencies is a significant parameter in order to compete effectively, whether in the domestic market or overseas. Our company intends to utilise part of net issue proceeds towards setting up solar power plant as a part of its eco-friendly and cost-effective strategy.

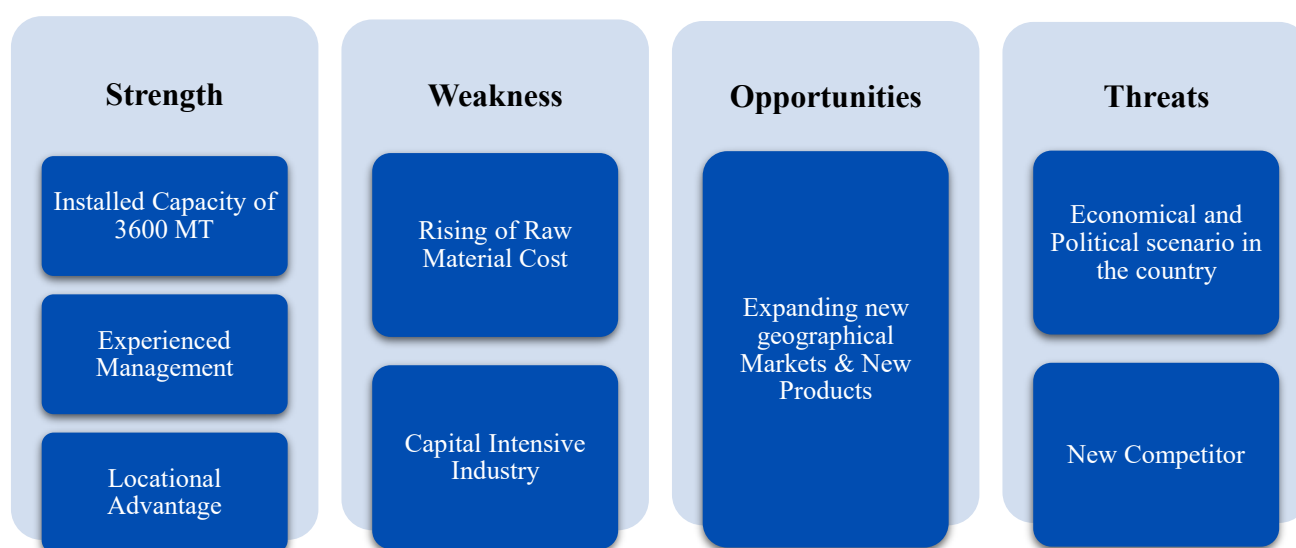
### 3. Leveraging our market skills and relationship

The business of our Company is customer oriented and always strives to maintain good relationship with the customers. Leveraging our market skills and relationships is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction.

### 4. Optimal Utilization of Resources

Our company constantly endeavours to improve our production process, skill up gradation of workers, modernization of plant and machineries to optimize the utilization of resources. We regularly analyse our material procurement policy and manufacturing process to de-bottle neck the grey areas and take corrective measures for smooth and efficient working thereby putting resources to optimal use.

## SWOT ANALYSIS



## COLLABORATIONS, ANY PERFORMANCE GUARANTEE OR ASSISTANCE IN MARKETING BY THE COLLABORATORS



Our Company has not entered into any collaboration, or performance guarantee or assistance for marketing with any Company.

## MARKETING

Our success lies in the strength of our relationship with our customers who have been associated with us for reasonable continuous period. We get the orders from our customers who are domestic as well as overseas based. Our Promoter Directors through their experience and good relations with customers owing to timely and quality delivery of products plays an instrumental role in creating and expanding a work platform for our Company.

We undertake marketing in a traditional way in guidance of our promoter through marketing team. We follow mouth to mouth and B&B marketing headed by our promoter director Mr. Hanskumar Ramakant Agarwal.

## END USERS

We sell our products on B2B to various industries such as Geotextile, Horticulture, Furniture, Construction and Healthcare etc..

## TECHNOLOGY

Our Company is having 1 (One) Nonwoven Spunbond Double Beam Line 3.2 Mtr Wide Fabric Making Machine at its Manufacturing location.

## PLANT AND MACHINERIES

Our company is engaged in the business of Polypropylene (PP) Non-Woven Fabric manufacturing. Our Manufacturing unit is equipped with all required machinery to achieve targeted production. Nonwoven Spunbond Double Beam Line 3.2 Mtr Wide Fabric Making Machine, Gravimetric Dosing Mixing Machine, Printing Machine, Water Chiller Screw Compressor, Electric Control Panel, Rewinding Machine.

Apart from above our company is also having ETP (Effluent Treatment Plant) and DG Sets at its Manufacturing facility.

## CAPACITY AND CAPACITY UTILIZATION

Presently, we are having One plant at our manufacturing facility in Dholka-Ahmedabad. The details of installed and capacity utilization is given here below table:

| Products           | Installed Capacity and Capacity Utilization (Unit-I) |                            |                |                           |                            |                |                           |                            |                |                           |                            |                |
|--------------------|------------------------------------------------------|----------------------------|----------------|---------------------------|----------------------------|----------------|---------------------------|----------------------------|----------------|---------------------------|----------------------------|----------------|
|                    | FY 2019-20                                           |                            |                | FY 2020-21                |                            |                | FY 2021-22                |                            |                | March 31, 2023            |                            |                |
|                    | Insta lled Capa city (MT)                            | Actual Produ ction (in MT) | % utiliza tion | Insta lled Capa city (MT) | Actual Produ ction (in MT) | % utiliza tion | Insta lled Capa city (MT) | Actual Produ ction (in MT) | % utiliza tion | Insta lled Capa city (MT) | Actual Produ ction (in MT) | % utiliza tion |
| Technical Textiles | 9,000                                                | 7,800                      | 86.67 %        | 14,400                    | 10,356                     | 71.92 %        | 14400                     | 10,362                     | 71.96 %        | -                         | -                          | -              |

**Note:** Part Production of Job Work Segment which was located at Plot No. 23 and 24, Opp. Waghbakri Tea, Survey No.1968 to 1975 Paiki, Kheda-Bagodara Highway Road, Dholka, Ahmedabad, Gujarat 387810 known as Unit-I had been transferred to Aurum Fabritech Private Limited (now converted to LLP viz. Aurum Fabritech LLP) on account of Demerger Scheme w.e.f. 01st April,2021.

| Products           | Installed Capacity and Capacity Utilization (Unit-II) |                            |                |                           |                            |                |                           |                            |                |                           |                            |                  |
|--------------------|-------------------------------------------------------|----------------------------|----------------|---------------------------|----------------------------|----------------|---------------------------|----------------------------|----------------|---------------------------|----------------------------|------------------|
|                    | FY 2019-20                                            |                            |                | FY 2020-21                |                            |                | FY 2021-22                |                            |                | FY 2022-23                |                            |                  |
|                    | Insta lled Capa city (MT)                             | Actual Produ ction (in MT) | % utiliza tion | Insta lled Capa city (MT) | Actual Produ ction (in MT) | % utiliza tion | Insta lled Capa city (MT) | Actual Produ ction (in MT) | % utiliza tion | Insta lled Capa city (MT) | Actual Produ ction (in MT) | % utiliza tion * |
| Technical Textiles | -                                                     | -                          | -              | -                         | -                          | -              | 3,600                     | 838                        | 46.56 %        | 3,600                     | 3052                       | 84.77 %          |

**Note:** Production of Unit-II located at Survey No.165,166,167, Paiki, Simej Ruggadh Road, Post Simej, Taluka Dholka, Ahmedabad, Gujarat 382365 had been started from October, 2021. Although Installed capacity for FY 2021-22 is shown



of 12 months based on 20 GSM quality but % Utilisation is based on Actual Production/Installed Capacity of proportionate months.

*(Sources: Based on certificate dated January 02, 2023, issued by Mr. Pranav Parikh, B E Chemical (Chartered Engineer upto FY 2021-22 and certificate dated July 18, 2023 for FY 2022-23 (UNIT II)) (Competent Person Gov. Approved))*

## COMPETITION

We operate in a highly competitive market and there are numbers of players. Price is the main factor in most cases for client making decision to have our products. We may face competition from our peers who have similar one or more division of our business. Competition emerges not only from small but also from big Regional and National and International players. Our experience in this business has enabled us to provide quality products in response to the customer 's demand for the best quality. Moreover, there are minimal entry barriers in this industry and any expansion in capacity of existing producers would further intensify competition.

## RAW MATERIAL

The major raw material used in our manufacturing process is Polypropylene (PP) Granules and Polyester Staple Fibers.

### 1. POLYPROPYLENE

Polypropylene (PP) is a petroleum-based thermoplastic polymer belonging to the olefin family, obtained from the polymerization of propylene. The multifilament polypropylene yarn is produced from an isotactic polypropylene homopolymer. It is produced via chain growth polymerization from the monomer propylene. Polypropylene belongs to the group of polyolefins and is partially crystalline and non-polar. Its properties are similar to polyethylene, but it is slightly harder and more heat resistant. It is a white, mechanically rugged material, and has a high chemical resistance. Polypropylene is the second- most widely produced commodity plastic (after polyethylene) and is often used in packaging and labelling.

### 2. POLYESTER STAPLE FIBER

A staple fiber is a textile fiber of discrete length. A staple fibre is a non-continuous fibre of relatively short length. Because of their short length, staple fibres must be twisted together to form a long, continuous yarn. The opposite is a filament fiber, which comes in continuous lengths. Staple length is a characteristic fiber length of a sample of staple fibers. It is an essential criterion in yarn spinning, and aids in cohesion and twisting. Compared to synthetic fibers, natural fibers tend to have different and shorter lengths. The quality of natural fibers like cotton is categorized on staple length such as short, medium, long-staple, and extra long. Gossypium barbadense, one of several cotton species, produces extra-long staple fibers. The staple fibers may be obtained from natural and synthetic sources. In the case of synthetics and blends, the filament yarns are cut to a predetermined length (staple length).

Our company procures raw material from Gujarat, West Bengal and imports them from Singapore, United Arab Emirate, Belgium, Hongkong.

## UTILITIES AND WATER

### POWER

We require power supply for manufacturing of our products and to meet our requirement, we have been provided with sufficient sanctioned load for our manufacturing facility from UGVCL (Uttar Gujarat Vij Company Ltd). We are also having DG Set as power back up.

For Registered Office Electricity is supplied by Torrent Power.

### WATER

Water is required for our manufacturing process and drinking & sanitary purpose and adequate water resources are available at manufacturing facility extracted from Ground.

## LOGISTICS

We rely on third party transporters for the delivery of our products to our customers and for procurement of Raw Materials from suppliers.

## PACKING

Fabric Manufactured by our company are cut in requisite length and width as per specifications of clients and are packed in Film rolls and Corrugated boxes. Our company procures packing from Gujrat State.



## HUMAN RESOURCES

Our manpower is a prudent mix of experienced and young personnel which gives us the dual advantage of stability and growth. As on June 30, 2023, we have the total 98 Employees. Department wise bifurcation is provided below:

| Sr. No.      | Category of Employees  | No. of Employees |
|--------------|------------------------|------------------|
| 1.           | Office Staff           | 9                |
| 2.           | Electrical Department  | 5                |
| 3.           | Maintenance Department | 4                |
| 4.           | Helper                 | 26               |
| 5.           | Contractor Employees   | 54               |
| <b>Total</b> |                        | <b>98</b>        |

## EXPORTS & EXPORTS OBLIGATIONS

Following are the details of exports and Export Obligation for the preceding three financial years are as follows;

### Exports

₹ in Lakhs

| Particulars  | FY 2022-23      | FY 2021-22      | FY 2020-21      |
|--------------|-----------------|-----------------|-----------------|
| USA          | 1,924.15        | 4,250.74        | 1,940.67        |
| Taiwan       | 0.00            | 0.00            | 57.93           |
| Canada       | 109.46          | 179.68          | 0.00            |
| Denmark      | 31.41           | 20.19           | 0.00            |
| China        | 0.00            | 153.19          | 0.00            |
| <b>Total</b> | <b>2,065.02</b> | <b>4,603.79</b> | <b>1,998.60</b> |

### Export Obligations as on March 31, 2023:

| Particulars           | For the period ended on March 31, 2023 |
|-----------------------|----------------------------------------|
| Advance Authorisation | 2,687.35                               |
| EPCG                  | 0.00                                   |
| <b>Total</b>          | <b>2,687.35</b>                        |

*(Based on certificate duly certified by Statutory Auditor M/s. A S R V & Co., Chartered Accountants dated July 13, 2023, bearing UDIN: 23193591BGUVHY2772)*

## RECENT AND CONTINUING DEVELOPMENTS – COVID 19 PANDEMIC

In the first half of calendar year 2020, COVID-19 spread to a majority of countries across the world, including India and other countries where our suppliers and customers are located. There have been multiple waves of infections that have impacted certain countries, with India most recently experiencing a second wave of infections that significantly increased the number of persons impacted by COVID-19. Since March 2021, there was a significant resurgence in the daily number of new COVID-19 cases and resulting deaths and the GoI and State Governments in India re-imposed lockdowns and other more restrictive measures in an effort to stop the resurgence of new infections. From March 2021 onwards, due to a “second wave” of increases in the number of daily COVID-19 cases, several state governments in India re-imposed lockdowns, curfews and other restrictions to curb the spread of the virus. We have monitored and are monitoring the situation closely and is operating its activities with the required workforce as permitted by governmental authorities. Additionally, towards the end of calendar year 2021, World Health Organization designated Omicron, a variant that causes COVID – 19, of a great concern. As a result of the detection of new mutated strains and subsequent waves of COVID-19 infections in several states in India as well as throughout various parts of the world, it is anticipated that we may be subject to further reinstatements of lockdown protocols or other restrictions, and the COVID-19 pandemic may continue to affect our business, results of operations and financial condition. For example, our operations were temporarily shut down at our Manufacturing Facility from March 23, 2020 to March 26, 2022, our ability to travel, interact with potential customers, pursue partnerships and other business transactions was affected, our inability to source key raw materials as a result of the temporary or permanent closure of the facilities of suppliers of our key raw materials affected our business. Further, a portion of our workforce being unable to work, including because of travel or government restrictions in connection with COVID-19, including stay at home order. For further information on the impact of COVID-19 on our business and the risks associated with COVID-19 to our business, see “Risk Factors” beginning from on page 26.



## DETAILS OF IMMOVABLE PROPERTY

The Details of the Immovable properties taken on lease basis are given below:

| Sr. No. | Name of Lessor                 | Name of Lessee               | Usage Purpose     | Area           | Rent               | Tenure                                      |
|---------|--------------------------------|------------------------------|-------------------|----------------|--------------------|---------------------------------------------|
| 1.      | Mrs. Shradha Hanskumar Agarwal | Shri Techtex Private Limited | Registered Office | 149.02 Sq. Mtr | ₹ 87,500 Per Month | From January 04, 2023 to December 31, 2024. |

The details of the Immovable property owned by our company is given here below:

| Sr. No. | Name of Seller                                                                                                                                           | Address of Property                                                                          | Name of Buyer                | Purpose                              | Area          | Consideration Paid                                                  | Date of Acquisition |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|------------------------------|--------------------------------------|---------------|---------------------------------------------------------------------|---------------------|
| 1.      | Mr. Pravinbhai Laljibhai Patel & Mr. Hardik Pravinbhai Patel                                                                                             | Survey No. 165P, Simej- Rupgadh Road, Vill- Simaj, Taluka District Ahmedabad Gujarat         | Shri Techtex Private Limited | Manufacturing Facility & Vacant Land | 17717 Sq Mtr  | ₹ 66,44,000 (Rupees Sixty Six Lakh Forty-Four Thousand)             | June 26, 2018       |
|         |                                                                                                                                                          |                                                                                              |                              |                                      | 27291 Sq Mtr  | ₹ 1,10,53,000 (Rupees One Core Ten Lakh Fifty-Three Thousand)       | March 12, 2021      |
| 2.      | Mrs. Jikuben Gatorbhai Dayma, Mr. Lalubhai Virsangbhai Dayma, Mrs. Sonalben Lalubhai Dayma, Mr. Kishansinh Lalsinh Dayma & Mr. Vishjitsinh Lalsinh Dayma | Survey No. 166P, Simej- Rupgadh Road, Vill- Simaj, Taluka Dholka, District Ahmedabad Gujarat | Shri Techtex Private Limited | Manufacturing Facility & Vacant Land | 28575 Sqr Mtr | ₹ 1,15,73,000 (Rupees One Core Fifteen Lakh Seventy Three Thousand) | March 20, 2021      |
|         |                                                                                                                                                          |                                                                                              |                              |                                      | 21492 Sqr Mtr | ₹ 76,08,000 (Rupees Seventy Six Lakh Eight Thousand only)           | April 19, 2018      |
| 3.      | Mr. Rahemanbhai Dadan Bhai & 15 Others                                                                                                                   | Survey No. 167P, Simej- Rupgadh Road, Vill- Simaj, Taluka Dholka District Ahmedabad Gujarat  | Shri Techtex Private Limited | Manufacturing Facility               | 2339 Sqr Mtr  | ₹ 8,28,000 (Rupees Eight Lakh Twenty Eight Thousand)                | April 13, 2018      |

## DETAILS OF INTELLECTUAL PROPERTY

**Trademark**





| Sr. No. | Brand Name/Logo Trademark                                                         | Class | Registration / Application No.          | Applicant                                                                                                                                                                                  | Date of Application | Current Status   |
|---------|-----------------------------------------------------------------------------------|-------|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------------------|
| 1.      |  | 22    | Registered vide application no. 4043515 | Originally registered in the name of M/s. Shakti Polyweave Private Limited and acquired on license by Shri Techtex Limited vide license agreement dated April 01, 2022 from original owner | January 02, 2019    | January 01, 2029 |
| 2.      |  | 19    | Registered vide application no. 4043516 | Originally registered in the name of M/s. Shakti Polyweave Private Limited and acquired by Shri Techtex Limited vide license agreement dated April 01, 2022                                | January 02, 2019    | January 01, 2029 |

#### Domain Name

| Sr. No | Domain Name and ID                                              | Registry Domain ID         | Registrant Name and ID | Creation Date   | Registry Expiry Date |
|--------|-----------------------------------------------------------------|----------------------------|------------------------|-----------------|----------------------|
| 1.     | <a href="https://shritechtex.com/">https://shritechtex.com/</a> | 2755079140_DOMAIN_COM-VRSN | GoDaddy.com, LLC       | January 31,2023 | January 31,2024      |

#### DETAILS OF INDEBTEDNESS

The details of facilities availed from Banks & Others are as follows. For more details of other indebtedness please refer chapter titled “*Restated Financials statement*” starting from page no 161 of Red Herring Prospectus.

| Name of Institution (A)                                           | Sanction Amount (C)               | Purpose (D)     | Amount o/s as on March 31, 2023 (₹ in Lakhs) (E) | Interest / annum (F)        | Security/Margin (G)                                                                      | Period of Repayment (H)        |
|-------------------------------------------------------------------|-----------------------------------|-----------------|--------------------------------------------------|-----------------------------|------------------------------------------------------------------------------------------|--------------------------------|
| The Hongkong and Shanghai Banking Corporation Limited (HSBC Bank) | <b>Term Loan:</b> ₹ 1650.00 Lakhs | Machinery Loan  | ₹ 1209.50                                        | 3.15% + 1 month T BILL rate | <b>Hypothecation</b>                                                                     | Last Instalment November 2026. |
|                                                                   | <b>Overdraft:</b> ₹770.00 Lakhs   | Working Capital | -                                                | 3.15% + 1 month T BILL rate | Charge on Stock book debts and all present and future and movable assets of the Company. | Repayable on demand            |



| Name of Institution (A) | Sanction Amount (C)                                                                       | Purpose (D) | Amount o/s as on March 31, 2023 (₹ in Lakhs) (E) | Interest / annum (F)         | Security/Margin (G)                                                                                                                                                                                                                                                                                                                                                                                | Period of Repayment (H)                                                                                                                 |
|-------------------------|-------------------------------------------------------------------------------------------|-------------|--------------------------------------------------|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
|                         | <b>Working Capital Demand Loan:</b><br>₹ 770.00 Lakhs (Sub-limit of Point 2 Above)        |             | -                                                | 3.15% + 1 month T BILL rate  | <b><u>Personal Guarantee from</u></b><br><br>Hanskumar Agarwal for ₹ 3520.00 Lakhs.                                                                                                                                                                                                                                                                                                                | Maximum upto 180 Days                                                                                                                   |
|                         | <b>Import Line (Controlling Limit)</b><br>₹ 1800.00 Lakhs                                 |             | ₹ 300.61                                         | 1.85% + 3 months T BILL rate |                                                                                                                                                                                                                                                                                                                                                                                                    | Maximum upto 180 Days                                                                                                                   |
|                         | <b>Export Line (Controlling Limit)</b><br>₹ 1500.00 Lakhs<br>(Sub-limit of Point 4 Above) |             | ₹ 31.54                                          | 1.85% + 3 months T BILL rate | <b><u>Equitable Mortgage Charge on</u></b><br><br>Industrial Land and Building situated survey No. 165P/166P/167P, Paiki, Simaj, Rupgadh Road, Post Simaj, Taluka Dholka, Ahmedabad Gujarat 382265 having area of 41548 Sq Meter Approx.                                                                                                                                                           | 90 Days                                                                                                                                 |
|                         | <b>Guarantee / Bond Facility</b><br>₹ 50.00 Lakhs                                         |             | -                                                | Commission 0.65% per annum   |                                                                                                                                                                                                                                                                                                                                                                                                    | Advance Guarantee, performance Bond and financial Guarantee – 38 months                                                                 |
|                         | <b>Working Capital Term Loan</b><br>₹ 260.00 Lakhs                                        |             | ₹ 260.00                                         | 9.25 %                       | All of above in addition to<br><br><b><u>Second Charge on Equitable Mortgage Charge on</u></b><br><br>Industrial Land and Building situated survey No. 165P/166P/167P, Paiki, Simaj, Rupgadh Road, Post Simaj, Taluka Dholka, Ahmedabad Gujarat 382265 having area of 41548 Sq Meter Approx.<br><br><b><u>Second Charge on Hypothecation Charge on</u></b><br><br>Stock book debts and all present | 5 Year from date of first disbursement. Moratorium of 2 years on Principal amount. Principal shall be repayable in 36 equal instalment. |



| Name of Institution<br>(A)  | Sanction Amount<br>(C) | Purpose<br>(D) | Amount o/s as on<br>March 31, 2023<br>(₹ in Lakhs)<br>(E) | Interest /<br>annum (F) | Security/Margin<br>(G)                                                                                                                                                                   | Period of Repayment<br>(H)           |
|-----------------------------|------------------------|----------------|-----------------------------------------------------------|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
|                             |                        |                |                                                           |                         | and future and movable assets of<br>the Company.<br><br><b><u>Unconditional &amp; Irrevocable<br/>Guarantee from</u></b><br><br>NCGTC (National Credit<br>Guarantee Trustee Company Ltd) |                                      |
| Kotak Mahindra<br>Prime Ltd | ₹ 18.00 Lakhs          | Car Loan       | ₹ 12.64                                                   | 7.51%                   | Secured By hypothecation of the<br>Vehicle                                                                                                                                               | 60 Monthly Instalments<br>of ₹ 35897 |
| From related parties        | NA                     | Business Loan  | ₹ 1,374.68                                                | 7% to 9%                | Unsecured                                                                                                                                                                                | Not Defined                          |

(Based on certificate duly certified by Statutory Auditor M/s. A S R V & Co., Chartered Accountants dated June 23, 2023, bearing UDIN: 23193591BGUVKS2798)

## INSURANCE

Presently, our company has following Insurance Policies:

| Sr.<br>No. | Insurance<br>Company                             | Policy Number    | Name of<br>Insured/Proposer      | Period of Insurance                             | Details                                                   | Sum Assured<br>(Amount in ₹) | Premium<br>Paid<br>(Amount in<br>₹) |
|------------|--------------------------------------------------|------------------|----------------------------------|-------------------------------------------------|-----------------------------------------------------------|------------------------------|-------------------------------------|
| 1.         | Tata AIG General<br>Insurance<br>Company Limited | 6200441104 01 00 | Shri Techtext Private<br>Limited | From 24/07/2021 to Midnight<br>of<br>23/07/2024 | Auto Secure - Standalone<br>Own Damage Private Car        | 1,418,035                    | 27,604.00                           |
| 2.         | Tata AIG General<br>Insurance<br>Company Limited | 0600018989 01 00 | Shri Techtext Private<br>Limited | From 04/10/2022 to<br>03/10/2023                | Standard Fire and Special<br>Perils                       | 450,700,000                  | 8,66,877.00                         |
| 3.         | Tata AIG General<br>Insurance<br>Company Limited | 0600025775       | Shri Techtext Limited            | From: 04/04/2023 00:00 to<br>03/04/2024 23:59   | BUSINESS GUARD -<br>Bharat Laghu Udyam<br>Suraksha Policy | 30,000,000                   | 66,622.00                           |



| Sr. No. | Insurance Company                          | Policy Number | Name of Insured/Proposer     | Period of Insurance                                    | Details                                                                        | Sum Assured (Amount in ₹)                                                                                                                                                                                                                                                                                                                                                                                                                                  | Premium Paid (Amount in ₹) |
|---------|--------------------------------------------|---------------|------------------------------|--------------------------------------------------------|--------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| 4.      | Tata AIG General Insurance Company Limited | 0600023923    | Shri Techtex Private Limited | From: 23/09/2022 00:00 Hrs to 22/09/2023 23:59 Hrs     | Business Guard - Commercial Policy Package (Small Business Solutions) - Retail | 1,300,000                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 1,075.00                   |
| 5.      | Tata AIG General Insurance Company Limited | 2250024183    | Shri Techtex Private Limited | From 00:00 Hrs of 28/10/2022 to midnight of 27/10/2023 | Employees Compensation Insurance                                               | <p><b>(I) Employees Compensation:</b><br/> <b>Limit:</b> As per Employees Compensation Act</p> <p><b>(II) Fatal Accident Act, 1855:</b> Limit: As per Fatal Accident Act</p> <p><b>(III) Common Law:</b><br/> A) Limit Per Employee for any number of accidents during Period of Insurance Rs. 0<br/> B) Limit Per Accident for any number of Employees Rs.0<br/> C) Aggregate Limit for all accidents and claims arising there from during the Period</p> | 44,639.00                  |



| Sr. No. | Insurance Company                          | Policy Number    | Name of Insured/Proposer    | Period of Insurance                               | Details                  | Sum Assured (Amount in ₹)    | Premium Paid (Amount in ₹) |
|---------|--------------------------------------------|------------------|-----------------------------|---------------------------------------------------|--------------------------|------------------------------|----------------------------|
|         |                                            |                  |                             |                                                   |                          | of Insurance<br>Rs.750000000 |                            |
| 6.      | Tata AIG General Insurance Company Limited | 6520000813 01 01 | Shri Tectex Private Limited | From 02/11/2022 to 01/11/2023 both days inclusive | Marine Cargo Open Policy | 70,97,45,762                 | 88,501.00                  |
| 7.      | Tata AIG General Insurance Company Limited | 6520001325 01 00 | Shri Tectex Private Limited | From 15/12/2022 to 14/12/2023 both days inclusive | Marine Cargo Open Policy | 100,000,000                  | 15,340.00                  |
| 8.      | Tata AIG General Insurance Company Limited | 6520004184 01    | Shri Tectex Private Limited | From 20/06/2023 to 19/06/2024 both days inclusive | Marine Cargo Open Policy | 50,000,000                   | 7,375.00                   |



## 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 183 of this Red Herring 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 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 Governments 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 administrated by Central Board of Excise and Customs under the Ministry of Finance.

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

### **Plastic Waste Management (PWM) Rules, 2016**

The government of India, through the Ministry of Environment, Forest and Climate Change notified the new Plastic Waste Management Rules, 2016 (through a Gazette notification dated 18 March, 2016). This supersedes the Plastic Waste (Management and Handling) Rules, 2011 that governed such activities earlier. This provides the framework for how plastic waste generators, local bodies, manufacturers, importers etc., to manage plastic waste.

### **The Bureau of Indian Standards Act, 1986**

The Bureau of Indian Standards Act, 1986 ("BIS Act") was established to provide for the establishment of a bureau ("Bureau") for the harmonious development of the activities of standardization, marking and quality certification of goods and for matters connected therewith. "Indian Standard" means the standard (including any tentative or provisional standard) established and published by the Bureau, in relation to any article or process indicative of the quality and specification of such article or process and includes - (i) any standard recognized by the Bureau under clause (b) of section 10 of the BIS Act; and (ii) any standard established and published, or recognized, by the Indian Standards Institution and which is in force immediately before the date of establishment of the Bureau.

## **ENVIRONMENT LAWS:**

### **National Environmental Policy, 2006**

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of National Environmental Policy:—

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

### **Environmental Legislations**

The Air (Prevention and Control of Pollution) Act, 1981 ("Air Act"), Water (Prevention and Control of Pollution) Act, 1974 ("Water Act"), and the Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016 ("Hazardous Waste Rules") aim to prevent, control and abate pollution. The Air Act stipulates that no person shall, without prior written consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area, as notified by the state pollution control board. The Water Act aims to prevent and control water pollution and to maintain or restore water purity and any person intending to establish any industry,



operation or process or any treatment and disposal system which is likely to discharge sewage or other pollution into a water body is required to obtain prior consent of the relevant state pollution control board. The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to obtain an approval from the relevant state pollution control board and to dispose of such waste without harming the environment. The Forest (Conservation) Act, 1980 (“FCA”) read with Forest (Conservation) Rules, 2003 aim to preserve forest land and provide for restriction on the deforestation of forests or use of forest land for non-forest purpose and requires prior approval for use of forest land for any non-forest purpose. The Environment (Protection) Act, 1986 read with Environment (Protection) Rules, 1986 aim to protect and improve the environment and provide rules for prevention, control and abatement of environment pollution and impose obligation for proper handling, storage, treatment, transportation and disposal of hazardous wastes.,

### **The Noise Pollution (Regulation and Control) Rules, 2000**

These Noise Pollution (Regulation and Control) Rules, 2000 (“Noise Pollution Rules”) were constituted to regulate and control noise producing and generating sources with the objective of maintaining the ambient air quality standards in respect of noise and were considered necessary as increasing ambient noise levels in public places from various sources, inter-alia, industrial activity, construction activity, (fire crackers, sound producing instruments), generator sets, loud speakers, public address systems, music systems, vehicular horns and other mechanical devices have deleterious effects on human health and psychological well-being of the people. The Noise Pollution Rules provide ambient air quality criteria with respect of noise for different areas/zones. The Noise Pollution Rules further provide powers to the authority to enforce the noise control measures in the areas/zones. The Noise Pollution Rules provide modes of making complaints to the authority in case noise levels exceed the ambient noise standards along with penalties and liabilities on account of violations in the silence zones/areas.

### **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”)**

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term “hazardous waste” has been defined in the Hazardous Waste Rules and any person who has control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an “occupier”. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

### **Environment Impact Assessment Notification of 2006**

The Ministry of Environment, Forests and Climate Change has notified the Environment Impact Assessment Notification of 2006 in September 2006. The notification makes it mandatory for various projects to get environment clearance.

## **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 2017, 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. Therefore, applicable foreign investment up to 100% is permitted in our company under automatic route.

### **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. 100 % FDI is permitted in under the automatic route in the IT sector.

### **Duty Drawback Scheme**

The duty drawback scheme is an option available to exporters. Under this scheme, exporter of goods is allowed to take back refund of money to compensate him for excise duty paid on the inputs used in the products exported by him. It neutralizes the duty impact in the goods exported. Relief of customs and central excise duties suffered on the inputs used in the manufacture of export product is allowed to exporters. The admissible duty drawback amount is paid to exporters by depositing it into their nominated bank account. Section 75 of the Customs Act, 1962 and Section 37 of the Central Excise Act, 1944, empower the Central Government to grant such duty drawback. Customs, Central Excise Duties and Service Tax Drawback Rules, 1995 (the “Drawback Rules”) have been framed outlining the procedure to be followed for the purpose of grant of duty drawback (for both kinds of duties suffered) by the customs authorities processing export documentation. Under duty drawback scheme, an exporter can opt for either all industry rate of duty drawback scheme or brand rate of duty drawback scheme.

The all industry rate of duty drawback scheme essentially attempts to compensate exporters of various export commodities for average incidence of customs and central excise duties suffered on the inputs used in their manufacture. Brand rate of duty drawback is granted in terms of rules 6 and 7 of the Drawback Rules in cases where the export product does not have any all industry rate or duty drawback rate, or where the all industry rate duty drawback rate notified is considered by the exporter insufficient to compensate for the customs or central excise duties suffered on inputs used in the manufacture of export products. For goods having an all industry rate, the brand rate facility to particular exporters is available only if it is established that the compensation by all industry rate is less than 80% of the actual duties suffered in the manufacture of the export goods.

### **Merchandise Exports from India Scheme**

Pursuant to the Foreign Trade Policy (2015-2020), the Merchandise Exports from India Scheme (the “MEI Scheme”) was introduced to provide rewards to exporters to offset infrastructure inefficiencies and associated costs in export of goods, especially those having high export intensity, employment potential and ability to enhance India’s export competitiveness. Export of notified goods to notified markets are rewarded under the MEI Scheme. The basis for calculation of the reward under the MEI Scheme is on the Free on Board (“FOB”) value of exports realized in free foreign exchange or on the FOB value of exports mentioned in the shipping bill, whichever is less, unless otherwise specified. With effect from June 1, 2015, the MEI Scheme mandatorily requires a declaration of intent to be endorsed on the shipping bills (except free shipping bills) to be eligible to claim any reward under the MEI Scheme.

### **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.

#### **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.

#### **The Factories Act, 1948**

The Factories Act, 1948 ("Factories Act") aims at regulating labour employed in factories. A "factory" is defined as any premises whereon ten or more workers are working or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on. The main aim of the said Act is to ensure adequate safety measures and to promote the health and welfare of the workers employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places. Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the "occupier", being the person who has ultimate control over the affairs of the factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of the offence and punishable with imprisonment or with fine. The occupier is required to submit a written notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

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 heavens 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

### COMPANY'S BACKGROUND

Our Company was originally formed and registered as a partnership firm under the Partnership Act, 1932 ("Partnership Act") in the name and style of "M/s Shree Tech Tex Company", pursuant to a deed of partnership dated January 7, 2011. Subsequently, the constitution of partnership firm were changed on February 18, 2016, July 01, 2017, March 14, 2018 and June 12, 2020 by admission and retirement of partners. Later on, Name of "M/s Shree Tech Tex Company" was changed to "M/s Shri Techtex" on July 03, 2018 by amendment in Deed of Partnership. "M/s Shri Techtex" was thereafter converted from a partnership firm to a private limited company under Part I chapter XXI of the Companies Act, 2013 in the name of "Shri Techtex Private Limited" and received a certificate of incorporation dated September 08, 2018 from the Central Registration Center, Ministry of Corporate Affairs. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on December 31, 2022 and the name of our Company was changed to "Shri Techtex Limited". A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated January 03, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U36900GJ2018PLC104005.

Our company is engaged in the business of manufacturing of Polypropylene (PP) Non-Woven Fabric. The practical use of non-woven fabric is more ecological for certain applications, especially in fields and industries where disposable or single use products are important, such as organic farming, hospitals, health care, nursing homes, home furnishing, vehicle upholstery seat fabrication, Mattress & furniture covering, ecological packaging, industrial and consumer goods. We manufacture PP non-woven fabric in variety of sizes and density. As on the date of this Red Herring Prospectus, we manufacture PP non-woven fabric upto 4.5 meters size and 15 GSM to 800 GSM.

Our manufacturing facility is situated at Simaj of Dholka Taluka in Ahmedabad District of Gujarat. The manufacturing facility is well connected with near about transport hubs. Our manufacturing facility is spread across 41548 sq. meters. The manufacturing facility is installed with manufacturing capacity of 3600 MT PP non-woven fabric per annum.

In past, since FY 2011, as a Partnership firm, we were engaged in the business of industrial trading activity in Polymers, Chemicals, Packaging Materials and other allied products. Upon conversion of Partnership Firm to company, our company continued manufacturing on job work basis and in the initial phase we were engaged in job work basis exclusively for our group companies. However, w.e.f. April 01, 2021, as a result of demerger, the said business of contract manufacturing was transferred to resultant company Aurum Fabritech Private Limited (Aurum Fabritech Private Limited was converted to LLP w.e.f. February 02, 2022). After the demerger, till date, our company is engaged in the business of manufacturing of Polypropylene (PP) Non-Woven Fabric.

Till date, in our existing manufacturing vertical, we have been catering majorly to offshore customers. In last 3 years we have derived our revenue from exports from countries namely USA, Taiwan, Canada, Denmark and China. However, recently, we have started focusing more on domestic market for products manufactured by us. As on the date of this Red Herring Prospectus, we derive revenue from domestic sales from states namely Gujarat, Tamil Nadu and West Bengal.

In order to improve our product portfolio, Our company is planning for business expansion by adding new business lines viz. Manufacturing of Hot melt Coating Lamination and PP Multifilament Yarn. Our company expect both machineries to be ready for commercial production by April 2024 having installed capacity of 3360 tons and 1200 tons per annum respectively. For more details please refer to the chapter titled "Objects of the Issue" beginning from page no 85 of this Red Herring Prospectus.

The table below sets forth some of the key financial indicators:

(₹ in Lakhs unless provided otherwise)

| Particulars                   | FY 2022-23      | FY 2021-22      | FY 2020-21      |
|-------------------------------|-----------------|-----------------|-----------------|
| Revenue from Operations       | 5,692.39        | 5,117.63        | 3,946.76        |
| Other Income                  | 115.19          | 64.51           | 74.82           |
| <b>Total Income</b>           | <b>5,807.58</b> | <b>5,182.15</b> | <b>4,021.58</b> |
| EBITDA                        | 1,250.78        | 1,226.21        | 1,807.08        |
| PAT                           | 910.63          | 826.56          | 1,265.68        |
| PAT % Revenue from Operations | 16.00%          | 16.15%          | 32.07%          |
| Debt to Equity (in times)     | 1.07            | 1.17            | 0.72            |

### REGISTERED OFFICE:



Registered Office of the Company is presently situated at Harmony, 2nd Floor, 15/A, Shree Vidhyanagar Co. Op. Hsg. Soc. Ltd. Opp. NABARD, Nr. Usmanpura Garden Ahmedabad Gujarat 380014 India. The Registered office of our Company has been changed since incorporation.

| Date of Change of Registered office | Registered Office                                                                              | Reason                         |
|-------------------------------------|------------------------------------------------------------------------------------------------|--------------------------------|
| On Incorporation                    | A-801, Narnarayan Complex, Opp. Navrangpura P.O., Navrangpura Ahmedabad Gujarat 380009, India. | For administrative convenience |

## KEY AWARDS, CERTIFICATIONS, ACCREDITATIONS AND RECOGNITIONS

For Key Awards, Certifications, Accreditations please refer to the section “*Business Overview*” on Page no 114 of this Red Herring Prospectus

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

### AUTHORIZED CAPITAL

The following changes have been made in the Authorized Capital of our Company since inception:

| Date of Amendment | Particulars                                                                                                                                                                                                                                |
|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| On Incorporation  | Authorized Capital of ₹ 500.00 Lakhs (Rupees Five Crores Only) Consisting into 50,00,000 (Fifty Lakhs Only) Equity Shares of ₹ 10/-each.                                                                                                   |
| November 21, 2022 | The Authorised Equity Share capital increased from ₹ 500.00 Lakhs Consisting of 50,00,000 (Fifty Lakhs only) equity shares of ₹ 10/- each to ₹ 2500.00 Lakhs Divided into 2,50,00,000 (Two Crore Fifty Lakhs) Equity Shares of ₹10/- each. |

### NAME CLAUSE

The Following changes have been made in Name Clause of our company since its inceptions.

| Date of Event     | Particulars                                                                                   | Reason                                               |
|-------------------|-----------------------------------------------------------------------------------------------|------------------------------------------------------|
| On Incorporation  | Shri Techtex Private Limited                                                                  | Not Applicable                                       |
| December 31, 2022 | The name of our Company Change from “Shri Techtex Private Limited” to “Shri Techtex Limited”. | Considering the current scenario and future planning |

## MAJOR EVENTS

There are no major events in the company since its incorporation except as mentioned below.

| Year | Key Events/Milestone/ Achievement                                                                                 |
|------|-------------------------------------------------------------------------------------------------------------------|
| 2018 | Our Company was incorporated as a private limited company under the name “ <i>Shri Techtex Private Limited</i> ”. |
| 2023 | Conversion of Our company from Private Limited to Public Limited Company                                          |

## OTHER DETAILS REGARDING OUR COMPANY

For information on our activities, services, growth, technology, marketing strategy, our standing with reference to our prominent competitors and customers, please refer to sections titled “*Business Overview*”, “*Industry Overview*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on page no. 114, 106, and 163 respectively of this Red Herring 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 page nos. 144 and 61 respectively of this Red Herring Prospectus.

## RAISING OF CAPITAL IN FORM OF EQUITY OR DEBT

For details regarding our capital raising activities through equity or debt, please see the section entitled “*Capital Structure*” and “*Restated Financial Information*” on page nos. 61 and 161 respectively of this Red Herring Prospectus.



## **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS AND CONVERSION OF LOANS INTO EQUITY**

There have been no defaults or rescheduling of borrowings with financial institutions/banks in respect of our current borrowings from lenders. None of our outstanding loans have been converted into equity shares.

## **HOLDINGS AND JOINT VENTURES OF THE COMPANY**

As on the date of this Red Herring Prospectus, our Company does not have Holding Company or Joint Venture Company

## **SUBSIDIARIES OF THE COMPANY**

As on the date of this Red Herring Prospectus, our company does not have any Subsidiary.

## **INJUNCTION AND RESTRAINING ORDER**

Our company is not under any injunction or restraining order, as on date of filing of this Red Herring Prospectus.

## **MANAGERIAL COMPETENCE**

For managerial Competence, please refer to the section “*Our Management*” on Page no. 144 of this Red Herring Prospectus.

## **MATERIAL ACQUISITIONS / AMALGAMATIONS / MERGERS/ REVALUATION OF ASSETS/DIVESTMENT OF BUSINESS/UNDERTAKING IN LAST TEN YEARS**

There has been no Material Acquisitions/Amalgamations/Mergers/Revaluation of Assets/Divestment of Business/Undertaking in last ten years except as provided below;

### **Acquisition**

Our company acquired 10,000 Equity Shares of Aurum Fabrictech Private Limited from Mr. Hanskumar Ramakant Agarwal on April 01, 2021 for cash consideration of ₹ 100,000 making its our wholly owned subsidiary.

### **Demerger**

- Scheme of Arrangement between Shri Techtex Private Limited (Demerged Company) (Now Converted to Public Limited company and name is changed to Shri Techtex Limited) Aurum Fabrictech Private Limited (Resultant Company) (Formerly Known As Snowflakes Travel Private Limited and now converted to Limited Liability Partnership Firm viz. Aurum Fabrictech LLP) and their respective shareholders and creditors Under Section 233 of The Companies Act, 2013 was approved by Regional Director Ahmedabad vide letter reference number RD(NWR)/233/(23)/2021-22/3045 dated December 24, 2021. Scheme will be effective from April 01, 2021 (*Appointed Date*).
- Upon filing of the Confirmation Order with the Registrar of Companies, Companies and with effect from Appointed date the whole of demerger undertaking (Unit I of Demerged Company) without any further act, instrument, deed, matter or thing shall stand transferred to and vested in as going concern with resultant company in terms of the Scheme.
- The Resultant company shall, subject to provisions of the Scheme and without further application, act or deed issue and allot equity shares credited in the ratio of 1000 fully paid-up Equity shares of ₹ 10 each of the resultant company shall for every 1119 Equity Shares held by shareholders of Demerged Company whose name appears in the registrar of member of the demerged company on record date. Upon implementation of scheme our company seize to become Holding company of Aurum Fabrictech Private Limited now converted to Limited Liability Partnership Firm viz. Aurum Fabrictech LLP).

## **TOTAL NUMBER OF SHAREHOLDERS OF OUR COMPANY**

As on the date of filing of this Red Herring Prospectus, the total numbers of equity shareholders are 7 (Seven). For more details on the shareholding of the members, please see the section titled “*Capital Structure*” at page no. 61 of this Red Herring Prospectus.

## **MAIN OBJECTS AS SET OUT IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The objects for which our Company is established are:



*“To carry on the business as manufactures, processors, converters, representative, traders, dealers, exporters, importers, factors, distributors, consignors, consignees and stockiest/suppliers of all classes, kind, nature and description of polymers, plastic, non-woven and woven products.”*

#### **SHAREHOLDERS' AGREEMENTS**

Our Company has not entered into any shareholders agreement as on the date of filing this Red Herring Prospectus.

#### **OTHER AGREEMENTS**

As on the date of this Red Herring Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered as on the date of this Red Herring Prospectus.

#### **JOINT VENTURE AGREEMENTS**

Our Company has not entered into any joint venture agreement as on the date of this Red Herring Prospectus.

#### **COLLABORATION AGREEMENTS**

Our Company has not entered into any collaboration agreement as on the date of this Red Herring Prospectus.

#### **STRATEGIC PARTNERS**

Our Company is not having any strategic partner as on the date of filing this Red herring Prospectus.

#### **FINANCIAL PARTNERS**

Our Company has not entered into any financial partnerships with any entity as on the date of filing of this Red Herring Prospectus.



## OUR MANAGEMENT

**Board of Directors:** In accordance with Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15. Our Company currently has 5 (Five) directors on our Board, out of which 2 (Two) are Executive Directors, 1 (One) is Non-Executive Directors, 2 (Two) 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 Red Herring 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>Mrs. Shradha Hanskumar Agarwal</b><br><b>Father Name:</b> Mr. Madhusudan Sundarmal Sonthalia<br><b>Date of Birth:</b> March 03, 1979<br><b>Age:</b> 44 Years<br><b>Designation:</b> Chairman and Managing Director<br><b>Address:</b> 1, Ishwar Park, Opp. Prashant Society, Navarangpura Ahmedabad, Gujarat 380014<br><b>Experience:</b> She has experience of more than 15 years in the field of Technical Textile.<br><b>Occupation:</b> Business<br><b>Qualifications:</b> Bachelor of Commerce<br><b>Nationality:</b> Indian<br><b>DIN:</b> 02195281                                                                                                   | She was appointed as an Executive Director of the company since incorporation. Thereafter her designated was change to chairman and managing director the company w.e.f. January 03, 2023 liable to retire by rotation. | 6392100 Equity Shares; 36.42% of Pre- Issue Paid up capital  | <b>Company</b><br>➤ Aurum Fabtech Private Limited<br>➤ Prismatech Private Limited<br>➤ Photonet Technologies Private Limited<br>➤ Omjagdamba Foundation<br><br><b>LLP</b><br>➤ Aurum Fabrictech LLP                                                                                                               |
| 2.     | <b>Mr. Hanskumar Ramakant Agarwal</b><br><b>Father Name:</b> Mr. Ramakant Jhabarmal Bhojnagarwala<br><b>Date of Birth:</b> February 04 ,1977<br><b>Age:</b> 46 Years<br><b>Designation:</b> Executive Director<br><b>Address:</b> 1, Ishwar Park, Opp. Prashant Society, Navarangpura, Ahmedabad, Gujarat 380014, India.<br><b>Experience:</b> He has Experience of more than 25 years in the field of Technical Textile.<br><b>Occupation:</b> Business<br><b>Qualifications:</b> He has completed higher secondary education from Gujarat Secondary and Higher Secondary Education Board in year 1994.<br><b>Nationality:</b> Indian<br><b>DIN:</b> 00013290 | He was appointed as an additional executive director of the company w.e.f. October 31, 2022. Thereafter he was regularized as an executive director the company w.e.f. November 21, 2022 liable to retire by rotation.  | 6409611 Equity Shares; 36.52 % of Pre- Issue Paid up capital | <b>Company</b><br>➤ Shakti Polyweave Private Limited<br>➤ Shakti Techtex Private Limited<br>➤ Aurum Fabtech Private Limited<br>➤ Prismatech Private Limited<br>➤ Photonet Technologies Private Limited<br>➤ Shakti Techtex Private Limited<br>➤ Omjagdamba Foundation<br><br><b>LLP</b><br>➤ Aurum Fabrictech LLP |
| 3.     | <b>Mr. Vikas Srikishan Agarwal</b><br><b>Father Name:</b> Mr. Srikishan Lekharam Agarwal<br><b>Date of Birth:</b> February 16, 1975                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | He was appointed as an Executive Director of the company since                                                                                                                                                          | 3120 Equity Shares; 0.02% of Pre- Issue Paid up capital      | ➤ Shri Jagdamba Polymers Limited                                                                                                                                                                                                                                                                                  |





| 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                                                                                                                                                                                |
|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        | <b>Age:</b> 47 Years<br><b>Designation:</b> Non-Executive and Non-Independent Director<br><b>Address:</b> 11, Mudra Apartment, Chaitanya society, Nr. Sardar Patel Stadium, Navrangpura, Ahmedabad-380009, Gujarat, India.<br><b>Experience:</b> He has Experience of more than 5 years in the field of Technical Textile.<br><b>Occupation:</b> Business<br><b>Qualifications:</b> Hold the Degree of Bachelor of Commerce (B.com) from the Gujarat University.<br><b>Nationality:</b> Indian<br><b>DIN:</b> 03585140                                                                                                                      | incorporation. Thereafter his directorship status was changed to Non-Executive and Non-Independent director of the company w.e.f. January 03, 2023 for 5 years liable to retire by rotation.                                                                                                                                        |                                                            |                                                                                                                                                                                                    |
| 4.     | <b>Mr. Vimalkumar Mishralal Shah</b><br><b>Father Name:</b> Mr. Mishralal Shankarlal Shah<br><b>Date of Birth:</b> June 12, 1987<br><b>Age:</b> 35 Years<br><b>Designation:</b> Independent Director<br><b>Status:</b> Non-Executive<br><b>Address:</b> 53, Khetan Tower, Near Rajasthan Hospital, Shahibaug, Ahmedabad, Gujarat -380 004, India.<br><b>Experience:</b> He has an experience of more than 08 years in area of taxation and compliance.<br><b>Occupation:</b> Self Employed<br><b>Qualifications:</b> He is member of the Institute of Chartered Accountants of India.<br><b>Nationality:</b> Indian<br><b>DIN:</b> 03011067 | He was appointed as an additional Independent Director of the company w.e.f. January 03, 2023. Thereafter he was regularised as an Independent Director of the company on January 04, 2023 to hold office of the company for a term of 5 (five) years w.e.f. January 03, 2023 to January 02, 2028 not liable to retire by rotation. | NIL                                                        | ➤ Ideal Project Finance Services Private Limited<br>➤ Scarnose International Limited<br>➤ Intellity Webport Private Limited                                                                        |
| 5.     | <b>Mr. Anup Mahendra Gopalka</b><br><b>Father Name:</b> Mr. Mahendra Bansidhar Gopalka<br><b>Date of Birth:</b> October 05, 1967<br><b>Age:</b> 55 Years<br><b>Designation:</b> Independent Director<br><b>Status:</b> Non-Executive<br><b>Address:</b> E- 301, Aura Villa, Thaltej, Hebatpur road, Ahmedabad, Gujarat-380059, India.<br><b>Experience:</b> He has an Experience of more than 19 years in the Technical textile Industry.<br><b>Occupation:</b> Business                                                                                                                                                                    | He was appointed as an additional Independent Director of the company w.e.f. January 03, 2023. Thereafter he was regularised as an Independent Director of the company on January 04, 2023 to hold office of the company for a term of 5 (five)                                                                                     | NIL                                                        | ➤ Amira Tanna Industries Private Limited<br>➤ Packem Umasree Private Limited<br>➤ Solos Polymers Private Limited<br>➤ Bulkcorp International Private Limited<br>➤ Umasree Texplast Private Limited |



| 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 |
|--------|---------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|------------------------------------------------------------|---------------------|
|        | <b>Qualifications:</b> Hold the Degree of Bachelor of Commerce from the Gujarat University.<br><b>Nationality:</b> Indian<br><b>DIN:</b> 01114195 | years w.e.f. January 03, 2023 to January 02, 2028 not liable to retire by rotation. |                                                            |                     |

## **BRIEF PROFILE OF OUR DIRECTORS**

### **1. Mrs. Shradha Hanskumar Agarwal, Chairman and Managing Director, Age: 44 Years**

Mrs. Shradha Hanskumar Agarwal 44 years is Chairman and Managing Director and also the Promoter of our Company. She holds the Degree of Bachelor of Commerce (B.com) from the Osmania University. She was appointed as an Executive Director of the company since incorporation. Thereafter her designation was change to chairman and managing director of the company w.e.f. January 03, 2023. She has an experience of more than 15 years in the field of Technical Textile. She has been instrumental in taking major policy decision of the Company. She is playing vital role in formulating business strategies and effective implementation of the same. She is responsible for the expansion and overall management of the business of our Company. Her Vision to do business with ethics & to keep up with latest developments.

### **2. Mr. Hanskumar Ramakant Agarwal, Executive Director, Age: 46 Years**

Mr. Hanskumar Ramakant Agarwal, aged 46 years, is the Executive Director and also the Promoter of our Company. He has completed higher secondary education from Gujarat Secondary and Higher Secondary Education Board in year 1994. He was appointed as an additional executive director of the company w.e.f. October 31, 2022. Thereafter he was regularized as an executive director the company w.e.f. November 21, 2022. He has an Experience of more than 25 years in the field of Technical Textile. He is responsible to play a significant role in the Production, Human Resource, and Sales Department as well as day to day business operations of the company.

### **3. Mr. Vikas Srikishan Agarwal, Non-Executive Director, Age: 47 Years**

Mr. Vikas Srikishan Agarwal, aged 47 years is the Non-Executive Director of our Company. He holds degree in Bachelor of Commerce. He was appointment as First Director of our company on Incorporation. Thereafter He was director ship status was changed to Non-Executive Director for a period of 5 years w.e.f. January 03, 2023 liable to retire by rotation. He is having experience of 5 years in the technical textile industry.

### **4. Mr. Vimalkumar Mishralal Shah, Independent Director, Age: 35 Years**

Mr. Vimalkumar Mishralal Shah aged 35 years is Independent Director of our Company. He was appointed as an Additional Independent Director on the Board of the Company and his appointed by regularised in EOGM held on January 04, 2023 as an Independent Director to hold office for a term upto 5 consecutive years. He is member of the Institute of Chartered Accountants of India having post qualification experience of 8 Years in area of Taxation and compliance.

### **5. Mr. Anup Mahendra Gopalka, Independent Director, Age: 55 Years**

Mr. Anup Mahendra Gopalka, aged 55 years is Independent Director of our Company. He was appointed as an Additional Independent Director on the Board of the Company and his appointed by regularised in EOGM held on January 04, 2023 as an Independent Director to hold office for a term upto 5 consecutive years. He holds degree in Bachelor of Commerce having experience of 19 Years in Packaging Industry.

## **As on the date of the Red Herring Prospectus:**

- None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers
- None of the Promoters, persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.



- C. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) up to the date of filling of this Red Herring Prospectus.
- E. None of Promoters or Directors of our Company are a fugitive economic offender.
- F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

#### **RELATIONSHIP BETWEEN THE DIRECTORS**

There is no relationship between any of the Directors of our Company except the following relationship: -

| Name of Director               | Designation                    | Relation                                         |
|--------------------------------|--------------------------------|--------------------------------------------------|
| Mrs. Shradha Hanskumar Agarwal | Chairman and Managing Director | She is Spouse of Mr. Hanskumar Ramakant Agarwal. |
| Mr. Hanskumar Ramakant Agarwal | Executive Director             | He is Spouse of Mrs. Shradha Hanskumar Agarwal.  |

#### **ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS AND OTHERS**

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above-mentioned Directors was selected as director or member of senior management.

#### **SERVICE CONTRACTS**

None of our directors have entered into any service contracts with our company and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company. However, Executive Directors of our Company are appointed for specific terms and conditions for which no formal agreements are executed, however their terms and conditions of appointment and remuneration are specified and approved by the Board of Directors and Shareholders of the Company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of employment.

#### **BORROWING POWERS OF THE BOARD OF DIRECTORS**

Our Company has passed a Special Resolution in the Extra-ordinary General Meeting of the members held on January 04, 2023, 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. 200 Crore (Rupees Two hundred Crores only).

#### **COMPENSATION AND BENEFITS TO THE CHAIRMAN AND MANAGING DIRECTOR AS FOLLOWS: -**

| Name                                       | Mrs. Shradha Hanskumar Agarwal                                                                                                                                                                                   |
|--------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Designation                                | Chairman and Managing Director                                                                                                                                                                                   |
| Date of Appointment/ Change in Designation | January 03, 202 She was appointed as an Executive Director of the company w.e.f. September 08, 2018. Thereafter her designated was change to chairman and managing director the company w.e.f. January 03, 2023. |
| Period                                     | 5 (five) years w.e.f. January 03, 2023                                                                                                                                                                           |
| Salary                                     | Up to ₹ 10.00 (Ten) Lakhs Per month                                                                                                                                                                              |



| Name                                                    | Mrs. Shradha Hanskumar Agarwal |
|---------------------------------------------------------|--------------------------------|
| Bonus                                                   | -                              |
| Perquisite/Benefits                                     | -                              |
| Commission:                                             | -                              |
| Compensation/ remuneration paid during the F.Y. 2022-23 | 15.00                          |

#### **SITTING FEES PAYABLE TO NON-EXECUTIVE DIRECTORS**

Till date, our Company has not paid any sitting fees to any of the Non-Executive Directors for attending any of the Board or Committee Meetings. Further, The Board of Directors have approved sitting fees ₹ 2000 / Board Meeting for Non-Executive Directors.

#### **SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY**

For details regarding shareholding of our directors please refer chapter titled as Capital Structure on page 61 of this Red Herring Prospectus.

#### **INTEREST OF DIRECTORS**

All the non-executive directors of the company may be deemed to be interested to the extent of fees, payable to them for attending meetings of the Board or Committee if any as well as to the extent of other remuneration and/or reimbursement of expenses payable to them as per the applicable laws.

The directors may be regarded as interested in the shares and dividend payable thereon, if any, held by or that may be subscribed by and allotted/transferred to them or the companies, firms and trust, in which they are interested as directors, members, partners and or trustees. All directors may be deemed to be interested in the contracts, agreements/arrangements to be entered into by the issuer company with any company in which they hold directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations.

Executive Director is interested to the extent of remuneration paid to them for services rendered to the company and also payment of interest on unsecured loan.

Except as stated under “Annexure –IX - Statement of Related Party & Transactions under Chapter titled “Restated Financial Information” beginning on page 161 of the Red Herring Prospectus, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of the Red Herring Prospectus in which our directors are interested directly or indirectly

#### **CHANGES IN THE BOARD OF DIRECTORS DURING THE LAST THREE YEARS**

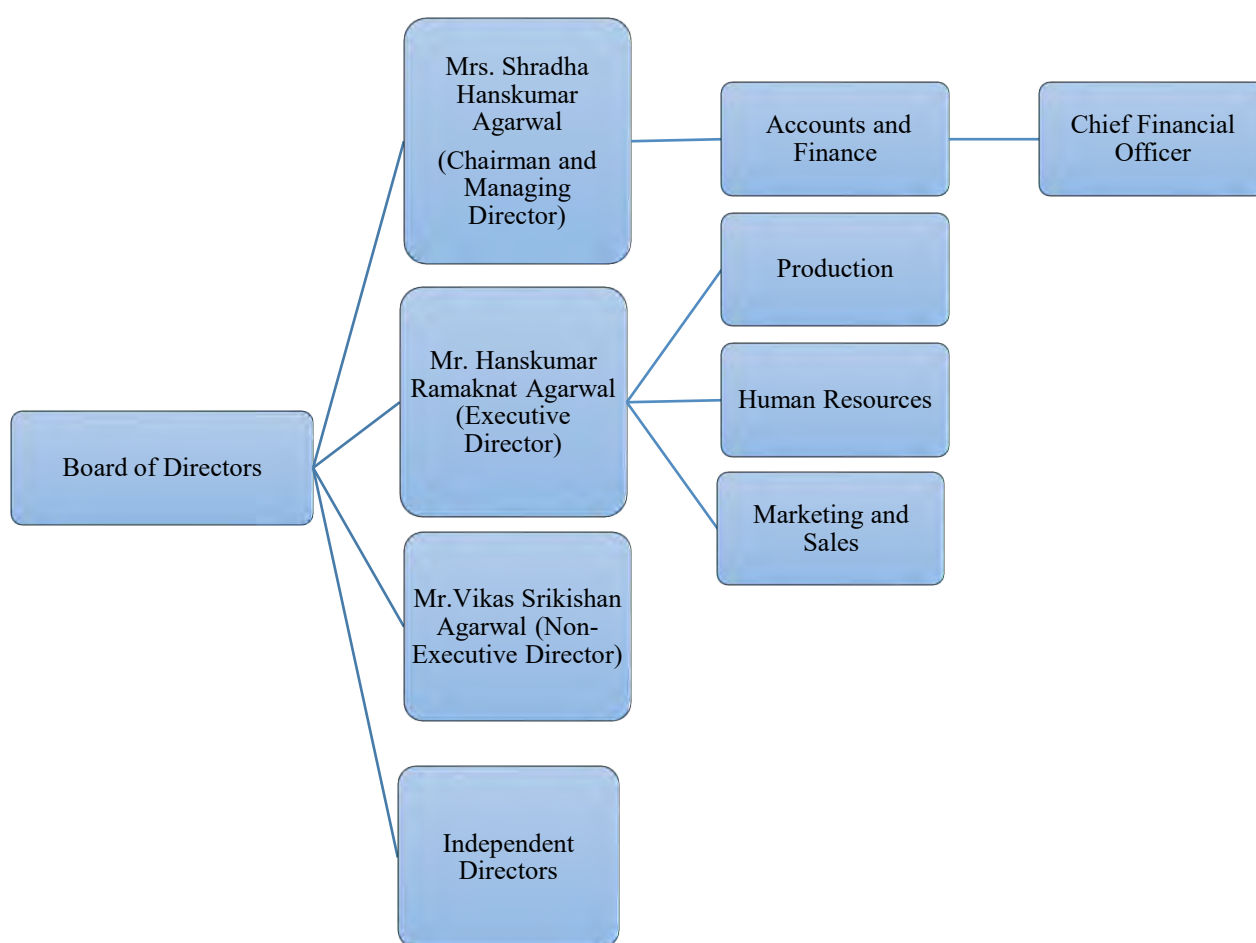
| Name of Director               | Date of Event     | Nature of Event       | Reason for the changes in the board                                                                                                             |
|--------------------------------|-------------------|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| Mr. Hanskumar Ramakant Agarwal | October 31, 2022  | Appointment           | He has been appointed as an Additional Executive Director of the Company w.e.f. October 31, 2022.                                               |
| Mr. Hanskumar Ramakant Agarwal | November 21, 2022 | Regularisation        | He has been regularised as an Executive Director of the Company w.e.f. November 21, 2022.                                                       |
| Mrs. Shradha Hanskumar Agarwal | January 03, 2023  | Change in Designation | She has been appointed as Chairman and Managing Director of the Company w.e.f. January 03, 2023.                                                |
| Mr. Vikas Srikishan Agarwal    | January 03, 2023  | Change in Designation | His designation was changed from executive to Non Independent Non-Executive Director of the Company w.e.f. January 03, 2023.                    |
| Mr. Vimalkumar Mishrilal Shah  | January 03, 2023  | Appointment           | He has been appointed as an Additional Independent Director of the company w.e.f. January 03, 2023.                                             |
| Mr. Anup Mahendra Gopalka      | January 03, 2023  | Appointment           | He has been appointed as an Additional Non-Executive Independent Director of the company w.e.f. January 03, 2023.                               |
| Mr. Vimalkumar Mishrilal Shah  | January 04, 2023  | Regularise            | He has been regularised as an Independent Director of the company for the period of 5 (five) years w.e.f. January 03, 2023 to January 02, 2028. |



| Name of Director               | Date of Event     | Nature of Event | Reason for the changes in the board                                                                                                             |
|--------------------------------|-------------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| Mr. Hanskumar Ramakant Agarwal | October 31, 2022  | Appointment     | He has been appointed as an Additional Executive Director of the Company w.e.f. October 31, 2022.                                               |
| Mr. Hanskumar Ramakant Agarwal | November 21, 2022 | Regularisation  | He has been regularised as an Executive Director of the Company w.e.f. November 21, 2022.                                                       |
| Mr. Anup Mahendra Gopalka      | January 04, 2023  | Regularise      | He has been regularised as an Independent Director of the company for the period of 5 (five) years w.e.f. January 03, 2023 to January 02, 2028. |

## **MANAGEMENT ORGANISATION STRUCTURE**

The following chart depicts our Management Organization Structure: -



## **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 Emerge Platform of NSE. 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

The Board of Directors of our Company has, in pursuance to provisions of Section 177 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on January 03, 2023 constituted Audit Committee.

The constitution of the Audit Committee is as follows:

| Name of the Directors         | Designation | Nature of Directorship |
|-------------------------------|-------------|------------------------|
| Mr. Vimalkumar Mishrilal Shah | Chairman    | Independent            |
| Mr. Anup Mahendra Gopalka     | Member      | Independent            |
| Mr. Shradha Hanskumar Agarwal | Member      | Managing Director      |

Our Chief financial Officer (CFO) or Company Secretary and Compliance officer will act as the secretary of the Committee.

#### Terms of Reference

➤ The Role of Audit Committee not limited to but includes: -

1. The recommendation for the appointment, re-appointment and, if required, the replacement or removal of the auditor, their remuneration and fixation of terms of appointment of the Auditors of the Company;
2. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
3. Examination of financial statement and auditors' report thereon including interim financial result before submission to the Board of Directors for approval;
  - a. Changes, if any, in accounting policies and practices and reasons for the same
  - b. Major accounting entries involving estimates based on the exercise of judgment by management
  - c. Significant adjustments made in the financial statements arising out of audit findings
  - d. Compliance with listing and other legal requirements relating to financial statements
  - e. Disclosure of any related party transactions
  - f. Qualifications in the draft audit report.
4. Approval or any subsequent modification of transactions of the Company with related party;

Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company subject to such conditions as may be prescribed under the Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof;

Provided further that in case of transaction, other than transactions referred to in section 188 of Companies Act 2013 or any subsequent modification(s) or amendment(s) thereof, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board;

Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee;

5. Reviewing, with the management, and monitoring 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;

6. Scrutiny of Inter-corporate loans and investments;
7. Reviewing and discussing 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;
8. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
9. Valuation of undertakings or assets of the company, where ever it is necessary;
10. Evaluation of internal financial controls and risk management systems and reviewing, with the management, performance of internal auditors, and adequacy of the internal control systems; and
11. 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;
12. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate; and
13. Carrying out any other function as assigned by the Board of Directors from time to time.

➤ **Review of Information**

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses; and
- v. The appointment, removal and terms of remuneration of the Internal Auditor.
- vi. Annual statement of funds utilized for purpose other than those stated in the offer document/ prospectus.

➤ **Powers of Committee**

- i. To investigate any activity within its terms of reference;
- ii. To seek information from any employees;
- iii. To obtain outside legal or other professional advice; and
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

➤ **Quorum and Meetings**

The audit committee shall meet as and when required to discuss and approve the items included in its role. The quorum of the meeting of the Audit Committee shall be one third of total members of the Audit Committee or 2, whichever is higher, subject to minimum two Independent Director shall present at the Meeting.

## **2. Stakeholders Relationship Committee**

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held today i.e., January 03, 2023 constituted Stakeholders Relationship Committee.

The constituted Stakeholders Relationship Committee comprises the following:

| Name of the Directors     | Designation | Nature of Directorship |
|---------------------------|-------------|------------------------|
| Anup Mahendra Gopalka     | Chairman    | Independent Director   |
| Vimalkumar Mishrilal Shah | Member      | Independent Director   |
| Vikas Srikishan Agarwal   | Member      | Non-Executive Director |

Our Chief financial Officer (CFO) or Company Secretary and Compliance officer will act as the secretary of the Committee.

➤ **Terms of Reference**

To supervise and ensure;

- i. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares;



- ii. Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.;
- iii. Issue duplicate/split/consolidated share certificates;
- iv. Dematerialization/Rematerialization of Share;
- v. Review of cases for refusal of transfer / transmission of shares and debentures;
- vi. Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances; Provided that inability to resolve or consider any grievance by the Stakeholders Relationship Committee in good faith shall not constitute a contravention of Section 178 of Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof.
- vii. Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

#### ➤ **Quorum and Meetings**

The Stakeholders Relationship Committee shall meet as and when require to discuss and approve the items included in its role. The quorum shall be one third of total members of the Stakeholders Relationship Committee or 2 members, whichever is higher.

### **3. Nomination and Remuneration Committee**

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held today i.e. January 03, 2023 constituted Nomination and Remuneration Committee.

The Nomination and Remuneration Committee comprise the following:

| <b>Name of the Directors</b> | <b>Designation</b> | <b>Nature of Directorship</b> |
|------------------------------|--------------------|-------------------------------|
| Vimalkumar Mishrilal Shah    | Chairman           | Independent Director          |
| Anup Mahendra Gopalka        | Member             | Independent Director          |
| Vikas Srikishan Agarwal      | Member             | Non-Executive Director        |

Our Chief financial Officer (CFO) or Company Secretary and Compliance officer will act as the secretary of the Committee.

#### **Terms of reference**

#### ➤ **Role of Nomination and Remuneration Committee not limited to but includes: -**

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iii. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iv. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance.

#### ➤ **Quorum and Meetings**

The Committee is required to meet at least once a year. The quorum necessary for a meeting of the Nomination and Remuneration Committee is one third of total members of the Nomination and Remuneration Committee or 2 members, whichever is higher.

### **4. Corporate Social Responsibility Committee**

The Board of Directors of our Company has, in pursuance to provisions of Section 135 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held today i.e. January 03, 2023 Re-constituted Corporate Social Responsibility Committee.



The constitution of the Corporate Social Responsibility Committee is as follows:

| Name of the Directors      | Designation | Nature of Directorship |
|----------------------------|-------------|------------------------|
| Shradha Hanskumar Agarwal  | Chairman    | Managing Director      |
| Hanskumar Ramakant Agarwal | Member      | Executive Director     |
| Vimalkumar Mishrilal Shah  | Member      | Independent Director   |

Our Chief financial Officer (CFO) or Company Secretary and Compliance officer will act as the secretary of the Committee.

#### ➤ Terms of reference

**Role of Corporate Social Responsibility Committee not limited to but includes: -**

- Formulate and recommend to the Board, the Corporate Social Responsibility Policy and the activities to be undertaken by the Company.
- Recommend the amount of expenditure to be incurred on CSR activities.
- Monitor the Corporate Social Responsibility Policy from time to time.
- Monitor the Annual Action Plan and progress of the activities undertaken; including utilisation of amounts disbursed, on periodic basis.
- Review the Impact Assessment reports undertaken through independent agencies and present the same before the Board.
- Review and recommend to the Board the Business Responsibility Report and the Annual Report on CSR activities which is required to be included in the Boards' Report of the Company
- Discharge such duties and functions as indicated in the section 135 of the Companies Act, 2013 and Rules made thereunder from time to time and such other functions as may be delegated to the Committee by the Board from time to time.

Take all necessary actions as may be necessary or desirable and also to settle any question or difficulty or doubts that may arise with regards to Corporate Social Responsibility activities/Policy of the Company

#### **OUR KEY MANAGERIAL PERSONNEL**

The Key Managerial Personnel of our Company other than our Executive Directors are as follows: -

| Name, Designation and Date of Joining |                                                                                     | Qualification                                              | Previous Employment         | Remuneration paid in F.Y. 2022-23)<br>(₹ in Lakhs) |
|---------------------------------------|-------------------------------------------------------------------------------------|------------------------------------------------------------|-----------------------------|----------------------------------------------------|
| Name                                  | Mr. Aashish Ashok Bhaiya                                                            | Bachelor of Commerce                                       | Aurum Fabrictech LLP        | 6.05                                               |
| Designation                           | Chief Financial officer                                                             |                                                            |                             |                                                    |
| Date of Appointment                   | January 03,2023                                                                     |                                                            |                             |                                                    |
| Overall Experience                    | He has an overall experience of 27 years in the field of Manufacturing and Finance. |                                                            |                             |                                                    |
|                                       |                                                                                     |                                                            |                             |                                                    |
| Name                                  | Mrs. Akanksha Aswani                                                                | Company Secretary                                          | Jay kailash Namkeen Limited | 0.45                                               |
| Designation                           | Company Secretary & Compliance officer                                              |                                                            |                             |                                                    |
| Date of Appointment                   | January 03, 2023                                                                    |                                                            |                             |                                                    |
| Overall Experience                    | Three Years of post qualification experience in compliance.                         |                                                            |                             |                                                    |
|                                       |                                                                                     |                                                            |                             |                                                    |
| Name                                  | Mr. Bhaumik Jayantibhai Dumaniya                                                    | Hold the Certificate of Diploma in Mechanical Engineering. | NA                          | ₹ 1.74                                             |
| Designation                           | Production Manager                                                                  |                                                            |                             |                                                    |
| Date of Appointment                   | March 01, 2021                                                                      |                                                            |                             |                                                    |



| Name, Designation and Date of Joining |                                                                                                       | Qualification                             | Previous Employment | Remuneration paid in F.Y. 2022-23)<br>(₹ in Lakhs) |
|---------------------------------------|-------------------------------------------------------------------------------------------------------|-------------------------------------------|---------------------|----------------------------------------------------|
| Overall Experience                    | He has an overall experience of more than 2 years as Production Manager in the Manufacturing entity.  |                                           |                     |                                                    |
|                                       |                                                                                                       |                                           |                     |                                                    |
| Name                                  | Mr. Dhaval Hareshkumar Joshi                                                                          | Hold the Degree of Bachelor of Technical. | NA                  | ₹ 1.99                                             |
| Designation                           | Maintenance Manager                                                                                   |                                           |                     |                                                    |
| Date of Appointment                   | July 01, 2021                                                                                         |                                           |                     |                                                    |
| Overall Experience                    | He has an overall experience of more than 2 years as Maintenance Manager in the Manufacturing entity. |                                           |                     |                                                    |

#### **RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL**

None of the KMP of the Company are related to each other as per Sec 2 (77) of Companies Act, 2013.

#### **PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)**

Except the statutory payments made by our Company, in the last two years, our company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/ rewards and has not paid any non-salary amount or benefit to any of its officers.

Notes:

- All the key managerial personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned personnel have been recruited.
- None of our Key Managerial Personnel has been granted any benefits in kind from our Company, other than their remuneration.
- None of our Key Managerial Personnel has entered into any service contracts with our no benefits are granted upon their termination from employment other that statutory benefits provided by our company and Further, our Company has appointed certain Key Managerial Personnel i.e. Chief Financial Officer and Company Secretary and Compliance officer for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.

#### **CHANGES IN THE KEY MANAGERIAL PERSONNEL IN LAST THREE YEARS:**

The following are the changes in the Key Management Personnel in the last three years preceding the date of filing this Red Herring Prospectus, otherwise than by way of retirement in due course:

| Sr. No. | Name                             | Designation                    | Date of Appointment/ Cessation/Promotion/ Transfer                                             | Reasons                                   |
|---------|----------------------------------|--------------------------------|------------------------------------------------------------------------------------------------|-------------------------------------------|
| 1.      | Mr. Bhaumik Jayantibhai Dumaniya | Production Manager             | Appointed as Production Manager of the company w.e.f. March 01, 2021.                          | For smooth business day to day operations |
| 2.      | Mr. Dhaval Hareshkumar Joshi     | Maintenance Manager            | Appointed as Maintenance Manager of the company w.e.f. July 01, 2021.                          | For smooth business day to day operations |
| 3.      | Mrs. Shradha Hanskumar Agarwal   | Chairman and Managing Director | Re-designated as Chairman and Managing Director in the board meeting held on January 03, 2023. | To ensure better Corporate Governance     |



| Sr. No. | Name                             | Designation                              | Date of Appointment/<br>Cessation/Promotion/<br>Transfer              | Reasons                                                                         |
|---------|----------------------------------|------------------------------------------|-----------------------------------------------------------------------|---------------------------------------------------------------------------------|
| 1.      | Mr. Bhaumik Jayantibhai Dumaniya | Production Manager                       | Appointed as Production Manager of the company w.e.f. March 01, 2021. | For smooth business day to day operations                                       |
| 2.      | Mr. Dhaval Hareishkumar Joshi    | Maintenance Manager                      | Appointed as Maintenance Manager of the company w.e.f. July 01, 2021. | For smooth business day to day operations                                       |
| 4.      | Mr. Aashish Ashok Bhaiya         | Chief Financial Officer                  | Appointed w.e.f. January 03, 2023.                                    | To ensure better Corporate Governance and smooth day to day business operations |
| 5.      | Mrs. Akanksha Aswani             | Company Secretary and Compliance Officer | Appointed w.e.f. January 03, 2023                                     | To ensure better Corporate Governance                                           |

#### **SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL**

For details regarding shareholding of our Key Management Personnel please refer chapter titled as Capital Structure on page 61 of this Red Herring Prospectus.

#### **OTHER BENEFITS TO OUR KEY MANAGERIAL PERSONNEL**

Except as stated in this Red Herring Prospectus, there are no other benefits payable to our Key Managerial Personnel.

#### **EMPLOYEES**

The details about our employees appear under the Paragraph titled —Human Resources in Chapter Titled — Business Overview beginning on page 114 of this Red Herring Prospectus.



## OUR PROMOTERS AND PROMOTER GROUP

Promoters of Our Company are Mr. Hanskumar Ramakant Agarwal and Mrs. Shradha Hanskumar Agarwal. For details of the Capital build-up of our Promoters in our Company, see chapter titled “*Capital Structure*” beginning on page no. 61 of this Red Herring Prospectus.

The details of our Promoters are as follows:

|                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <b>MR. HANSKUMAR RAMAKANT AGARWAL</b><br>Mr. Hanskumar Ramakant Agarwal aged 46 years is Promoter & Executive Director of the Company. For details related his profile please refer to section titled “ <i>Our Management</i> ” beginning on page 144 of this Red Herring Prospectus.                                                                                                                       |
| <b>Date of Birth</b>                                                              | February 04, 1977                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Age</b>                                                                        | 46                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>PAN</b>                                                                        | AAQPA3537L                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Other Ventures</b>                                                             | <ol style="list-style-type: none"> <li>1. Shri Jagdamba Polymers Limited</li> <li>2. Aurum Fabtech Private Limited</li> <li>3. Shakti Polyweave Private Limited</li> <li>4. Shakti Tectex Private Limited</li> <li>5. Photonet Technologies Private Limited</li> <li>6. Primatech Private Limited</li> <li>7. Aurum Fabrictech LLP</li> <li>8. OmJagdamba Foundation</li> <li>9. Harmony Finvest</li> </ol> |

|                                                                                     |                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <b>MRS. SHRADHA HANSKUMAR AGARWAL</b><br>Mrs. Shradha Hanskumar Agarwal aged 44 years is Promoter & Chairman and Managing Director of the Company. For details related his profile please refer to section titled “ <i>Our Management</i> ” beginning on page 144 of this Red Herring Prospectus.                                                                           |
| <b>Date of Birth</b>                                                                | March 03, 1979                                                                                                                                                                                                                                                                                                                                                              |
| <b>Age</b>                                                                          | 44                                                                                                                                                                                                                                                                                                                                                                          |
| <b>PAN</b>                                                                          | AEGPA0973A                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Other Ventures</b>                                                               | <ol style="list-style-type: none"> <li>1. Shri Jagdamba Polymers Ltd</li> <li>2. Aurum Fabtech Private Limited</li> <li>3. Shakti Polyweave Private Limited</li> <li>4. Shakti Tectex Private Limited</li> <li>5. Photonet Technologies Private Limited</li> <li>6. Primatech Private Limited</li> <li>7. Aurum Fabrictech LLP</li> <li>8. OmJagdamba Foundation</li> </ol> |





|                    |
|--------------------|
| 9. Harmony Finvest |
|--------------------|

## DECLARATION

We declare and confirm that the details of the permanent account numbers, bank account numbers, passport numbers, Aadhar card number and Driving Licence number of our Promoters are being submitted to the NSE, stock exchange on which the specified securities are proposed to be listed along with filing of this Red Herring Prospectus with the Stock Exchange.

## CHANGE IN THE CONTROL OR MANAGEMENT OF THE ISSUER IN LAST FIVE YEARS

There has been no change in control or management of the issuer since incorporation.

## INTEREST OF OUR PROMOTERS

- Except as stated in “Annexure – IX - Statement of Related Party & Transactions” under section “Restated Financial Information” beginning from page no. 161 of this Red Herring Prospectus and to the extent of compensation, remuneration/ sitting fees to be paid, Perquisites to be given, reimbursement of expenses to be made in accordance with their respective terms of appointment and to the extent of their shareholding and benefits, if any, arise on the shareholding, our Promoters do not have any other interest in our business.
- Further, our Promoters may be deemed to be interested to the extent of the payments made by our Company, if any, to the Group entities and payment to be made by our Company to the Group Entities. For the payments that are made by our Company to certain Group entities, please refer “Annexure – IX - Statement of Related Party & Transactions” under section “Restated Financial Information” beginning from page no. 161 of this Red Herring Prospectus.
- Our Promoters, Directors or Group Companies do not have any interest in any property acquired by our Company in the preceding three years before filing this Red Herring Prospectus. Further, they do not have any interest in any property to be acquired by our Company till the date of this Red Herring Prospectus.
- Excepted as otherwise as stated in this Red Herring Prospectus, we have not entered into any contract, agreements or arrangements during the preceding three years from the date of this Red Herring Prospectus in which Promoters is directly or indirectly interested.

## PAYMENT OF BENEFITS TO OUR PROMOTERS

Except as stated in the section “Annexure – IX - Statement of Related Party & Transactions” under section “Restated Financial Information” beginning from page no. 161 of this Red Herring Prospectus, there has been no payment of benefits made to our Promoters in the two years preceding the filing of this Red Herring Prospectus. Further, our Company may enter into transaction with or make payment of benefit to the Promoters Directors or Promoters’ Group, towards remunerations as decided by Board of Directors.

## CONFIRMATIONS

Our Company and Promoters confirmed that they have not been declared as wilful defaulters or Fraudulent Borrowers or by the RBI or by any other government authority and there are no violations of securities laws committed by them in the past or are currently pending against them or restraining period are continued.

Further, our Promoters, Promoter group or directors have not been directly or indirectly, debarred from accessing the capital market or have not been restrained by any regulatory authority, directly or indirectly from acquiring the securities.

Additionally, our Promoters, Promoter group or directors do not have direct or indirect relation with the companies, its Promoters and whole-time director, which are compulsorily delisted by any recognized stock exchange or the companies which is debarred from accessing the capital market by the Board.

Also, our Promoters or directors are not a fugitive economic offender.

We and Our Promoters, Group Entities, and Companies promoted by the Promoters confirm that:

- No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past one year against us;
- There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs during the past three years.
- The details of outstanding litigation including its nature and status are disclosed in the section title “Outstanding Litigation and Material Developments” appearing on page no. 171 of this Red Herring Prospectus.



## DISASSOCIATION OF PROMOTERS IN THE LAST THREE YEAR:

None of our Promoters have disassociated themselves from any Company or Firm during the preceding three years.

## RELATIONSHIP OF PROMOTERS WITH EACH OTHER AND WITH OUR DIRECTORS

Except as disclosed herein, none of our Promoter(s) are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

| Name of Promoters          | Name of Director           | Relationship |
|----------------------------|----------------------------|--------------|
| Hanskumar Ramakant Agarwal | Shradha Hanskumar Agarwal  | Spouse       |
| Shradha Hanskumar Agarwal  | Hanskumar Ramakant Agarwal | Spouse       |

## OUR PROMOTER' GROUP

In addition to our Promoters named above, the following individuals and entities form a part of the Promoter' Group:

### a. Natural persons who are part of our Individual Promoter Group:

| Relationship with Promoters | Hanskumar Ramakant Agarwal      | Shradha Hanskumar Agarwal       |
|-----------------------------|---------------------------------|---------------------------------|
| Father                      | Ramakant Bhojnagarwala          | Madhusudan Sundarmal Sonthalia* |
| Mother                      | Radhadevi Agrawal               | Sheela Devi Sonthalia*          |
| Spouse                      | Shradha Hanskumar Agarwal       | Hanskumar Ramakant Agarwal      |
| Brother/s                   | N.A.                            | Parag Kumar Sonthalia*          |
|                             |                                 | Dheeraj Kumar Sonthalia*        |
| Sister/s                    | Anjali Ashutosh Taparia*        | N.A.                            |
| Son/s                       | Kush Hanskumar Agarwal          | Kush Hanskumar Agarwal          |
|                             | Manav Hanskumar Agarwal         | Manav Hanskumar Agarwal         |
| Daughter/s                  | NA                              | N.A.                            |
| Spouse's Father             | Madhusudan Sundarmal Sonthalia* | Ramakant Bhojnagarwala          |
| Spouse's Mother             | Sheela Devi Sonthalia*          | Radhadevi Agrawal               |
| Spouse's Brother/s          | Parag Kumar Sonthalia*          | N.A.                            |
|                             | Dheeraj Kumar Sonthalia*        |                                 |
| Spouse's Sister/s           | N.A.                            | Anjali Ashutosh Taparia*        |

\*Our company had applied for SEBI Exemption on April 18, 2023 for relaxation of strict enforcement of Regulation 2(1)(pp) of the ICDR Regulations with regard to the disclosures pertaining to Anjali Ashutosh Taparia, Madhusudan Sundarmal Sonthalia, Sheela Devi Sonthalia, Parag Kumar Sonthalia and Dheeraj Kumar Sonthalia (Herein after "Immediate relatives") under regulation 300 of SEBI ICDR, 2018. SEBI vide letter dated May 25, 2023 communicated our company to include Immediate relatives as a part of Promoter Group and also to include the information pertaining to such immediate relatives and their related entities which is available in public domain. Therefore, details of such immediate relatives and their entities are limited to the information available in the public domain.

### b. Companies related to our Promoters Company: Not Applicable as our Promoters is not Company.

| Nature of Relationship                                                                                                                                                                         | Name of Entities |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| Subsidiary or holding company of Promoter Company.                                                                                                                                             | Not Applicable   |
| Any Body corporate in which Promoters (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the Promoters (Body Corporate). | Not Applicable   |

### c. Companies, Proprietary concerns, HUF's related to our Promoters

| Nature of Relationship                                                                                                                                            | Name of Entities                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| Any Body Corporate in which twenty percent or more of the equity share capital is held by Promoters or an immediate relative of the Promoters or a firm or HUF in | Shri Jagdamba Polymers Limited<br>Shakti Polyweave Private Limited<br>Shakti Techtex Private Limited<br>Prismatech Private Limited |



| Nature of Relationship                                                                                                                                       | Name of Entities                                                                                                                                                                                                                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| which Promoters or any one or more of his immediate relatives are a member.                                                                                  | Photonet Technologies Private Limited<br>Aurum Fabtech Private Limited<br>Aurum Fabrictech LLP<br>Om Jagdamba Foundation<br>SMS Steels Private Limited^<br>Madhusheel Infra Projects Private Limited^<br>Sunder Steels Limited^ |
| Any Body corporate in which Body Corporate as provided above holds twenty percent or more of the equity share capital.                                       | NIL                                                                                                                                                                                                                             |
| Any Hindu Undivided Family or Firm in which the aggregate shareholding of the Promoters and his immediate relatives is equal to or more than twenty percent. | Harmony Finvest<br>Madhusudan Sonthalia – HUF<br>Dheeraj Kumar Sonthalia – HUF<br>Parag Kumar Sonthalia - HUF                                                                                                                   |

^ As per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 we are required to disclose immediate relatives of our promoters and their related entities as a part of Promoter Group. Anjali Ashutosh Taparia, Madhusudan Sundarmal Sonthalia, Sheela Devi Sonthalia, Parag Kumar Sonthalia and Dheeraj Kumar Sonthalia (Herein after “Immediate relatives”) and their related entities are forming part of Promoter Group in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. Our company had applied for SEBI Exemption on April 18, 2023 for relaxation of strict enforcement of Regulation 2(1)(pp) of the ICDR Regulations with regard to the disclosures pertaining to Anjali Ashutosh Taparia, Madhusudan Sundarmal Sonthalia, Sheela Devi Sonthalia, Parag Kumar Sonthalia and Dheeraj Kumar Sonthalia under regulation 300 of SEBI ICDR, 2018. SEBI vide letter dated May 25, 2023 communicated our company to include Immediate relatives as a part of Promoter Group and also to include the information pertaining to such immediate relatives and their related entities which is available in public domain. Therefore, details of such immediate relatives and their entities are limited to the information available in the public domain.

**d. Person whose shareholding is aggregated under the heading “Shareholding of the Promoters Group”**

| Name of Entities / Person   |
|-----------------------------|
| Kiranbhai Bhailalbhai Patel |
| Vikas Srikishan Agarwal     |
| Shuchi Vikas Agrawal        |

For further details on our Group Companies refer Chapter titled “Information with respect to Group Companies/Entities” beginning on page no. 189 of this Red Herring Prospectus.



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### **DIVIDEND POLICY**

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have any formal dividend policy for 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 will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not paid / declared any dividend in since date of incorporation of company till the date of this Red Herring Prospectus.



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**SECTION IX – FINANCIAL STATEMENTS**

**RESTATED FINANCIAL INFORMATION**

| Sr. No. | Particulars                    | Page Nos        |
|---------|--------------------------------|-----------------|
| 1.      | Restated Financial Information | F - 1 to F – 29 |

*(The remainder of the page is intentionally left blank)*

## **Independent Auditor's Examination report on Restated Financial Information of Shri Techtex Limited**

To,  
The Board of Directors  
Shri Techtex Limited,  
HARMONY, 2<sup>nd</sup> Floor, 15/A,  
Shree Vidhyanagar Co. Op. Hsg. Soc.  
Ltd. Opp. NABARD, Nr. Usmanpura  
Garden Ahmedabad Gujarat 380014  
India.

Dear Sirs,

1. We have examined the attached Restated Financial Information of Shri Techtex Limited (Formerly known as Shri Techtex Private Limited,) (the "Company" or the "Issuer"), comprising the Restated Statement of Assets and Liabilities as at March 31, 2023, 2022 and 2021, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the year ended March 31, 2023, 2022 and 2021, 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 at their meeting held on June 23, 2023 for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus / Prospectus (Here-in Offer Documents) prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO").
2. These restated Summary Statement have been prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act")
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) 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").
3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, Registrar of Companies, Gujarat and the NSE Emerge Exchange 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 Annexure IV to the Restated Financial Information. The Board of Directors' responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated Financial Information taking into consideration:
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated December 27, 2022 in connection with the proposed IPO of equity shares of the Issuer;
  - b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence



supporting the Restated Financial Information; and

- d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
5. These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the Company for the financial years ended on March 31, 2023, 2022 and 2021 which has been approved by the Board of Directors.
- a) We have audited the financial statements of the company as at March 31, 2023 prepared by the company in accordance with Indian Accounting Standard (Indian GAAP). We have issued our report dated 12<sup>th</sup> June, 2023 on the financial statements which have been approved by the Board of Directors at their meeting held on 12<sup>th</sup> June, 2023.
  - b) We have reaudited Financial Statements of the Company as at and for the years ended March 31, 2022 and relied upon previous Statutory Audited financial statements of the Company as at and for the years ended March 31, 2021 prepared in accordance with the Indian Accounting Standards (Indian GAAP) which have been approved by the Board of Directors at their meeting held on December 26, 2022 and October 15, 2021 respectively.
6. For the purpose of our examination, we have relied on:
- a) Auditors' Report issued by us dated 12<sup>th</sup> June, 2023 for the year ended on March 31, 2023 as referred in paragraph 5 (a) above
  - b) Auditors' Report issued by previous auditor dated August 31, 2022 and October 15, 2021 on the financial statements of the company as at and for the year ended on March 31, 2022 and 2021 as referred in Paragraph 5(b) above.

The audits for the financial years ended March 31, 2022 & 2021 were conducted by the Company's previous auditors, M/s Loonia & Associates, and accordingly reliance has been placed on the restated statement of assets and liabilities and the restated statements of profit and loss and cash flow statements, the Summary Statement of Significant Accounting Policies, and other explanatory information and collectively, the "Restated Financial Information" examined by them for the said years.

7. Based on our examination and according to the information and explanations given to us, we report that:
- a) The **"Restated Summary Statement of Assets and Liabilities"** as set out in **Annexure I** to this report, of the Company as at and for the year ended on March 31, 2023, March 31, 2022 & March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, 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. These fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.
  - b) The **"Restated Summary Statement of Profit and Loss"** as set out in **Annexure II** to this report, of the Company as at and for the year ended on March 31, 2023, March 31, 2022 & March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss 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 Accounts as set out in **Annexure IV** to this Report.

- c) The “**Restated Summary Statement of Cash Flow**” as set out in **Annexure III** to this report, of the Company as at and for the year ended on March 31, 2023, March 31, 2022 & March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Cash Flow 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 Accounts as set out in **Annexure IV** to this Report.
  - d) The Restated Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
  - e) The 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 periods, if any;
  - f) The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments;
  - g) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;
  - h) There were no qualifications in the Audit Reports issued by the Statutory Auditors as at and for the year ended on March 31, 2023, March 31, 2022 & March 31, 2021 which would require adjustments in this Restated Financial Statements of the Company;
  - i) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in **Annexure IV** to this report;
  - j) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements
  - k) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
  - l) The company has not proposed any dividend in past effective for the said period.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the year ended March 31, 2023, March 31, 2022 & March 31, 2021 proposed to be included in the Offer Documents.

| Annexure No. | Particulars                                           |
|--------------|-------------------------------------------------------|
| <b>I</b>     | <b>Restated Statement of Assets &amp; Liabilities</b> |
| I.1          | Restated Statement of Share Capital                   |
| I.2          | Restated Statement of Reserves & Surpluses            |
| I.3          | Restated Statement of Long-Term Borrowings            |
| I.4          | Restated Statement of Other Non-current Liabilities   |
| I.5          | Restated Statement of Deferred Tax Liabilities        |

| Annexure No.     | Particulars                                                                         |
|------------------|-------------------------------------------------------------------------------------|
| I.6              | Restated Statement of Long-term provisions                                          |
| I.7              | Restated Statement of Short-term borrowings                                         |
| I.8              | Restated Statement of Trade Payable                                                 |
| I.9              | Restated Statement of Other Current Liabilities                                     |
| I.10             | Restated Statement of Short-Term Provisions                                         |
| I.11             | Restated Statement of Property, Plant & Equipment and Intangible Assets             |
| I.12             | Restated Statement of Non-current investments                                       |
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9. We, M/s. A S R V & Co., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “**Peer Review Board**” of the ICAI which is valid till November 30, 2026.
10. We have re-audited financial statement of FY 2021-22 of the company as those were not audited by Peer review Chartered accountant of firm of chartered accountant.
11. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial

statements mentioned in paragraph 5 above.

12. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
14. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, Gujarat in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For, A S R V & Co.**  
**Chartered Accountants**  
**Firm Reg. No: 135182W**  
**PRC No: 014698**

**Reeturaj Verma**  
**Partner**  
**Membership No: 193591**

**Place: Ahmedabad**  
**Date: June 23, 2023**

**UDIN No: 23193591BGUVKP6974**

**ANNEXURE - I**  
**STATEMENT OF ASSETS & LIABILITIES, AS RESTATED**

(₹ in Lakhs)

|            | Particulars                       | Note | As At<br>31/03/2023 | As At<br>31/03/2022 | As At<br>31/03/2021 |
|------------|-----------------------------------|------|---------------------|---------------------|---------------------|
| <b>I</b>   | <b>EQUITY AND LIABILITIES</b>     |      |                     |                     |                     |
|            | 1. Shareholders' funds            |      |                     |                     |                     |
|            | (a) Share Capital                 | I.1  | 1,755.00            | 225.00              | 225.00              |
|            | (b) Reserves and surplus          | I.2  | 1,256.61            | 1,875.99            | 1,853.72            |
|            | 2. Non-current liabilities        |      |                     |                     |                     |
|            | (a) Long-term borrowings          | I.3  | 2,501.82            | 1,917.95            | 1,378.30            |
|            | (b) Other Non-current Liabilities | I.4  | 631.49              | -                   | 467.89              |
|            | (d) Deferred Tax liability        | I.5  | 38.42               | 21.28               | 35.90               |
|            | (c) Long-term provisions          | I.6  | 3.06                | 0.46                | 6.84                |
|            | 3. Current liabilities            |      |                     |                     |                     |
|            | (a) Short-term borrowings         | I.7  | 687.16              | 533.62              | 120.36              |
|            | (b) Trade payables                | I.8  |                     |                     |                     |
|            | i) Due to MSME                    |      | 18.52               | 443.55              | 0.12                |
|            | ii) Due to Others                 |      | 437.14              | 121.57              | 407.90              |
|            | (c) Other current liabilities     | I.9  | 39.59               | 68.87               | 41.43               |
|            | (d) Short-term provisions         | I.10 | 17.65               | 74.13               | 114.69              |
|            | <b>TOTAL</b>                      |      | <b>7,386.45</b>     | <b>5,282.41</b>     | <b>4,652.15</b>     |
| <b>II.</b> | <b>ASSETS</b>                     |      |                     |                     |                     |
|            | <b>1. Non-current assets</b>      |      |                     |                     |                     |
|            | (a) Property Plant & Equipments   |      |                     |                     |                     |
|            | (i) Tangible Assets               | I.11 | 3,842.60            | 3,652.06            | 1,187.75            |
|            | (ii) Capital work-in-progress     |      | 93.98               | 0.51                | 1,224.28            |
|            | (b) Non-current investments       | I.12 | 6.56                | 4.56                | 4.30                |
|            | (c) Long-term loans and advances  | I.13 | -                   | 76.51               | -                   |
|            | (d) Non Current Assets            | I.14 | 36.91               | 7.61                | 81.51               |
|            | <b>2. Current assets</b>          |      |                     |                     |                     |
|            | (a) Inventories                   | I.15 | 1,165.15            | 434.86              | 164.51              |
|            | (b) Trade receivables             | I.16 | 1,170.60            | 1,001.04            | 1,118.83            |
|            | (c) Cash and cash equivalents     | I.17 | 95.16               | 40.12               | 69.18               |
|            | (d) Short-term loans and advances | I.18 | 944.54              | 56.58               | 795.13              |
|            | (e) Other Current Assets          | I.19 | 30.95               | 8.56                | 6.66                |
|            | <b>TOTAL</b>                      |      | <b>7,386.45</b>     | <b>5,282.41</b>     | <b>4,652.15</b>     |

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached

For A S R V & Co.  
Chartered Accountants  
Firm's Registration No: 135182W

For and on behalf of the Board of Directors  
SHRI TECHTEX LIMITED

Reeturaj Verma  
Partner  
M No.193591  
UDIN:

Shradha Agarwal      Hanskumar Agarwal  
Managing Director      Director  
(DIN : 02195281)      (DIN : 00013290)

Ashish Bhaiya      Akanksha Aswani  
CFO      Company Secretary  
(PAN:ABHPB3851A)      (PAN:BGLPA7252G)

Place: Ahmedabad  
Date : June 23, 2023

Place: Ahmedabad  
Date : June 23, 2023

**ANNEXURE - II**  
**STATEMENT OF PROFIT & LOSS, AS RESTATED**

(₹ in Lakhs)

|             | Particulars                                                                                                     | Note | For the year ended<br>31/03/2023 | For the year ended<br>31/03/2022 | For the year ended<br>31/03/2021 |
|-------------|-----------------------------------------------------------------------------------------------------------------|------|----------------------------------|----------------------------------|----------------------------------|
| <b>I</b>    | Revenue from operations                                                                                         | II.1 | 5,692.39                         | 5,117.63                         | 3,946.76                         |
| <b>II</b>   | Other Income                                                                                                    | II.2 | 115.19                           | 64.51                            | 74.82                            |
| <b>III</b>  | <b>Total Income (I+II)</b>                                                                                      |      | <b>5,807.58</b>                  | <b>5,182.15</b>                  | <b>4,021.58</b>                  |
|             | <b>Expenses:</b>                                                                                                |      |                                  |                                  |                                  |
|             | (a) Cost of materials consumed                                                                                  | II.3 | 3,027.43                         | 2,923.78                         | 943.24                           |
|             | (b) Purchases of stock-in-trade                                                                                 | II.4 | 1,139.72                         | -                                | -                                |
|             | (c) Changes in inventories of finished goods and work-in- progress                                              | II.5 | (561.14)                         | (48.47)                          | (49.23)                          |
|             | (d) Employee benefits expense                                                                                   | II.6 | 86.17                            | 52.29                            | 272.33                           |
|             | (e) Finance costs                                                                                               | II.7 | 80.72                            | 116.77                           | 88.48                            |
|             | (f) Depreciation and amortisation expense                                                                       |      | 124.12                           | 110.55                           | 114.33                           |
|             | (g) Other expenses                                                                                              | II.8 | 749.44                           | 963.82                           | 973.33                           |
| <b>IV</b>   | <b>Total expenses</b>                                                                                           |      | <b>4,646.45</b>                  | <b>4,118.75</b>                  | <b>2,342.49</b>                  |
|             |                                                                                                                 |      | -                                |                                  |                                  |
| <b>V</b>    | <b>Profit /(Loss) before tax and Exceptional Items (III-IV)</b>                                                 |      | <b>1,161.13</b>                  | <b>1,063.40</b>                  | <b>1,679.09</b>                  |
| <b>VI</b>   | Exceptional Items                                                                                               |      | -                                | -                                | -                                |
| <b>VII</b>  | <b>Profit /(Loss) before tax (V-VI)</b>                                                                         |      | <b>1,161.13</b>                  | <b>1,063.40</b>                  | <b>1,679.09</b>                  |
| <b>VIII</b> | <b>Tax expense:</b>                                                                                             |      |                                  |                                  |                                  |
|             | (a) Current tax expense                                                                                         |      | 233.60                           | 250.00                           | 425.44                           |
|             | (b) Short/(Excess) provision of tax for earlier years                                                           |      | (0.23)                           | 1.46                             | (2.06)                           |
|             | (c) Deferred tax charge/(credit)                                                                                |      | 17.14                            | (14.62)                          | (9.97)                           |
|             |                                                                                                                 |      | <b>250.50</b>                    | <b>236.84</b>                    | <b>413.41</b>                    |
| <b>IX</b>   | <b>Profit after tax for the year (VII-VIII)</b>                                                                 |      | <b>910.63</b>                    | <b>826.56</b>                    | <b>1,265.68</b>                  |
| <b>XII</b>  | <b>Earnings per share (face value of ₹ 10/- each):</b>                                                          | II.9 |                                  |                                  |                                  |
|             | (a) Basic (in ₹)                                                                                                |      | 5.19                             | 4.71                             | 7.21                             |
|             | (b) Diluted (in ₹)                                                                                              |      | 5.19                             | 4.71                             | 56.25                            |
|             | <b>Earnings per share (face value of ₹ 10/- each):<br/>(Considering Bonus effect with retrospective effect)</b> |      |                                  |                                  |                                  |
|             | (a) Basic (in ₹)                                                                                                |      | 5.19                             | 4.71                             | 7.21                             |
|             | (b) Diluted (in ₹)                                                                                              |      | 5.19                             | 4.71                             | 7.21                             |

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached

For A S R V & Co.  
Chartered Accountants  
Firm's Registration No: 135182W

For and on behalf of the Board of Directors  
SHRI TECHTEX LIMITED

Reeturaj Verma  
Partner  
M No.193591  
UDIN:

Shradha Agarwal  
Managing Director  
(DIN : 02195281)

Hanskumar Agarwal  
Director  
(DIN : 00013290)

Ashish Bhaiya  
CFO  
(PAN:ABHPB3851A)

Akanksha Aswani  
Company Secretary  
(PAN:BGLPA7252G)

Place: Ahmedabad  
Date :June 23, 2023

Place: Ahmedabad  
Date :June 23, 2023



**ANNEXURE - III**  
**STATEMENT OF CASH FLOW, AS RESTATED**

(₹ in Lakhs)

| Particulars                                                    | For the period ended<br>31-03-2023 | For the year Ended<br>31-03-2022 | For the year Ended<br>31-03-2021 |
|----------------------------------------------------------------|------------------------------------|----------------------------------|----------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                  |                                    |                                  |                                  |
| Net Profit before Extraordinary items                          | 1,161.13                           | 1,063.40                         | 1,679.09                         |
| Adjustment For:                                                |                                    |                                  |                                  |
| (a) Depreciation and Amortization                              | 124.12                             | 110.55                           | 114.33                           |
| (b) Interest Charges                                           | 80.72                              | 116.77                           | 88.48                            |
| (c) (Gain)/Loss on Sale of Assets                              | -                                  | (1.86)                           | 0.58                             |
| (d) Other non cash items                                       | 2.91                               | -                                | -                                |
| (e) Interest & Other income                                    | (42.22)                            | (5.16)                           | (21.80)                          |
| (f) Expenses written off                                       | 1.52                               | 1.52                             | 1.52                             |
| (g) Share of Profit from Aurum Fabrictech LLP                  | (1.40)                             | -                                | -                                |
| Operating Profit before Working Capital Changes                | <b>1,326.77</b>                    | <b>1,285.22</b>                  | <b>1,862.20</b>                  |
| Adjustment For :                                               |                                    |                                  |                                  |
| (a) (Increase)/Decrease in Inventories                         | (730.29)                           | (270.35)                         | 37.66                            |
| (b) (Increase)/Decrease in Trade Receivables                   | (169.56)                           | 117.79                           | (917.25)                         |
| (c) (Increase)/Decrease in Loans & Advances & Other Assets     | (905.52)                           | 736.65                           | (681.08)                         |
| (d) Increase /(Decrease) in Trade Payables & Other Liabilities | (41.68)                            | 557.25                           | 476.97                           |
| CASH GENERATED FROM OPERATIONS                                 | (520.29)                           | 2,426.56                         | 778.50                           |
| Less : Direct Taxes paid                                       | (239.50)                           | (251.46)                         | (423.37)                         |
| CASH FLOW BEFORE EXTRAORDINARY ITEMS                           | <b>(759.79)</b>                    | <b>2,175.10</b>                  | <b>355.13</b>                    |
| NET CASH FROM OPERATING ACTIVITIES (A)                         | <b>(759.79)</b>                    | <b>2,175.10</b>                  | <b>355.13</b>                    |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                  |                                    |                                  |                                  |
| (a) Sales / (Addition) in Fixed Assets & WIP                   | (408.64)                           | (2,086.31)                       | (1,408.02)                       |
| (b) Transfer of assets on account of demerger                  | -                                  | 737.07                           | -                                |
| (c) (Increase) / Decrease in Investment                        | (0.60)                             | (0.26)                           | (4.30)                           |
| (d) (Increase) / Decrease in Long term loans and advances      | 76.51                              | (76.51)                          | -                                |
| (e) (Increase) / Decrease in Non Current Assets                | (29.30)                            | 72.39                            | (2.55)                           |
| (f) Interest and other income                                  | 42.22                              | 5.16                             | 21.80                            |
| NET CASH FROM INVESTING ACTIVITIES (B)                         | <b>(319.80)</b>                    | <b>(1,348.46)</b>                | <b>(1,393.07)</b>                |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                  |                                    |                                  |                                  |
| (a) Increase/(Decrease) in Borrowings                          | 583.87                             | 539.65                           | 890.24                           |
| (b) Increase/(Decrease) in Long term Liabilities               | 631.49                             | (467.89)                         | 259.26                           |
| (c) Increase / ( Decrease ) in Long Term Provisions            | -                                  | (6.39)                           | 3.31                             |
| (d) Transfer of reserves due to demerger                       | -                                  | (804.29)                         | -                                |
| (e) Interest Paid                                              | (80.72)                            | (116.77)                         | (88.48)                          |
| NET CASH FLOW IN FINANCING ACTIVITIES (C)                      | <b>1,134.63</b>                    | <b>(855.69)</b>                  | <b>1,064.34</b>                  |
| NET INCREASE IN CASH & CASH EQUIVALENTS (A)+(B)+(C)            | 55.04                              | (29.05)                          | 26.39                            |
| OPENING BALANCE – CASH & CASH EQUIVALENT                       | <b>40.12</b>                       | <b>69.18</b>                     | <b>42.78</b>                     |
| CLOSING BALANCE - CASH & CASH EQUIVALENT                       | <b>95.16</b>                       | <b>40.12</b>                     | <b>69.17</b>                     |
|                                                                |                                    |                                  |                                  |

As per our Report of even date

**For A S R V & Co.**  
**Chartered Accountants**  
**Firm's Registration No: 135182W**

**Reeturaj Verma**  
**M No.193591**  
**UDIN:**

**Place: Ahmedabad**  
**Date :June 23, 2023**

**For and on Behalf of the Board**  
**SHRI TECHTEX LIMITED**

**Shradha Agarwal**      **Hanskumar Agarwal**  
**Managing Director**      **Director**  
**(DIN : 02195281)**      **(DIN : 00013290)**

**Ashish Bhaiya**      **Akanksha Aswani**  
**CFO**      **Company Secretary**  
**(PAN:ABHPB3851A)**      **(PAN:BGLPA7252G)**  
**Place: Ahmedabad**  
**Date :June 23, 2023**

## **Annexure IV**

### **A. Background of the company:**

Company was originally formed and registered as a partnership firm under the Partnership Act, 1932 ("Partnership Act") in the name and style of "M/s Shree Tech Tex Company", pursuant to a deed of partnership dated January 7, 2011. Subsequently, the constitution of partnership firm were changed on February 18, 2016, July 01, 2017, March 14, 2018 and June 12, 2020 by admission and retirement of partners. Later on, Name of "M/s Shree Tech Tex Company" was changed to "M/s Shri Techtex" on July 03, 2018 by amendment in Deed of Partnership. "M/s Shri Techtex" was thereafter converted from a partnership firm to a private limited company under Part I chapter XXI of the Companies Act, 2013 in the name of "Shri Techtex Private Limited" and received a certificate of incorporation dated September 08, 2018 from the Central Registration Center, Ministry of Corporate Affairs. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on December 31, 2022 and the name of our Company was changed to "Shri Techtex Limited". A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated January 03, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U36900GJ2018PLC104005.

The company is engaged in the business of Polypropylene (PP) Non-Woven Fabric manufacturing.

### **B. Significant Accounting Policies:**

#### **1. Basis of Accounting & Revenue Recognition:**

The Accounts are prepared under the historical cost convention applying accrual method of accounting and as a going concern, complying with the applicable Accounting Standards and the generally accepted accounting principles prevailing in the country.

Revenue is recognized only when it can be reliably measured, and it is reasonable to expect ultimate collection. Revenue from Operations include sale of goods. Interest income, if any is recognized on time proportion basis considering the amount outstanding and the rate applicable.

#### **2. Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

#### **3. Property, Plant & Equipment:**

Tangible assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalized until such assets are ready for use. Capital work in progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.

#### **4. Depreciation:**

Depreciation has been charged on cost of fixed assets, adopting the following methods / rates:

1. Depreciation is calculated using Straight Line Method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives prescribed in Schedule II of the Companies Act, 2013.
2. If the cost of a part of the asset is significant to the total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately for depreciation.

3. For other assets acquired / sold during the year pro-rata charge has been made from the date of first use or till the date of sale.

**5. Impairment:**

Impairment loss from fixed assets is assessed as at the close of each financial year and appropriate provision, if required, is considered in the accounts.

**6. Segment Information:**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

**7. Borrowing Cost:**

Interest and other costs in connection with the borrowing of the funds to the extent related/attributed to the acquisition/construction of qualifying fixed assets are capitalized as a part of the cost of such asset up-to the date when such assets are ready for its intended use and other borrowing costs are charged to statement of Profit & Loss.

**8. Inventories:**

Inventories are valued at the lower of the cost & estimated net realizable value. Cost of inventories is computed on a FIFO basis. Finished goods & work in progress include costs of conversion & other costs incurred in bringing the inventories to their present location & condition. Proceeds in respect of sale of raw materials/ stores are credited to the respective heads. Obsolete, defective & unserviceable stocks are duly provided for.

**9. Sales:**

- a) Sales of goods are recognized on dispatches from factory to customers, excluding of Goods and Service Tax and are net of trade discount.
- b) Waste resulting during process is partly sold and partly used in reprocess.

**10. Retirement benefits:**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

- a) **Provident Fund:** Contribution to Provident Fund is made monthly at the rate prescribed in the Act, to appropriate authority on accrual basis and charged to revenue.
- b) **Gratuity:** The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan covering eligible employees. The benefit vests to employees after 5 years of continuous service. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) by an independent actuary at the end of each year. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.
- c) **Leave Encashment:** The Company has accounted for the leave encashment liabilities on accrual basis.

**11. Foreign Currency Transactions:**

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

All exchange differences arising on settlement and conversion on foreign currency transaction are included in the Statement of Profit and Loss, except in cases where they relate to the acquisition of fixed assets, in which case they are adjusted in the cost of the corresponding asset.

In respect of transactions covered by forward exchange contracts, the difference between the forward rate and the exchange rate at the date of transaction is recognized as income or expense at the time of maturity date, except where it relates to fixed assets, in which case it is adjusted in the cost of the corresponding assets.

## **12. Provision for Current and Deferred Tax:**

Income tax expense is accounted for in accordance with AS 22- “Accounting for Taxes on Income” prescribed under the Companies (Accounting Standard) Rules, 2006 which includes current tax and deferred taxes.

Current taxes reflect the impact of tax on income of the previous year as defined under the Income Tax Act, 1961 as per applicable rates.

Deferred taxes reflect the impact of Current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years if any. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available.

## **13. Amount Due to Micro, Small and Medium Enterprises:**

- (i) Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006) there are no delays in payment of dues to such enterprise during the year.
- (ii) The identification of Micro, Small and Medium Enterprises Suppliers as defined under “The Micro, Small and Medium Enterprises Development Act, 2006” is based on the information available with the management.

## **14. Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimate, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligations or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

## **15. Earnings Per Share:**

Basic and diluted earnings per share are computed in accordance with Accounting Standard-20. Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

**Annexure - I.1**
**Restated Statement of Share Capital**
**(₹ in Lakhs)**

| Particulars                                             | As At 31/03/2023 | As At 31/03/2022 | As At 31/03/2021 |
|---------------------------------------------------------|------------------|------------------|------------------|
| <b>Authorised Capital</b>                               |                  |                  |                  |
| No. of Equity Shares of ₹ 10/- each                     | 25,000,000       | 5,000,000        | 5,000,000        |
| Authorised Equity Share Capital In Rs.                  | 2,500.00         | 500.00           | 500.00           |
| <b>Issued, Subscribed &amp; Fully Paid up</b>           |                  |                  |                  |
| No. of Equity Shares of ₹ 10/- each                     | 17,550,000       | 2,250,000        | 2,250,000        |
| Issued, Subscribed & Fully Paid up Share Capital In Rs. | 1,755.00         | 225.00           | 225.00           |
| <b>Total</b>                                            | <b>1,755.00</b>  | <b>225.00</b>    | <b>225.00</b>    |

**Reconciliation of the number of shares outstanding is set out below:-**

| Particulars                                            | As At<br>31/03/2023 | As At<br>31/03/2022 | As At<br>31/03/2021 |
|--------------------------------------------------------|---------------------|---------------------|---------------------|
|                                                        | Number of Shares    | Number of Shares    | Number of Shares    |
| <b>Shares outstanding at the beginning of the year</b> | 2,250,000           | 2,250,000           | 2,250,000           |
| Add:-Shares Issued during the year                     | -                   | -                   | -                   |
| Fresh Issue                                            | -                   | -                   | -                   |
| Bonus Shares Issued                                    | 15,300,000          | -                   | -                   |
| <b>Less:Shares bought back during the year</b>         |                     |                     |                     |
| Other Changes (give details)                           | -                   | -                   | -                   |
| <b>Shares outstanding at the end of the year</b>       | <b>17,550,000</b>   | <b>2,250,000</b>    | <b>2,250,000</b>    |

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The company has not proposed any dividend during preceding financial year. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

The Company has allotted 153,00,000 Bonus Equity Shares on December 22, 2022 in the ratio of 68:10 i.e. 68 Bonus equity shares for every 10 equity shares held on December 19, 2022.

**Details of Shareholders holding more than 5 % shares:-**

| Name of Shareholder               | As At 31/03/2023 | As At 31/03/2022 | As At 31/03/2021 |
|-----------------------------------|------------------|------------------|------------------|
| <b>Hanskumar Ramakant Agrawal</b> |                  |                  |                  |
| Number of Shares                  | 6,409,611        | 5,000            | 5,000            |
| % of Holding                      | 36.52%           | 0.22%            | 0.22%            |
| <b>Shradha Hanskumar Agarwal</b>  |                  |                  |                  |
| Number of Shares                  | 6,392,100        | 1,119,500        | 1,119,500        |
| % of Holding                      | 36.42%           | 49.76%           | 49.76%           |
| <b>Ramakant Bhojnagarwala</b>     |                  |                  |                  |
| Number of Shares                  | 2,379,000        | 5,000            | 5,000            |
| % of Holding                      | 13.56%           | 0.22%            | 0.22%            |
| <b>Radhadevi Ramakant Agrawal</b> |                  |                  |                  |
| Number of Shares                  | 2,361,489        | 1,119,500        | 1,119,500        |
| % of Holding                      | 13.46%           | 49.76%           | 49.76%           |

**Details of promoters holding shares:-**

| Name of Shareholder                    | As At 31/03/2023 | As At 31/03/2022 | As At 31/03/2021 |
|----------------------------------------|------------------|------------------|------------------|
| <b>Hanskumar Ramakant Agrawal (P)</b>  |                  |                  |                  |
| Number of Shares                       | 6,409,611        | 5,000            | 5,000            |
| % of Holding                           | 36.52%           | 0.22%            | 0.22%            |
| <b>Shradha Hanskumar Agarwal (P)</b>   |                  |                  |                  |
| Number of Shares                       | 6,392,100        | 1,119,500        | 1,119,500        |
| % of Holding                           | 36.42%           | 49.76%           | 49.76%           |
| <b>Ramakant Bhojnagarwala (PG)</b>     |                  |                  |                  |
| Number of Shares                       | 2,379,000        | 5,000            | 5,000            |
| % of Holding                           | 13.56%           | 0.22%            | 0.22%            |
| <b>Radhadevi Ramakant Agrawal (PG)</b> |                  |                  |                  |
| Number of Shares                       | 2,361,489        | 1,119,500        | 1,119,500        |
| % of Holding                           | 13.46%           | 49.76%           | 49.76%           |

P - Promoter, PG - Promoter Group

**Annexure - I.2****Restated Statement of Reserves And Surplus****(₹ in Lakhs)**

| Particulars                                           | As At<br>31/03/2023 | As At<br>31/03/2022 | As At<br>31/03/2021 |
|-------------------------------------------------------|---------------------|---------------------|---------------------|
| <b>a. General Reserve Account</b>                     | -                   | -                   | -                   |
| <b>b. Surplus in Statement of Profit &amp; Loss A</b> |                     |                     |                     |
| Opening balance                                       | 1,875.99            | 1,853.72            | 588.0388            |
| (+) Net Profit For the current year                   | 910.63              | 826.56              | 1,265.6824          |
| : Less Transferred on account of demerger             | -                   | (804.29)            | -                   |
| : Less Bonus Shares Issued                            | (1,530.00)          | -                   | -                   |
| <b>Net Surplus in Statement of Profit and Loss</b>    | <b>1,256.61</b>     | <b>1,875.99</b>     | <b>1,853.7212</b>   |
| <b>Total</b>                                          | <b>1,256.61</b>     | <b>1,875.99</b>     | <b>1,853.7212</b>   |

\*For Demerger Scheme, refer note number 32(b)

**Annexure - I.3****Restated Statement of Long Term Borrowings****(₹ in Lakhs)**

| Particulars                                     | As At<br>31/03/2023 | As At<br>31/03/2022 | As At<br>31/03/2021 |
|-------------------------------------------------|---------------------|---------------------|---------------------|
| <b>Secured</b>                                  |                     |                     |                     |
| <b>(a) Term loans (Refer I.3.1 &amp; I.3.2)</b> |                     |                     |                     |
| Rupee Term Loan                                 | 879.63              | 1,209.50            | 753.38              |
| Working capital Term Loan-ECLGS                 | 238.33              | 260.00              | -                   |
| <b>Total Secured Term Loans</b>                 | <b>1,117.97</b>     | <b>1,469.50</b>     | <b>753.38</b>       |
| <b>(b) Other loans and advances</b>             |                     |                     |                     |
| Vehicle Loan                                    | 9.17                | 12.64               | -                   |
| (Secured By hypothecation of the Vehicle)       | <b>9.17</b>         | <b>12.64</b>        | <b>-</b>            |
| <b>Total Secured Long Term Borrowings</b>       | <b>1,127.14</b>     | <b>1,482.14</b>     | <b>753.38</b>       |
| <b>Unsecured</b>                                |                     |                     |                     |
| <b>(a) Loans from Directors (Refer I.3.3)</b>   |                     |                     |                     |
| From Directors & Share Holders                  | 626.76              | 435.82              | 624.92              |
| From Body Corporates                            | 747.92              | -                   | -                   |
|                                                 | <b>1,374.68</b>     | <b>435.82</b>       | <b>624.92</b>       |
| <b>Total</b>                                    | <b>2,501.82</b>     | <b>1,917.95</b>     | <b>1,378.30</b>     |

**I.3.1 Term Loan-** Referred above taken from banks secured by Hypothecation charge on stock book debts and all present and future and movable assets of the company. The said Term Loan is further secured by Personal Guarantee of director of the company.

**Working capital Term Loan-ECLGS :**

- 1) Second charge on Equitable Mortgage Charge on Industrial Land and Building Situated Survey No. 165P/ 166P/167P, Paiki, Simej, Ruggadh Road, Post Simej, Tal: Dholka, Ahmedabad – Gujarat 382265 having area of 41548Sq meter approx.
- 2) Second charge on Hypothecation charge on stock book debts and all present and future and moveable assets of the company.
- 3) Unconditional & irrevocable Guarantee from NCGTC.

**I.3.2** Maturity Profile and Rate of Interest of Term Loan ,ECLGS and Car Loan are as set out below:-

**(₹ in Lakhs)**

| Term Loan       | Maturity Profile |               |               |               |               |
|-----------------|------------------|---------------|---------------|---------------|---------------|
|                 | Interest Rate    | 2023-24       | 2024-25       | 2025-26       | 2026-27       |
| Kotak- Car Loan | 7.5%             | 3.47          | 3.74          | 4.04          | 1.39          |
| HSBC- ECLGS     | 8.5%-9.25%       | 21.67         | 86.67         | 86.67         | 65.00         |
| HSBC- Term Loan | 8.5%-9.5%        | 329.86        | 329.86        | 329.86        | 219.91        |
| <b>Total</b>    |                  | <b>355.00</b> | <b>420.27</b> | <b>420.56</b> | <b>286.30</b> |

**I.3.3** Loan from Director & Shareholders is unsecured in nature for long term. Tenure of the same is not prescribed. Interest rate is 7 - 9 % p.a.



**Annexure - I.4****Restated Statement of Other Non-Current Liabilities****(₹ in Lakhs)**

| Particulars                         | As At<br>31/03/2023 | As At<br>31/03/2022 | As At<br>31/03/2021 |
|-------------------------------------|---------------------|---------------------|---------------------|
| Security Deposit                    | -                   | -                   | 467.89              |
| Closing Balance in Partnership Firm | 631.49              | -                   | -                   |
| <b>Total</b>                        | <b>631.49</b>       | <b>-</b>            | <b>467.89</b>       |

**Annexure - I.5****Restated Statement of Deferred Tax Liability****(₹ in Lakhs)**

| Particulars                                                                   | As At<br>31/03/2023 | As At<br>31/03/2022 | As At<br>31/03/2021 |
|-------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| <b>Deferred Tax Liability</b>                                                 |                     |                     |                     |
| On account of timing difference in Net block as per books & as per Income Tax | 39.07               | 21.40               | 40.91               |
| <b>Deferred Tax Assets</b>                                                    |                     |                     |                     |
| On account of timing difference in retiral and other benefits                 | (0.65)              | (0.12)              | (5.01)              |
| <b>Total</b>                                                                  | <b>38.42</b>        | <b>21.28</b>        | <b>35.90</b>        |

**Annexure - I.6****Restated Statement of Long Term Provisions****(₹ in Lakhs)**

| Particulars                     | As At<br>31/03/2023 | As At<br>31/03/2022 | As At<br>31/03/2021 |
|---------------------------------|---------------------|---------------------|---------------------|
| Provisions for Leave Encashment | 1.61                | 0.46                | 6.84                |
| Provisions for Gratuity         | 1.45                | -                   | -                   |
| <b>Total</b>                    | <b>3.06</b>         | <b>0.46</b>         | <b>6.84</b>         |

**Annexure - I.7****Restated Statement of Short Tem Borrowings****(₹ in Lakhs)**

| Particulars                            | As At<br>31/03/2023 | As At<br>31/03/2022 | As At<br>31/03/2021 |
|----------------------------------------|---------------------|---------------------|---------------------|
| <b><u>Loan repayable on demand</u></b> |                     |                     |                     |
| (a) From Banks *                       | 332.16              | 200.53              | 0.36                |
| (b) Current Maturity of long term debt | 355.00              | 333.09              | 120.00              |
| <b>Total</b>                           | <b>687.16</b>       | <b>533.62</b>       | <b>120.36</b>       |

**\* Notes:-****i) Terms of Repayment :**

Working capital loan from bank is repayable on demand

**ii) Nature of Security with bank :****i) Primary Security:**

Hypothecation charge on stock book debts and all present and future and moveable assets of the company.

**ii) Collateral:**

Second pari passu charge on the entire fixed assets of the Company and personal guarantee of relative of director of the company.

**iii) Interest**

The above loan carried interest rate in the range of 8.5%-9.5%

|                                                                                                                                                   |                               |                     |                     |                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|---------------------|---------------------|----------------------|
| Annexure - I.8                                                                                                                                    |                               |                     |                     |                      |
| Restated Statement of Trade Payable                                                                                                               |                               |                     |                     |                      |
| (₹ in Lakhs)                                                                                                                                      |                               |                     |                     |                      |
| Particulars                                                                                                                                       | As At<br>31/03/2023           | As At<br>31/03/2022 | As At<br>31/03/2021 |                      |
| Micro, Small and Medium Enterprises                                                                                                               | 18.52                         | 443.55              | 0.12                |                      |
| Others                                                                                                                                            | 437.14                        | 121.57              | 407.90              |                      |
| Total                                                                                                                                             | 455.66                        | 565.12              | 408.02              |                      |
| (a) Ageing schedule:                                                                                                                              |                               |                     |                     |                      |
| Balance as at 31st March, 2023                                                                                                                    |                               |                     |                     |                      |
| (₹ in Lakhs)                                                                                                                                      |                               |                     |                     |                      |
| Particulars                                                                                                                                       | Not Due /<br>Less than 1 year | 1-2 years           | 2-3 years           | More then 3<br>years |
| (i) MSME                                                                                                                                          | 18.52                         | -                   | -                   | -                    |
| (ii) Others                                                                                                                                       | 437.14                        | -                   | -                   | -                    |
| (iii) Disputed dues - MSME                                                                                                                        | -                             | -                   | -                   | -                    |
| (iv) Disputed dues - Others                                                                                                                       | -                             | -                   | -                   | -                    |
| Total                                                                                                                                             | 455.66                        | -                   | -                   | -                    |
| Balance as at 31st March 2022                                                                                                                     |                               |                     |                     |                      |
| (₹ in Lakhs)                                                                                                                                      |                               |                     |                     |                      |
| Particulars                                                                                                                                       | Not Due /<br>Less than 1 year | 1-2 years           | 2-3 years           | More then 3<br>years |
| (i) MSME                                                                                                                                          | 443.55                        | -                   | -                   | -                    |
| (ii) Others                                                                                                                                       | 121.57                        | -                   | -                   | -                    |
| (iii) Disputed dues - MSME                                                                                                                        | -                             | -                   | -                   | -                    |
| (iv) Disputed dues - Others                                                                                                                       | -                             | -                   | -                   | -                    |
| Total                                                                                                                                             | 565.12                        | -                   | -                   | -                    |
| Balance as at 31st March 2021                                                                                                                     |                               |                     |                     |                      |
| (₹ in Lakhs)                                                                                                                                      |                               |                     |                     |                      |
| Particulars                                                                                                                                       | Not Due /<br>Less than 1 year | 1-2 years           | 2-3 years           | More then 3<br>years |
| (i) MSME                                                                                                                                          | 0.12                          | -                   | -                   | -                    |
| (ii) Others                                                                                                                                       | 407.90                        | -                   | -                   | -                    |
| (iii) Disputed dues - MSME                                                                                                                        | -                             | -                   | -                   | -                    |
| (iv) Disputed dues - Others                                                                                                                       | -                             | -                   | -                   | -                    |
| Total                                                                                                                                             | 408.02                        | -                   | -                   | -                    |
| (b) Dues payable to Micro and Small Enterprises:                                                                                                  |                               |                     |                     |                      |
| (₹ in Lakhs)                                                                                                                                      |                               |                     |                     |                      |
| Particulars                                                                                                                                       | As At<br>31/03/2023           | As At<br>31/03/2022 | As At<br>31/03/2021 |                      |
| Principal amount remaining unpaid to any supplier as at the year end                                                                              | 18.52                         | 443.55              | 0.12                |                      |
| Interest due on the above mention principal amount remaining unpaid to any                                                                        | -                             | -                   | -                   |                      |
| Amount of the interest paid by the Company in terms of Section 16                                                                                 | -                             | -                   | -                   |                      |
| Amount of the interest due and payable for the period of delay in making<br>payment but without adding the interest specified under the MSMED Act | -                             | -                   | -                   |                      |
| Amount of interest accrued and remaing unpaid at the end of the accounting<br>year                                                                | -                             | -                   | -                   |                      |
| Annexure - I.9                                                                                                                                    |                               |                     |                     |                      |
| Restated Statement of Other Current Liabilities                                                                                                   |                               |                     |                     |                      |
| (₹ in Lakhs)                                                                                                                                      |                               |                     |                     |                      |
| Particulars                                                                                                                                       | As At<br>31/03/2023           | As At<br>31/03/2022 | As At<br>31/03/2021 |                      |
| Advances from Customers                                                                                                                           | -                             | 55.48               | -                   |                      |
| Statutory Dues & Other Current Liabilities                                                                                                        | 10.06                         | 7.83                | 22.30               |                      |
| Employee Benefit Payable                                                                                                                          | 8.94                          | 3.86                | 19.13               |                      |
| Creditors for Capital Goods                                                                                                                       | 20.59                         | 1.70                | -                   |                      |
| Total                                                                                                                                             | 39.59                         | 68.87               | 41.43               |                      |
| Annexure - I.10                                                                                                                                   |                               |                     |                     |                      |
| Restated Statement Short Term Provisions                                                                                                          |                               |                     |                     |                      |
| (₹ in Lakhs)                                                                                                                                      |                               |                     |                     |                      |
| Particulars                                                                                                                                       | As At<br>31/03/2023           | As At<br>31/03/2022 | As At<br>31/03/2021 |                      |
| Bonus Payable                                                                                                                                     | 4.70                          | 1.63                | 17.05               |                      |
| Provision for Expenses                                                                                                                            | 12.94                         | 72.50               | 42.66               |                      |
| Provision for tax (Net of Advance Tax)                                                                                                            | -                             | -                   | 54.97               |                      |
| Total                                                                                                                                             | 17.65                         | 74.13               | 114.69              |                      |

Annexure - I.11  
Restated Statement of Property Plant & Equipment

|              |                                                     | Gross Block                |               |           |                                | Accumulated Depreciation   |                                  |              | Net Block                      |                                |
|--------------|-----------------------------------------------------|----------------------------|---------------|-----------|--------------------------------|----------------------------|----------------------------------|--------------|--------------------------------|--------------------------------|
| Fixed Assets |                                                     | Balance as at 1 April 2022 | Additions     | Disposals | Balance as at 31st March, 2023 | Balance as at 1 April 2022 | Depreciation charge for the year | On disposals | Balance as at 31st March, 2023 | Balance as at 31st March, 2023 |
| I.           | <b>Property Plant &amp; Equipment</b>               |                            |               |           |                                |                            |                                  |              |                                |                                |
|              | Land                                                | 729.00                     | 136.41        | -         | 865.42                         | -                          | -                                | -            | 865.42                         | 729.00                         |
|              | Building                                            | 1,466.04                   | 97.99         | -         | 1,564.03                       | 22.72                      | 48.75                            | -            | 71.47                          | 1,492.56                       |
|              | Plant and Equipment                                 | 1,375.87                   | 66.81         | -         | 1,442.69                       | 77.61                      | 54.25                            | -            | 131.86                         | 1,310.83                       |
|              | Furniture and Fixtures                              | 15.35                      | 5.40          | -         | 20.75                          | 1.39                       | 1.67                             | -            | 3.06                           | 17.69                          |
|              | Office equipment                                    | 11.78                      | 3.24          | -         | 15.01                          | 0.19                       | 2.24                             | -            | 2.43                           | 12.58                          |
|              | Air Conditioners                                    | 4.39                       | 0.14          | -         | 4.54                           | 0.93                       | 0.49                             | -            | 1.42                           | 3.12                           |
|              | Computers                                           | 5.63                       | 0.43          | -         | 6.05                           | 2.59                       | 1.36                             | -            | 3.95                           | 2.10                           |
|              | Electrical Installation                             | 135.00                     | 4.23          | -         | 139.23                         | 6.29                       | 13.10                            | -            | 19.39                          | 119.84                         |
|              | Water Cooler                                        | 0.84                       | -             | -         | 0.84                           | 0.59                       | 0.13                             | -            | 0.72                           | 0.12                           |
|              | Software                                            | 1.45                       | -             | -         | 1.45                           | 0.51                       | 0.14                             | -            | 0.65                           | 0.80                           |
|              | Vehicles                                            | 20.88                      | -             | -         | 20.88                          | 1.36                       | 1.98                             | -            | 3.35                           | 17.53                          |
|              | <b>Total Tangible Assets</b>                        | <b>3,766.24</b>            | <b>314.66</b> | <b>-</b>  | <b>4,080.90</b>                | <b>114.18</b>              | <b>124.12</b>                    | <b>-</b>     | <b>238.30</b>                  | <b>3,842.60</b>                |
| II.          | <b>Capital Work In Progress (Refer Note I.11.1)</b> |                            | 93.98         |           | 93.98                          |                            |                                  |              |                                | 93.98                          |
|              | <b>Total</b>                                        | <b>3,766.24</b>            | <b>93.98</b>  | <b>-</b>  | <b>93.98</b>                   | <b>-</b>                   | <b>-</b>                         | <b>-</b>     | <b>93.98</b>                   | <b>-</b>                       |
|              | <b>Total</b>                                        | <b>3,766.24</b>            | <b>408.64</b> | <b>-</b>  | <b>4,174.88</b>                | <b>114.18</b>              | <b>124.12</b>                    | <b>-</b>     | <b>238.30</b>                  | <b>3,936.58</b>                |

|        |                                               |                                |           |           |                   |
|--------|-----------------------------------------------|--------------------------------|-----------|-----------|-------------------|
| I.11.1 | Ageing Schedule of Capital Work In Progress : | Amount in CWIP for a period of |           |           |                   |
|        | Particulars                                   | Less than 1 year               | 1-2 years | 2-3 years | more than 3 years |
|        | Projects in Progress                          | 93.98                          | -         | -         | -                 |
|        |                                               |                                |           |           | 93.98             |

| Fixed Assets |                                              | Gross Block                    |               |               |                                     |                                         | Accumulated Depreciation       |                                      |                  |                                         |                               | Net Block                               |                                   |                             |
|--------------|----------------------------------------------|--------------------------------|---------------|---------------|-------------------------------------|-----------------------------------------|--------------------------------|--------------------------------------|------------------|-----------------------------------------|-------------------------------|-----------------------------------------|-----------------------------------|-----------------------------|
|              |                                              | Balance as at 1 April 2021 (a) | Additions (b) | Disposals (c) | Transfer on account of demerger (d) | Balance as at 31 March 2022 (a+b-c-d)=1 | Balance as at 1 April 2021 (a) | Depreciation charge for the year (b) | On disposals (c) | Transfer on account of Amalgamation (d) | For The Period after transfer | Balance as at 31 March 2022(a+b-c-d)= 2 | Balance as at 31 March 2022 (1-2) | Balance as at 31 March 2021 |
| I.           | Property Plant & Equipment                   |                                |               |               |                                     |                                         |                                |                                      |                  |                                         |                               |                                         |                                   |                             |
|              | Land                                         | 515.17                         | 213.84        | -             | -                                   | 729.00                                  | -                              | -                                    | -                | -                                       | -                             | -                                       | 729.00                            | 515.17                      |
|              | Building                                     | -                              | 1,466.04      | -             | -                                   | 1,466.04                                | -                              | 22.72                                | -                | -                                       | 22.72                         | 22.72                                   | 1,443.32                          | -                           |
|              | Plant and Equipment                          | 929.67                         | 1,448.30      | 4.33          | 997.77                              | 1,375.87                                | 294.88                         | 165.20                               | 2.18             | 380.29                                  | 77.61                         | 77.61                                   | 1,298.27                          | 634.79                      |
|              | Furniture and Fixtures                       | 2.38                           | 12.97         | -             | -                                   | 15.35                                   | 0.68                           | 0.71                                 | -                | -                                       | 0.71                          | 1.39                                    | 13.96                             | 1.70                        |
|              | Office equipment                             | 8.32                           | 11.78         | -             | 8.32                                | 11.78                                   | 4.53                           | 1.37                                 | -                | 5.72                                    | 0.19                          | 0.19                                    | 11.59                             | 3.79                        |
|              | Air Conditioners                             | 2.77                           | 1.62          | -             | -                                   | 4.39                                    | 0.56                           | 0.37                                 | -                | -                                       | 0.37                          | 0.93                                    | 3.47                              | 2.21                        |
|              | Computers                                    | 2.34                           | 3.29          | -             | -                                   | 5.63                                    | 1.62                           | 0.98                                 | -                | -                                       | 0.98                          | 2.59                                    | 3.03                              | 0.72                        |
|              | Electrical Installation                      | 42.28                          | 135.00        | -             | 42.28                               | 135.00                                  | 14.07                          | 9.30                                 | -                | 17.08                                   | 6.29                          | 6.29                                    | 128.71                            | 28.21                       |
|              | Water Cooler                                 | 0.49                           | 0.35          | -             | -                                   | 0.84                                    | 0.40                           | 0.18                                 | -                | -                                       | 0.18                          | 0.59                                    | 0.25                              | 0.09                        |
|              | Software                                     | 1.45                           | -             | -             | -                                   | 1.45                                    | 0.38                           | 0.14                                 | -                | -                                       | 0.14                          | 0.51                                    | 0.94                              | 1.07                        |
|              | Vehicles                                     | -                              | 20.88         | -             | -                                   | 20.88                                   | -                              | 1.36                                 | -                | -                                       | 1.36                          | 1.36                                    | -                                 | -                           |
|              | Total Tangible Assets                        | 1,504.86                       | 3,314.08      | 4.33          | 1,048.37                            | 3,766.24                                | 317.11                         | 202.34                               | 2.18             | 403.09                                  | 110.55                        | 114.18                                  | 3,652.06                          | 1,187.75                    |
|              | Previous Year                                | 1,219.46                       | 287.90        | 2.50          | -                                   | 1,504.86                                | 204.10                         | 114.33                               | 1.32             | -                                       | -                             | 317.11                                  | 1,187.75                          | 1,015.36                    |
| II.          | Capital Work In Progress (Refer Note I.11.2) |                                | 0.51          |               |                                     | 0.51                                    |                                |                                      |                  |                                         |                               |                                         | 0.51                              |                             |
|              | Total                                        |                                | 0.51          | -             |                                     | 0.51                                    | -                              | -                                    | -                | -                                       | -                             | -                                       | 0.51                              | -                           |
|              | Previous Year                                | -                              | 1,224.28      | -             | -                                   | 1,224.28                                | -                              | -                                    | -                | -                                       | -                             | -                                       | -                                 | -                           |

|        |                                               |                                |           |           |                   |
|--------|-----------------------------------------------|--------------------------------|-----------|-----------|-------------------|
| I.11.2 | Ageing Schedule of Capital Work In Progress : | Amount in CWIP for a period of |           |           |                   |
|        | Particulars                                   | Less than 1 year               | 1-2 years | 2-3 years | more than 3 years |
|        | Projects in Progress                          | 0.51                           | -         | -         | -                 |
|        |                                               |                                |           |           | 0.51              |

|              |                                                     | Gross Block       |                            |              |                 | Accumulated Depreciation |                   |                |             | Net Block       |                 |
|--------------|-----------------------------------------------------|-------------------|----------------------------|--------------|-----------------|--------------------------|-------------------|----------------|-------------|-----------------|-----------------|
| Fixed Assets |                                                     | As At 01-Apr-2020 | Purchase during the period | Disposals    | As At 31-Mar-21 | Upto 01-Apr-2020         | Dep.fund Adjstnt. | For the period | Disposals   | Upto 31-Mar-21  | As At 31-Mar-21 |
| I.           | <b>Tangible Assets</b>                              |                   |                            |              |                 |                          |                   |                |             |                 |                 |
|              | <u>Freehold/Own use:</u>                            |                   |                            |              |                 |                          |                   |                |             |                 |                 |
| a)           | Land                                                | 275.48            | 239.69                     | -            | 515.17          | -                        | -                 | -              | -           | -               | 515.17          |
| b)           | Building                                            | -                 | -                          | -            | -               | -                        | -                 | -              | -           | -               | -               |
| c)           | Plant and Equipment                                 | 884.88            | 47.29                      | 2.50         | 929.67          | 188.72                   | -                 | 107.47         | 1.32        | 294.88          | 634.79          |
| d)           | Furniture and Fixtures                              | 2.38              | -                          | -            | 2.38            | 0.45                     | -                 | 0.23           | -           | 0.68            | 1.70            |
| e)           | Office equipment                                    | 8.32              | -                          | -            | 8.32            | 2.95                     | -                 | 1.58           | -           | 4.53            | 3.79            |
| f)           | Air Conditioners                                    | 2.44              | 0.33                       | -            | 2.77            | 0.32                     | -                 | 0.24           | -           | 0.56            | 2.21            |
| g)           | Computers                                           | 1.74              | 0.60                       | -            | 2.34            | 1.05                     | -                 | 0.56           | -           | 1.62            | 0.72            |
| h)           | Electrical Installation                             | 42.28             | -                          | -            | 42.28           | 10.06                    | -                 | 4.02           | -           | 14.07           | 28.21           |
| i)           | Water Cooler                                        | 0.49              | -                          | -            | 0.49            | 0.31                     | -                 | 0.09           | -           | 0.40            | 0.09            |
| j)           | Software                                            | 1.45              | -                          | -            | 1.45            | 0.24                     | -                 | 0.14           | -           | 0.38            | 1.07            |
|              | <b>Total Tangible Assets</b>                        | <b>1,219.46</b>   | <b>287.90</b>              | <b>2.50</b>  | <b>1,504.86</b> | <b>204.10</b>            | <b>-</b>          | <b>114.33</b>  | <b>1.32</b> | <b>317.11</b>   | <b>1,187.75</b> |
|              | <b>Previous Year</b>                                | <b>1,190.24</b>   | <b>72.08</b>               | <b>42.87</b> | <b>1,219.46</b> | <b>106.49</b>            | <b>-</b>          | <b>106.73</b>  | <b>9.13</b> | <b>204.10</b>   | <b>1,083.75</b> |
|              | <b>Capital Work In Progress (Refer Note I.11.3)</b> | <b>103.56</b>     | <b>1,120.72</b>            | <b>-</b>     | <b>1,224.28</b> | <b>-</b>                 | <b>-</b>          | <b>-</b>       | <b>-</b>    | <b>1,224.28</b> | <b>-</b>        |
|              | <b>Total</b>                                        | <b>103.56</b>     | <b>1,120.72</b>            | <b>-</b>     | <b>1,224.28</b> | <b>-</b>                 | <b>-</b>          | <b>-</b>       | <b>-</b>    | <b>1,224.28</b> | <b>-</b>        |
|              | <b>Previous Year</b>                                | <b>-</b>          | <b>103.56</b>              | <b>-</b>     | <b>103.56</b>   | <b>-</b>                 | <b>-</b>          | <b>-</b>       | <b>-</b>    | <b>103.56</b>   | <b>-</b>        |
|              | <b>Total</b>                                        | <b>-</b>          | <b>1,408.62</b>            | <b>2.50</b>  | <b>2,729.14</b> | <b>204.10</b>            | <b>-</b>          | <b>114.33</b>  | <b>1.32</b> | <b>317.11</b>   | <b>2,412.03</b> |

|        |                                               |                                |           |           |                   |
|--------|-----------------------------------------------|--------------------------------|-----------|-----------|-------------------|
| I.11.3 | Ageing Schedule of Capital Work In Progress : | Amount in CWIP for a period of |           |           |                   |
|        | Particulars                                   | Less than 1 year               | 1-2 years | 2-3 years | more than 3 years |
|        | Projects in Progress                          | 1,120.72                       | 11.03     | 92.53     | -                 |
|        |                                               |                                |           |           | 1224.28           |

|                                                                                                                                                            |  |                       |                      |                     |              |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------|----------------------|---------------------|--------------|
| Annexure - I.12                                                                                                                                            |  |                       |                      |                     |              |
| Restated Statement of Non-Current Investments                                                                                                              |  |                       |                      |                     | (₹ in Lakhs) |
| Particulars                                                                                                                                                |  | As At<br>31/03/2023   | As At<br>31/03/2022  | As At<br>31/03/2021 |              |
| Unquoted Investments:                                                                                                                                      |  |                       |                      |                     |              |
| Investment in Aurum Fabritech LLP                                                                                                                          |  | 1.93                  | 0.10                 | -                   |              |
| Investment in Fixed Deposit*                                                                                                                               |  | 4.63                  | 4.46                 | 4.30                |              |
|                                                                                                                                                            |  | 6.56                  | 4.56                 | 4.30                |              |
| * Investment in Fixed deposit is Lien with HSBC Bank against Bank Guarantee issued to Uttar Gujarat Vij Company limited<br>(Market Value : Not applicable) |  |                       |                      |                     |              |
| Annexure - I.13                                                                                                                                            |  |                       |                      |                     |              |
| Restated Statement of Long-term loans and advances                                                                                                         |  |                       |                      |                     | (₹ in Lakhs) |
| Particulars                                                                                                                                                |  | As At<br>31/03/2023   | As At<br>31/03/2022  | As At<br>31/03/2021 |              |
| a. Capital Advance                                                                                                                                         |  | -                     | 35.17                | -                   |              |
| b. Business Advance                                                                                                                                        |  | -                     | 41.35                | -                   |              |
| Total                                                                                                                                                      |  | -                     | 76.51                | -                   |              |
| Annexure - I.14                                                                                                                                            |  |                       |                      |                     |              |
| Restated Statement of Non Current Asset                                                                                                                    |  |                       |                      |                     | (₹ in Lakhs) |
| Particulars                                                                                                                                                |  | As At<br>31/03/2023   | As At<br>31/03/2022  | As At<br>31/03/2021 |              |
| Security Deposits                                                                                                                                          |  | 6.79                  | 6.09                 | 78.48               |              |
| Preliminary Expenses not written off                                                                                                                       |  | 30.11                 | 1.52                 | 3.03                |              |
| Total                                                                                                                                                      |  | 36.91                 | 7.61                 | 81.51               |              |
| Annexure - I.15                                                                                                                                            |  |                       |                      |                     |              |
| Restated Statement of Inventories (Valued at Cost or NRV which ever is lower)                                                                              |  |                       |                      |                     | (₹ in Lakhs) |
| Particulars                                                                                                                                                |  | As At<br>31/03/2023   | As At<br>31/03/2022  | As At<br>31/03/2021 |              |
| a. Raw Materials and components                                                                                                                            |  | 489.32                | 326.20               | 49.92               |              |
| c. Finished goods                                                                                                                                          |  | 657.88                | 96.93                | 48.88               |              |
| d. Stores and spares                                                                                                                                       |  | 17.00                 | 10.96                | 65.37               |              |
| e. Waste                                                                                                                                                   |  | 0.95                  | 0.77                 | 0.34                |              |
| Total                                                                                                                                                      |  | 1,165.15              | 434.86               | 164.51              |              |
| Annexure - I.16                                                                                                                                            |  |                       |                      |                     |              |
| Restated Statement of Trade receivables                                                                                                                    |  |                       |                      |                     | (₹ in Lakhs) |
| Particulars                                                                                                                                                |  | As At<br>31/03/2023   | As At<br>31/03/2022  | As At<br>31/03/2021 |              |
| Trade Receivables, Unsecured                                                                                                                               |  | 1,170.60              | 1,001.04             | 1,118.83            |              |
| Total                                                                                                                                                      |  | 1,170.60              | 1,001.04             | 1,118.83            |              |
| Age of receivables                                                                                                                                         |  |                       |                      |                     |              |
| Particulars                                                                                                                                                |  | Less than<br>6 months | 6 Months<br>- 1 year | 1-2 years           | 2-3 years    |
| Undisputed                                                                                                                                                 |  |                       |                      |                     |              |
| Trade receivables - Considered good                                                                                                                        |  | 1,170.60              | -                    | -                   | -            |
| Trade receivables - doubtful debt                                                                                                                          |  | -                     | -                    | -                   | -            |
| Disputed                                                                                                                                                   |  |                       |                      |                     |              |
| Trade receivables - Considered good                                                                                                                        |  | -                     | -                    | -                   | -            |
| Trade receivables - doubtful debt                                                                                                                          |  | -                     | -                    | -                   | -            |
| Total                                                                                                                                                      |  | 1,170.60              | -                    | -                   | -            |

| As at 31/03/2022                                    |                    |                   |                  |              |                   |
|-----------------------------------------------------|--------------------|-------------------|------------------|--------------|-------------------|
| Particulars                                         | Less than 6 months | 6 Months - 1 year | 1-2 years        | 2-3 years    | More than 3 years |
| <b>Undisputed</b>                                   |                    |                   |                  |              |                   |
| Trade receivables - Considered good                 | 1,001.04           | -                 | -                | -            | -                 |
| Trade receivables - doubtful debt                   | -                  | -                 | -                | -            | -                 |
| <b>Disputed</b>                                     |                    |                   |                  |              |                   |
| Trade receivables - Considered good                 | -                  | -                 | -                | -            | -                 |
| Trade receivables - doubtful debt                   | -                  | -                 | -                | -            | -                 |
| <b>Total</b>                                        | <b>1,001.04</b>    | <b>-</b>          | <b>-</b>         | <b>-</b>     | <b>-</b>          |
| As at 31/03/2021                                    |                    |                   |                  |              |                   |
| Particulars                                         | Less than 6 months | 6 Months - 1 year | 1-2 years        | 2-3 years    | More than 3 years |
| <b>Undisputed</b>                                   |                    |                   |                  |              |                   |
| Trade receivables - Considered good                 | 1,118.83           | -                 | -                | -            | -                 |
| Trade receivables - doubtful debt                   | -                  | -                 | -                | -            | -                 |
| <b>Disputed</b>                                     |                    |                   |                  |              |                   |
| Trade receivables - Considered good                 | -                  | -                 | -                | -            | -                 |
| Trade receivables - doubtful debt                   | -                  | -                 | -                | -            | -                 |
| <b>Total</b>                                        | <b>1,118.83</b>    | <b>-</b>          | <b>-</b>         | <b>-</b>     | <b>-</b>          |
| Annexure - I.17                                     |                    |                   |                  |              |                   |
| Restated Statement of Cash and Bank Balance         |                    |                   |                  | (₹ in Lakhs) |                   |
| Particulars                                         | As At 31/03/2023   |                   | As At 31/03/2022 |              | As At 31/03/2021  |
| <b>Cash and Cash Equivalents</b>                    |                    |                   |                  |              |                   |
| Bank Balance                                        |                    |                   |                  |              |                   |
| (i) In current accounts                             | 32.24              |                   | 3.18             |              | 36.18             |
| (ii) In fixed deposit                               | 62.50              |                   | 31.68            |              | 31.75             |
| (iii) In foreign currency account                   | -                  |                   | 4.54             |              | -                 |
| Cash on Hand                                        | 0.42               |                   | 0.73             |              | 1.25              |
| <b>Total</b>                                        | <b>95.16</b>       |                   | <b>40.12</b>     |              | <b>69.18</b>      |
| Annexure - I.18                                     |                    |                   |                  |              |                   |
| Restated Statement of Short Term Loans And Advances |                    |                   |                  | (₹ in Lakhs) |                   |
| Particulars                                         | As At 31/03/2023   |                   | As At 31/03/2022 |              | As At 31/03/2021  |
| Advance to Suppliers                                | 207.70             |                   | 3.92             |              | 30.21             |
| Balance With Govt Authority                         | 354.03             |                   | 51.84            |              | -                 |
| Advance Income Tax (Net of Provision)               | 6.73               |                   | 0.82             |              |                   |
| Other Loans & Advances                              | -                  |                   | -                |              | 0.66              |
| Advance paid for Capital Goods                      | 65.44              |                   | -                |              | 653.60            |
| Inter-corporate Loans                               | 310.64             |                   | -                |              | 110.66            |
| <b>Total</b>                                        | <b>944.54</b>      |                   | <b>56.58</b>     |              | <b>795.13</b>     |
| Annexure - I.19                                     |                    |                   |                  |              |                   |
| Restated Statement of Other current assets          |                    |                   |                  | (₹ in Lakhs) |                   |
| Particulars                                         | As At 31/03/2023   |                   | As At 31/03/2022 |              | As At 31/03/2021  |
| Prepaid Expenses                                    | 27.81              |                   | 5.67             |              | 3.39              |
| Interest receivable                                 | 3.14               |                   | 2.89             |              | 3.27              |
| <b>Total</b>                                        | <b>30.95</b>       |                   | <b>8.56</b>      |              | <b>6.66</b>       |

| <b>Annexure - II.1</b>                                                                     |                                  |                                  |                                  |
|--------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|----------------------------------|
| <b>Restated Statement of Revenue from operations</b>                                       |                                  |                                  |                                  |
|                                                                                            | <b>(₹ in Lakhs)</b>              |                                  |                                  |
| Particulars                                                                                | For the year ended<br>31/03/2023 | For the year ended<br>31/03/2022 | For the year ended<br>31/03/2021 |
| Sale of products                                                                           | 5,351.24                         | 4,743.97                         | 2,007.26                         |
| Sales of Services                                                                          | 341.15                           | 373.66                           | 1,939.49                         |
| <b>Total</b>                                                                               | <b>5,692.39</b>                  | <b>5,117.63</b>                  | <b>3,946.76</b>                  |
| <b>Note:</b>                                                                               |                                  |                                  |                                  |
| <b>(i) Sale of products comprises following :</b>                                          |                                  |                                  |                                  |
| Domesite sales                                                                             | 3,277.64                         | 132.36                           | 8.66                             |
| Export sales                                                                               | 2,065.02                         | 4,603.79                         | 1,998.60                         |
| MEIS License/RODtep License                                                                | 8.59                             | 7.82                             | -                                |
| <b>Total</b>                                                                               | <b>5,351.24</b>                  | <b>4,743.97</b>                  | <b>2,007.26</b>                  |
| <b>(ii) Sale of Service comprises:</b>                                                     |                                  |                                  |                                  |
| Job wok Charges                                                                            | 341.15                           | 373.66                           | 1,939.49                         |
| <b>Annexure - II.2</b>                                                                     |                                  |                                  |                                  |
| <b>Restated Statement of Other income</b>                                                  |                                  |                                  |                                  |
|                                                                                            | <b>(₹ in Lakhs)</b>              |                                  |                                  |
| Particulars                                                                                | For the year ended<br>31/03/2023 | For the year ended<br>31/03/2022 | For the year ended<br>31/03/2021 |
| Interest Income                                                                            | 42.22                            | 5.16                             | 14.78                            |
| PMRPY (Family Pension) refund                                                              | -                                | -                                | 2.28                             |
| Foreign Exchange Fluctuation                                                               | 70.72                            | 56.08                            | -                                |
| Subsidy - Interest TL (Income)                                                             | -                                | -                                | 7.02                             |
| Other Misc Income                                                                          | 0.85                             | 1.42                             | 1.45                             |
| Freight Export Income                                                                      | -                                | -                                | 49.30                            |
| Share in Profit-Aurum Fabritech LLP                                                        | 1.40                             | -                                | -                                |
| Profit on sale of Asstes                                                                   | -                                | 1.86                             | -                                |
| <b>Total</b>                                                                               | <b>115.19</b>                    | <b>64.51</b>                     | <b>74.82</b>                     |
| <b>Annexure - II.3</b>                                                                     |                                  |                                  |                                  |
| <b>Restated Statement of Cost of materials consumed</b>                                    |                                  |                                  |                                  |
|                                                                                            | <b>(₹ in Lakhs)</b>              |                                  |                                  |
| Particulars                                                                                | For the year ended<br>31/03/2023 | For the year ended<br>31/03/2022 | For the year ended<br>31/03/2021 |
| Inventories at the beginning of the year                                                   | 326.20                           | 49.92                            | 156.46                           |
| Add: Purchases during the year                                                             | 3,190.55                         | 3,200.07                         | 836.71                           |
|                                                                                            | <b>3,516.75</b>                  | <b>3,249.99</b>                  | <b>993.16</b>                    |
| Less: Closing stock at the end of the year                                                 | 489.32                           | 326.20                           | 49.92                            |
| <b>Cost of materials consumed</b>                                                          | <b>3,027.43</b>                  | <b>2,923.78</b>                  | <b>943.24</b>                    |
| <b>Annexure - II.4</b>                                                                     |                                  |                                  |                                  |
| <b>Restated Statement of Purchases of stock-in-trade</b>                                   |                                  |                                  |                                  |
|                                                                                            | <b>(₹ in Lakhs)</b>              |                                  |                                  |
| Particulars                                                                                | For the year ended<br>31/03/2023 | For the year ended<br>31/03/2022 | For the year ended<br>31/03/2021 |
| Purchases of stock-in-trade                                                                | 1,139.72                         | -                                | -                                |
| <b>Purchases of stock-in-trade</b>                                                         | <b>1,139.72</b>                  | <b>-</b>                         | <b>-</b>                         |
| <b>Annexure - II.5</b>                                                                     |                                  |                                  |                                  |
| <b>Restated Statement of Changes in inventories of finished goods and work-in-progress</b> |                                  |                                  |                                  |
|                                                                                            | <b>(₹ in Lakhs)</b>              |                                  |                                  |
| Particulars                                                                                | For the year ended<br>31/03/2023 | For the year ended<br>31/03/2022 | For the year ended<br>31/03/2021 |
| <b>Inventories at the end of the year:</b>                                                 |                                  |                                  |                                  |
| (a) Finished goods                                                                         | 657.88                           | 96.93                            | 48.88                            |
| (b) Work-in-progress                                                                       | -                                | -                                | -                                |
| (c) Waste                                                                                  | 0.95                             | 0.77                             | 0.34                             |
| (d) Stock-in-trade                                                                         | -                                | -                                | -                                |
|                                                                                            | <b>658.83</b>                    | <b>97.69</b>                     | <b>49.23</b>                     |
| <b>Inventories at the beginning of the year:</b>                                           |                                  |                                  |                                  |
| (a) Finished goods                                                                         | 96.93                            | 48.88                            | -                                |
| (b) Work-in-progress                                                                       | -                                | -                                | -                                |
| (c) Waste                                                                                  | 0.77                             | 0.34                             | -                                |
| (d) Stock-in-trade                                                                         | -                                | -                                | -                                |
|                                                                                            | <b>97.69</b>                     | <b>49.23</b>                     | <b>-</b>                         |
| <b>Net (increase) / decrease</b>                                                           | <b>(561.14)</b>                  | <b>(48.47)</b>                   | <b>(49.23)</b>                   |

| <b>Annexure - II.6</b>                                                                                        |                                  |                                  |                                  |
|---------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|----------------------------------|
| <b>Restated Statement of Employee benefits expense</b>                                                        |                                  |                                  |                                  |
| <b>(₹ in Lakhs)</b>                                                                                           |                                  |                                  |                                  |
| Particulars                                                                                                   | For the year ended<br>31/03/2023 | For the year ended<br>31/03/2022 | For the year ended<br>31/03/2021 |
| (a) Salaries and wages                                                                                        | 51.76                            | 46.34                            | 232.60                           |
| (b) Bonus & Ex-Gratia Expenses                                                                                | 4.68                             | 1.63                             | 17.23                            |
| (c) Leave With Wages Expenses                                                                                 | 1.46                             | 0.46                             | 5.11                             |
| (d) Contributions to provident and other funds                                                                | 4.91                             | 2.64                             | 12.21                            |
| (e) Staff welfare expenses                                                                                    | 2.36                             | 1.22                             | 5.18                             |
| (f) Remuneration paid to Directors/KMPs                                                                       | 21.00                            | -                                | -                                |
| <b>Total</b>                                                                                                  | <b>86.17</b>                     | <b>52.29</b>                     | <b>272.33</b>                    |
| <b>Annexure - II.7</b>                                                                                        |                                  |                                  |                                  |
| <b>Restated Statement of Finance costs</b>                                                                    |                                  |                                  |                                  |
| <b>(₹ in Lakhs)</b>                                                                                           |                                  |                                  |                                  |
| Particulars                                                                                                   | For the year ended<br>31/03/2023 | For the year ended<br>31/03/2022 | For the year ended<br>31/03/2021 |
| Interest Expense                                                                                              | 76.67                            | 113.00                           | 75.46                            |
| Other borrowing costs; bank Charges                                                                           | 4.06                             | 3.77                             | 13.02                            |
| <b>Total</b>                                                                                                  | <b>80.72</b>                     | <b>116.77</b>                    | <b>88.48</b>                     |
| <b>Annexure - II.8</b>                                                                                        |                                  |                                  |                                  |
| <b>Restated Statement of Other expenses</b>                                                                   |                                  |                                  |                                  |
| <b>(₹ in Lakhs)</b>                                                                                           |                                  |                                  |                                  |
| Particulars                                                                                                   | For the year ended<br>31/03/2023 | For the year ended<br>31/03/2022 | For the year ended<br>31/03/2021 |
| <b>A. Manufacturing Expenses</b>                                                                              |                                  |                                  |                                  |
| Consumption of stores and spare parts                                                                         | 30.02                            | 30.31                            | 88.20                            |
| Consumption of packing materials                                                                              | 39.99                            | 80.95                            | 22.44                            |
| Electric Power, Fuel & Water                                                                                  | 96.60                            | 109.59                           | 414.39                           |
| Job contract Expenses                                                                                         | 160.53                           | 189.59                           | 220.31                           |
| Other Manufacturing Exps.                                                                                     | 222.36                           | 130.00                           | 20.15                            |
| <b>Subtotal (A)</b>                                                                                           | <b>549.51</b>                    | <b>540.44</b>                    | <b>765.48</b>                    |
| <b>B. Administrative expenses.</b>                                                                            |                                  |                                  |                                  |
| Rent, Rates and taxes                                                                                         | 41.14                            | 23.47                            | 64.38                            |
| Repairs and maintenance - Buildings                                                                           | 3.36                             | 11.73                            | 38.17                            |
| Repairs and maintenance - Machinery                                                                           | 1.00                             | 2.49                             | 4.41                             |
| Repairs and maintenance - Others                                                                              | 0.46                             | 0.64                             | 0.15                             |
| Travelling and conveyance                                                                                     | 9.55                             | 1.84                             | 3.38                             |
| Insurance                                                                                                     | 8.85                             | 5.48                             | 5.05                             |
| CSR Expenditure                                                                                               | 22.32                            | 16.80                            | -                                |
| Payments to auditors                                                                                          | 0.30                             | 4.80                             | 2.00                             |
| Legal and professional                                                                                        | 11.30                            | 30.28                            | 9.36                             |
| Pollution Control & Environ. Exp.                                                                             | 4.01                             | 0.57                             | -                                |
| ECGC Premium Expenses                                                                                         | 2.06                             | 3.64                             | 4.52                             |
| Telephone, postage and Internet exp.                                                                          | 1.01                             | 1.62                             | 0.93                             |
| Preliminary Expenses written off                                                                              | 1.52                             | 1.51                             | 1.52                             |
| Loss on sales of Assets                                                                                       | -                                | -                                | 0.58                             |
| Office Expenses                                                                                               | 1.80                             | 2.49                             | 1.09                             |
| <b>sub total (B)</b>                                                                                          | <b>108.67</b>                    | <b>107.38</b>                    | <b>135.53</b>                    |
| <b>C. Selling &amp; Distribution Expenses</b>                                                                 |                                  |                                  |                                  |
| Business promotion & testing expense                                                                          | -                                | 0.03                             | -                                |
| Freight & Container Expenses                                                                                  | 89.15                            | 314.03                           | 72.33                            |
| Miscellaneous expenses and balance W/off                                                                      | 2.11                             | 1.94                             | -                                |
|                                                                                                               | <b>91.26</b>                     | <b>316.01</b>                    | <b>72.33</b>                     |
| <b>Total (A+B+C)</b>                                                                                          | <b>749.44</b>                    | <b>963.82</b>                    | <b>973.33</b>                    |
| <b>(i) Payments to the auditors comprises</b>                                                                 |                                  |                                  |                                  |
| - statutory audit                                                                                             | 0.30                             | 1.00                             | 1.00                             |
| - Other services                                                                                              | -                                | 3.80                             | -                                |
| <b>(ii) Expenditure on Corporate Social Responsibility</b>                                                    |                                  |                                  |                                  |
| Gross Amt. required to be spent by the Company during the period                                              | 22.32                            | 16.80                            | -                                |
| Amount spent in cash during the year                                                                          | 22.32                            | 16.80                            | -                                |
| <b>Annexure - II.9</b>                                                                                        |                                  |                                  |                                  |
| <b>Restated Statement of Earning Per Equity Share</b>                                                         |                                  |                                  |                                  |
| <b>(₹ in Lakhs)</b>                                                                                           |                                  |                                  |                                  |
| Particulars                                                                                                   | For the year ended<br>31/03/2023 | For the year ended<br>31/03/2022 | For the year ended<br>31/03/2021 |
| <b>Before Exceptional Itmes</b>                                                                               |                                  |                                  |                                  |
| 1.Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. in Lakhs) | 910.63                           | 826.56                           | 1,265.68                         |
| 2. Weighted Average number of equity shares used as denominator for calculating EPS                           | 17,550,000                       | 17,550,000                       | 17,550,000                       |
| 3. Basic and Diluted Earning per Share (On Face value of Rs. 10/ per share)                                   | 5.19                             | 4.71                             | 7.21                             |



**ANNEXURE –V**

**Notes to the Re-stated Financial Statements:**

**I. Additional Information to the Financial Statements:-**

**(₹ in Lakhs)**

| Particulars                                                                   | For the year ended<br>31/03/2023 | For the year ended<br>31/03/2022 | For the year ended<br>31/03/2021 |
|-------------------------------------------------------------------------------|----------------------------------|----------------------------------|----------------------------------|
| <b>1. CIF Value of Imports</b>                                                |                                  |                                  |                                  |
| Raw Material                                                                  | 1,502.01                         | 3,200.07                         | 868.47                           |
| Traded Goods                                                                  | 1,139.72                         | -                                | -                                |
| Capital Goods/ Stores & Spare Parts                                           | 59.06                            | 1,046.42                         | 9.32                             |
|                                                                               | 2,700.79                         | 4,246.49                         | 877.79                           |
| <b>2. Expenditure in Foreign Currency</b>                                     |                                  |                                  |                                  |
| - In respect of Bank Charges/Interest on Foreign Currency Loan./Buyers Credit | 13.58                            | 4.00                             | 0.23                             |
| - In respect of Foreign Travelling.                                           | 8.47                             | -                                | -                                |
| - Container Freight                                                           | 641.77                           | 439.83                           | 113.47                           |
|                                                                               | 663.81                           | 443.82                           | 113.70                           |
| <b>3. Earnings in Foreign Currency</b>                                        |                                  |                                  |                                  |
| Exports                                                                       | 2,685.62                         | 5,154.33                         | 2,184.28                         |
|                                                                               | 2,685.62                         | 5,154.33                         | 2,184.28                         |
| <b>Total</b>                                                                  | <b>6,050.22</b>                  | <b>9,844.65</b>                  | <b>3,175.78</b>                  |

**II. Disclosure Regarding Derivative Instruments And Unhedged Foreign Currency Exposure**

**(₹ in Lakhs)**

| Disclosure of Unhedged Balances:                        | As At<br>31/03/2023 | As At<br>31/03/2022 | As At<br>31/03/2021 |
|---------------------------------------------------------|---------------------|---------------------|---------------------|
| <b>Trade payables (including payables for capital):</b> |                     |                     |                     |
| In USD                                                  | -                   | -                   | -                   |
| In Euro                                                 | -                   | -                   | -                   |
| In INR                                                  | -                   | -                   | -                   |
| <b>Trade Receivable</b>                                 |                     |                     |                     |
| In USD                                                  | 3.79                | 12.49               | 13.24               |
| In GBP                                                  | -                   | -                   | -                   |
| In EURO                                                 | -                   | -                   | -                   |
| In INR                                                  | 311.79              | 945.78              | 973.47              |
| <b>Borrowings:</b>                                      |                     |                     |                     |
| In USD                                                  | -                   | -                   | -                   |
| In INR                                                  | -                   | -                   | -                   |
| <b>Interest accrued but not due</b>                     |                     |                     |                     |
| In USD                                                  | -                   | -                   | -                   |
| In INR                                                  | -                   | -                   | -                   |

**III. Segment Information**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

**(₹ in Lakhs)**

| Information on Geographical Segments:    | India    | Outside India | Total    |
|------------------------------------------|----------|---------------|----------|
| <b>For the Year ended March 31, 2023</b> |          |               |          |
| Revenue from external customers          | 3,627.38 | 2,065.02      | 5,692.39 |
| Carrying amount of segment assets        | 858.81   | 311.79        | 1,170.60 |
| <b>For the Year ended March 31, 2022</b> |          |               |          |
| Revenue from external customers          | 513.84   | 4,603.79      | 5,117.63 |
| Carrying amount of segment assets        | 55.25    | 945.78        | 1,001.04 |
| <b>For the Year ended March 31, 2021</b> |          |               |          |
| Revenue from external customers          | 1,948.16 | 1,998.60      | 3,946.76 |
| Carrying amount of segment assets        | 145.36   | 973.47        | 1,118.83 |

**IV. As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. As per the provisions of Section 135 of the Companies Act, 2013 the Company was required to spend amount as mentioned below.**

(₹ in Lakhs)

| Particulars                                                                                        | For the year ended<br>31/03/2023 | For the year ended<br>31/03/2022 | For the year ended<br>31/03/2021 |
|----------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|----------------------------------|
| a). Amount Required to be spent during the year                                                    | 22.32                            | 16.80                            | -                                |
| b). Amount of expenditure incurred,                                                                | 22.32                            | 16.80                            | -                                |
| c). Shortfall at the end of the year,                                                              | -                                | -                                | -                                |
| d). Total of previous years shortfall                                                              | -                                | -                                | -                                |
| e). Reasons for shortfall                                                                          | -                                | -                                | -                                |
| f). Nature of CSR Activities-The Company has spent amount for preventive and promoting health care | -                                | -                                | -                                |

**V. Additional regulatory information****(a) Details of crypto currency or virtual currency**

The Company has neither traded nor invested in Crypto currency or Virtual Currency during the year ended on March 31, 2023, 2022 & 2021. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

**(b) Compliance with approved scheme of arrangements**

The Board of Directors of the company in their meeting held on 19th November, 2021 approved the Scheme of Arrangement ('the Scheme') between Shri Techtex Private Limited ('STTPL' or 'Demerged Company') and Aurum Fabritech Private Limited ('AFPL' or 'Resulting Company') and their respective Shareholders and Creditors. The appointed date of the Scheme is 01st April, 2021.

The Scheme has become effective from the appointed date i.e. **1st April, 2021** and has become operative on upon filing of Order of NCLT with Registrar in Form INC-28. Accordingly, the financial statements of the Company for FY 2021-22 have been prepared after giving effect of the Scheme with effect from the Appointed Date.

In pursuance of such scheme the whole of the Textile Unit-1 undertaking of the Demerged Company as a going concern, under the provisions of Companies Act, 2013, without any further act or deed, stands transferred to and vested in and / or deemed to be transferred to and vested in the Resulting Company so as to become the business, assets and properties of the company as a part of and consequent upon the Scheme.

**In accordance with the scheme :**

(i) Demerger of the Textile Unit-1 Undertaking from the Demerged Company to the Resulting Company has been accounted in accordance with the applicable Accounting Standard and generally accepted accounting principles. as per Section 133 of the Companies Act, 2013 and the Companies (Accounting Standards) Rule 2006.

(ii) Upon filing of Form INC-28 with the Registrar, in consideration of the transfer and vesting of the Undertaking of the Demerged Company in the Resulting Company in terms of the Scheme, the Resulting Company has issued and allotted Equity Shares credited as fully paid up to the shareholders of Demerged Company as per the scheme.

(iii) The Scheme has become effective from the appointed date i.e. **1st April, 2021** but has become operative from filling of Form INC-28.

**(c) Undisclosed income**

During the Period, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**(d) Relationship with struck off companies**

The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended on March 31, 2023, 2022 & 2021.

**(e) Compliance with numbers of layers of companies**

The Company is in compliance with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the year ended on March 31, 2023, 2022 & 2021.

**(f) Utilisation of borrowed funds and share premium**

During the year ended on March 31, 2023, 2022 & 2021, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

During the year ended on March 31, 2023, 2022 & 2021, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

**(g) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.**

- (h) No proceeding have been initiated nor pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**VI. Non-adjustment Items:**

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

**VII. Material Regroupings:**

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

**VIII. Material Adjustments in Restated Profit & Loss Account:**

(₹ in Lakhs)

| Particulars                                      | For the Period Ended |               |                 |
|--------------------------------------------------|----------------------|---------------|-----------------|
|                                                  | 31-03-23             | 31-03-22      | 31-03-21        |
| <b>Profit After Tax as per Books of Accounts</b> | <b>910.63</b>        | <b>826.56</b> | <b>1,265.68</b> |
| Adjustment for provision of Depreciation         | -                    | -             | -               |
| Adjustment for provision of Income Tax           | -                    | -             | -               |
| Adjustment for provision of Deferred Tax         | -                    | -             | -               |
| <b>Profit After Tax as per Restated</b>          | <b>910.63</b>        | <b>826.56</b> | <b>1,265.68</b> |

**IX. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006**

Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006) there are no delays in payment of dues to such enterprise during the year.

The identification of Micro, Small and Medium Enterprises Suppliers as defined under “The Micro, Small and Medium Enterprises Development Act, 2006” is based on the information available with the management. As certified by the management, the amounts overdue as on March 31, 2023, 2022 & 2021 to Micro, Small and Medium Enterprises on account of principal amount together with interest, aggregate to Rs. Nil.

I. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

II. The balance of Sundry Creditors, Sundry Debtors, Loans Advances, Unsecured Loans, and Current Liabilities are subject to confirmation and reconciliation.

- X. As required under SEBI (ICDR) Regulations, the statement of assets and liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived after such deductions.

**XI. Leave Encashment [AS-15]**

Accounting Standard (AS) – 15 issued by ICAI is Mandatory. The Company has accounted for the leave encashment liabilities on accrual basis.

**XII. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits**

Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

**XIII. Re-grouping/re-classification of amounts**

The figures have been grouped and classified wherever they were necessary.

**XIV. Examination of Books of Accounts & Contingent Liability**

The list of books of accounts maintained is based on information provided by the assessee and is not exhaustive. The information in audit report is based on

**XV. Director Personal Expenses**

There are no direct personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

**XVI. Deferred Tax Asset / Liability: [AS-22]**

The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS) - 22.

**ANNEXURE –VI**

**Statement of Accounting & Other Ratios, As Restated**

| Particulars                                                                                                                     | 31-03-23        | 31-03-22        | 31-03-21        |
|---------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|
| Net Profit as Restated (A)                                                                                                      | 910.63          | 826.56          | 1,265.68        |
| Add: Depreciation                                                                                                               | 124.12          | 110.55          | 114.33          |
| Add: Interest on Loan                                                                                                           | 80.72           | 116.77          | 88.48           |
| Add: Income Tax/ Deferred Tax                                                                                                   | 250.50          | 236.84          | 413.41          |
| Less: Other Income                                                                                                              | (115.19)        | (64.51)         | (74.82)         |
| <b>EBITDA</b>                                                                                                                   | <b>1,250.78</b> | <b>1,226.21</b> | <b>1,807.08</b> |
| <b>EBITDA Margin (%)</b>                                                                                                        | <b>21.97%</b>   | <b>23.96%</b>   | <b>45.79%</b>   |
| Net Worth as Restated (B)                                                                                                       | 2,981.50        | 2,099.47        | 2,075.69        |
| <b>Return on Net worth (%) as Restated (A/B)</b>                                                                                | <b>30.54%</b>   | <b>39.37%</b>   | <b>60.98%</b>   |
| Equity Share at the end of year (in Nos.) (C)                                                                                   | 17,550,000      | 2,250,000       | 2,250,000       |
| Weighted No. of Equity Shares (D)                                                                                               | 17,550,000      | 2,250,000       | 2,250,000       |
| Weighted No. of Equity Shares Considering Bonus Impact (E)                                                                      | 17,550,000      | 17,550,000      | 17,550,000      |
| (Considering Bonus with retrospective effect)                                                                                   |                 |                 |                 |
| <b>Basic &amp; Diluted Earnings per Equity Share as Restated (A/D)</b>                                                          | <b>5.19</b>     | <b>36.74</b>    | <b>56.25</b>    |
| <b>Basic &amp; Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect (A/E)</b> | <b>5.19</b>     | <b>4.71</b>     | <b>7.21</b>     |
| Net Asset Value per Equity share as Restated (B/C)                                                                              | 16.99           | 93.31           | 92.25           |
| <b>Net Asset Value per Equity share as Restated after considering Bonus Impact with retrospective effect (B/E)</b>              | <b>16.99</b>    | <b>11.96</b>    | <b>11.83</b>    |

Note:-

EBITDA Margin = EBITDA/Total Revenues

Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (₹) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

| Sr. No. | Ratio                                | As At<br>31/03/2023 | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---------|--------------------------------------|---------------------|-------------------------|-------------------------|
| 1       | Current Ratio                        | 2.84                | 1.24                    | 3.15                    |
| 2       | Debt-Equity Ratio                    | 1.07                | 1.17                    | 0.72                    |
| 3       | Debt Service Coverage Ratio          | 2.85                | 2.62                    | 8.48                    |
| 4       | Return on Equity (ROE)(%)            | 35.84%              | 39.59%                  | 121.95%                 |
| 5       | Inventory Turnover Ratio             | 4.51                | 9.59                    | 4.88                    |
| 6       | Trade receivables turnover ratio     | 5.24                | 4.83                    | 5.98                    |
| 7       | Trade payables turnover ratio        | 8.48                | 6.58                    | 2.88                    |
| 8       | Net capital turnover ratio           | 4.54                | 5.79                    | 4.30                    |
| 9       | Net profit ratio(%)                  | 16.00%              | 16.15%                  | 32.07%                  |
| 10      | Return on capital employed (ROCE)(%) | 20.07%              | 29.21%                  | 44.55%                  |
| 11      | Return on investments(%)             | 30.24%              | 39.34%                  | 60.89%                  |

| Sr. No. | Ratio                                | As At<br>31/03/2023 | Notes     | As at<br>March 31, 2022 | Notes     |
|---------|--------------------------------------|---------------------|-----------|-------------------------|-----------|
| 1       | Current Ratio                        | 128.70%             | Refer A-1 | -60.57%                 | Refer B-1 |
| 2       | Debt-Equity Ratio                    | -8.34%              |           | 61.85%                  | Refer B-2 |
| 3       | Debt Service Coverage Ratio          | 8.64%               |           | -69.06%                 | Refer B-3 |
| 4       | Return on Equity (ROE)(%)            | -9.47%              |           | -67.53%                 | Refer B-4 |
| 5       | Inventory Turnover Ratio             | -53.02%             | Refer A-2 | 96.76%                  | Refer B-5 |
| 6       | Trade receivables turnover ratio     | 8.58%               |           | -19.23%                 |           |
| 7       | Trade payables turnover ratio        | 29.00%              | Refer A-3 | 128.69%                 | Refer B-6 |
| 8       | Net capital turnover ratio           | -21.46%             |           | 34.45%                  | Refer B-7 |
| 9       | Net profit ratio(%)                  | -0.95%              |           | -49.64%                 | Refer B-8 |
| 10      | Return on capital employed (ROCE)(%) | -31.27%             | Refer A-4 | -34.44%                 | Refer B-8 |
| 11      | Return on investments(%)             | -23.14%             |           | -35.39%                 | Refer B-8 |

**Note : A Reasons for Variations:**

- 1 Current Ratio : It is primarily increased due to increase in current Loan & Advances and Inventories
- 2 Inventory Turnover Ratio : It is primarily decreased due to increase in average inventory
- 3 Trade payables turnover ratio : It is primarily increased due to decrease in Cost of Purchase
- 4 Return on capital employed (ROCE)(%) : It is primarily decreased due to increase in Capital Employed

**Note : B Reasons for Variations:**

- 1 Current Ratio : It is decreased primarily due to decrease in current Loan & Advances
- 2 Debt Equity Ratio : It is increased due to increase in Debt
- 3 Debt Service Coverage Ratio : It is decreased due to increase in Debt
- 4 Return on Equity (ROE)(%) : It is decreased primarily due to increase in Retained Earning i.e. Shareholder's fund
- 5 Inventory Turnover Ratio : It is increased due to increase in COGS
- 6 Trade payables turnover ratio : Due to increase in Purchases
- 7 Net capital turnover ratio: Due to increase in Turnover
- 8 It is decrease due to increase in Operational Cost & other expense

## ANNEXURE –VII

### Statement of Capitalization, As Restated

(₹ in Lakhs)

| Particulars                                                                                                                                                                         | Pre-Issue       | Post Issue* |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-------------|
|                                                                                                                                                                                     | 31-03-23        |             |
| <b>Debt :</b>                                                                                                                                                                       |                 |             |
| Long Term Debt                                                                                                                                                                      | 2,501.82        | [●]         |
| Short Term Debt                                                                                                                                                                     | 687.16          | [●]         |
| <b>Total Debt</b>                                                                                                                                                                   | <b>3,188.98</b> | -           |
|                                                                                                                                                                                     |                 |             |
| <b>Shareholders Funds</b>                                                                                                                                                           |                 |             |
| Equity Share Capital                                                                                                                                                                | 1,755.00        | [●]         |
| Reserves and Surplus                                                                                                                                                                | 1,256.61        | [●]         |
| Less: Misc. Expenditure                                                                                                                                                             | 30.11           | -           |
| <b>Total Shareholders' Funds</b>                                                                                                                                                    | <b>2,981.50</b> | [●]         |
|                                                                                                                                                                                     |                 |             |
| <b>Long Term Debt/ Shareholders' Funds</b>                                                                                                                                          | <b>0.84</b>     | [●]         |
| <b>Total Debt / Shareholders Fund</b>                                                                                                                                               | <b>1.07</b>     | [●]         |
| * Assuming Full Allotment of IPO shares                                                                                                                                             |                 |             |
| Our Company has allotted 153,00,000 Bonus Equity Shares on December 22, 2022 in the ratio of 68:10 i.e. 68 Bonus equity shares for every 10 equity shares held on December 19, 2022 |                 |             |

**ANNEXURE –VIII**

**Statement of Tax Shelter, As Restated**

**(₹ in Lakhs)**

| Particulars                                                  | As At             |                   |                   |
|--------------------------------------------------------------|-------------------|-------------------|-------------------|
|                                                              | 31-03-23          | 31-03-22          | 31-03-21          |
| <b>Profit Before Tax as per books of accounts (A)</b>        | <b>1,161.13</b>   | <b>1,063.40</b>   | <b>1,679.09</b>   |
| -- Normal Tax rate                                           | 25.17%            | 25.17%            | 25.17%            |
| -- Minimum Alternative Tax rate                              | 0.00%             | 0.00%             | 0.00%             |
|                                                              |                   |                   |                   |
| <b>Permanent differences</b>                                 |                   |                   |                   |
| Other adjustments                                            | 22.32             | 15.04             | 2.06              |
| Prior Period Item                                            | -                 | -                 | -                 |
| Share in Profit-Aurum Fabricitech LLP                        | (1.40)            | -                 | -                 |
| <b>Total (B)</b>                                             | <b>20.92</b>      | <b>15.04</b>      | <b>2.06</b>       |
|                                                              |                   |                   |                   |
| <b>Timing Differences</b>                                    |                   |                   |                   |
| Depreciation as per Books of Accounts                        | 124.12            | 110.55            | 114.33            |
| Depreciation as per Income Tax                               | 380.69            | 194.91            | 86.07             |
| Difference between tax depreciation and book depreciation    | (256.57)          | (84.36)           | 28.26             |
| Other adjustments                                            | 2.61              | (0.82)            | (19.16)           |
| Deduction under chapter VI-A                                 |                   | -                 | -                 |
| <b>Total (C)</b>                                             | <b>(253.97)</b>   | <b>(85.18)</b>    | <b>9.10</b>       |
| <b>Net Adjustments (D = B+C)</b>                             | <b>(233.05)</b>   | <b>(70.14)</b>    | <b>11.16</b>      |
| <b>Total Income (E = A+D)</b>                                | <b>928.08</b>     | <b>993.26</b>     | <b>1,690.25</b>   |
| Brought forward losses set off (Depreciation)                | -                 | -                 | -                 |
| Tax effect on the above (F)                                  | -                 | -                 | -                 |
| <b>Taxable Income/ (Loss) for the year/period (E+F)</b>      | <b>928.08</b>     | <b>993.26</b>     | <b>1,690.25</b>   |
| Tax Payable for the year                                     | 233.60            | 250.00            | 425.44            |
| Tax payable as per MAT                                       | -                 | -                 | -                 |
| Tax expense recognised                                       | <b>233.60</b>     | <b>250.00</b>     | <b>425.44</b>     |
| Tax payable as per normal rates or MAT (whichever is higher) | <b>Income Tax</b> | <b>Income Tax</b> | <b>Income Tax</b> |

**ANNEXURE –IX**

**Statement of Related Party & Transactions :**

**List of Related Parties where Control exists and Relationships:**

| <b>Sr. No</b>               | <b>Name of the Related Party</b>                                                                                                               | <b>Relationship</b>                                                                                                    |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| 1)<br>2)<br>3)<br>4)<br>5)  | Shri Jagdamba Polymers Limited<br>Shakti Polyweave Private Limited<br>Shakti Tectex Private Limited<br>Aurum Fabrictech LLP<br>Harmony Finvest | Entities in which Key Management Personnel (KMP)/relative of KMP exercise significant influence                        |
| 6)<br>7)<br>8)<br>9)<br>10) | Shradha Hanskumar Agarwal<br>Hanskumar Ramakant Agarwal<br>Ashish Ashokkumar Bhaiya<br>Ramakant Bhojnagarwala<br>Radhadevi Agrawal             | Key Managerial Personnel<br>Key Managerial Personnel<br>Key Managerial Personnel<br>Relative of KMP<br>Relative of KMP |

**(₹ in Lakhs)**

| <b>Transactions during the year:</b> | <b>For the year ended<br/>31/03/2023</b> | <b>For the year ended<br/>31/03/2022</b> | <b>For the year ended<br/>31/03/2021</b> |
|--------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|
| <b>(a) Jobwork Expenses</b>          |                                          |                                          |                                          |
| Shri Jagdamba Polymers Limited       | 81.91                                    | 160.77                                   | 95.84                                    |
| Shakti Polyweave Private Limited     | 28.28                                    | 73.50                                    | 47.81                                    |
| Aurum Fabrictech LLP                 | 81.77                                    | 8.43                                     | -                                        |
| <b>(b) Jobwork Sale</b>              |                                          |                                          |                                          |
| Shri Jagdamba Polymers Limited       | 286.56                                   | 185.40                                   | 658.80                                   |
| Shakti Polyweave Private Limited     | 54.59                                    | 188.26                                   | 1,280.69                                 |
| <b>(c) Sale of Goods</b>             |                                          |                                          |                                          |
| Shakti Polyweave Private Limited     | 1,455.39                                 | 17.12                                    | 6.99                                     |
| Shakti Tectex Private Limited        | 263.95                                   | -                                        | -                                        |
| Aurum Fabrictech LLP                 | 9.00                                     | -                                        | -                                        |
| <b>(d) Rent Income</b>               |                                          |                                          |                                          |
| Shri Jagdamba Polymers Limited       | -                                        | -                                        | -                                        |
| <b>(e) Purchase of Goods</b>         |                                          |                                          |                                          |
| Shri Jagdamba Polymers Limited       | 582.22                                   | 977.90                                   | 451.07                                   |
| Shakti Polyweave Private Limited     | 533.45                                   | 1,205.43                                 | 373.38                                   |
| <b>(f) Share in Profit</b>           |                                          |                                          |                                          |
| Aurum Fabrictech LLP                 | 1.40                                     | -                                        | -                                        |
| <b>(g) Rent Paid</b>                 |                                          |                                          |                                          |
| Ramakant Bhojnagarwala               | 0.12                                     | 0.24                                     | -                                        |
| Hanskumar Ramakant Agarwal           | 5.25                                     | 6.13                                     | -                                        |
| Shradha Hanskumar Agarwal            | 5.25                                     |                                          |                                          |
| Shri Jagdamba Polymers Limited       | -                                        | -                                        | 12.00                                    |
| Shakti Polyweave Private Limited     | -                                        | -                                        | -                                        |



|                                               |          |        |        |
|-----------------------------------------------|----------|--------|--------|
| <b>(h) Reimbursement of Expense</b>           |          |        |        |
| Shradha Hanskumar Agarwal                     | 2.62     | 0.99   | -      |
| Ramakant Bhojnagarwala                        | -        | 0.23   | -      |
| Shakti Techtex Private Limited                | -        | 0.06   | -      |
| Hanskumar Ramakant Agarwal                    | 0.57     | -      | -      |
| Aurum Fabrictech LLP                          | (410.84) | -      | -      |
| <b>(i) Interest Paid</b>                      |          |        |        |
| Shakti Polyweave Private Limited              | -        | 3.86   | 0.70   |
| Shradha Hanskumar Agarwal                     | 16.59    | 15.77  | 21.40  |
| Shakti Techtex Private Limited                | -        | 4.77   | -      |
| Radhadevi Agarwal                             | 22.09    | 13.06  | 34.67  |
| Hanskumar Ramakant Agarwal                    | 1.07     | -      | -      |
| Harmony Finvest                               | 14.43    | -      | -      |
| Shri Jagdamba Polymers Limited                | 8.80     | -      | 18.64  |
| <b>(j) Loan received from Related Parties</b> |          |        |        |
| Radhadevi Agrawal                             | 314.00   | 279.00 | 35.00  |
| Shradha Hanskumar Agarwal                     | 563.86   | 143.00 | 225.00 |
| Hanskumar Ramakant Agarwal                    | 85.00    | -      | -      |

|                                                                      |        |        |        |
|----------------------------------------------------------------------|--------|--------|--------|
| <b>(k) Loan Repaid to Related Parties</b>                            |        |        |        |
| Radhadevi Ramakant                                                   | 604.70 | 295.43 | 100.00 |
| Shradha Hanskumar Agarwal                                            | 203.01 | 342.60 | 75.00  |
| Hanskumar Ramakant Agarwal                                           | 0.03   | -      | -      |
| <b>(L) Sale of Asset</b>                                             |        |        |        |
| Shri Jagdamba Polymers Limited                                       | -      | 4.00   | -      |
| Shakti Polyweave Private Limited                                     | -      | -      | -      |
| <b>(m) Loan from associate body corporate</b>                        |        |        |        |
| Shri Jagdamba Polymers Limited                                       | 765.00 | 200.00 | -      |
| Shakti Techtex Private Limited                                       | -      | 250.00 | -      |
| Shakti Polyweave Private Limited                                     | -      | -      | 250.00 |
| <b>(n) Loan repaid to associate body corporate</b>                   |        |        |        |
| Shri Jagdamba Polymers Limited                                       | 25.00  | 217.25 | -      |
| Shakti Polyweave Private Limited                                     | -      | 250.00 | -      |
| Shakti Techtex Private Limited                                       | -      | 250.00 | -      |
| <b>(o) Loan/Advances given to associate body corporate</b>           |        |        |        |
| Shakti Techtex Private Limited                                       | 677.96 | 45.64  | -      |
| <b>(p) Loan/Advances received back from associate body corporate</b> |        |        |        |
| Shakti Techtex Private Limited                                       | 441.53 | -      | -      |
| <b>(q) CHA Charges</b>                                               |        |        |        |
| Shri Jagdamba Polymers Limited                                       | -      | 1.65   | 0.96   |
| Shakti Polyweave Private Limited                                     | -      | -      | 2.82   |
| <b>(r) Interest Received</b>                                         |        |        |        |
| Shakti Techtex Private Limited                                       | 35.32  | -      | -      |
| M/s Aurum Fabrictech LLP                                             | 0.48   | -      | -      |
| <b>(s) Director Remuneration</b>                                     |        |        |        |
| Shradha Hanskumar Agarwal                                            | 15.00  | -      | -      |

| Ashish Ashokkumar Bhaiya                              | 6.00                        | -                           | -                           |
|-------------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>(t) Purchase of Asset</b>                          |                             |                             |                             |
| Shakti Polyweave Private Limited                      | 1.94                        | -                           | -                           |
| <b>(₹ in Lakhs)</b>                                   |                             |                             |                             |
| <b>4. Outstanding Balance Receivables / (Payable)</b> | <b>As At<br/>31/03/2023</b> | <b>As At<br/>31/03/2022</b> | <b>As At<br/>31/03/2021</b> |
| <b>Trade receivables</b>                              |                             |                             |                             |
| Shri Jagdamba Polymers Limited                        | 32.57                       | 23.25                       | 40.73                       |
| Shakti Polyweave Private Limited                      | 0.64                        | -                           | 104.63                      |
| <b>Trade payable</b>                                  |                             |                             |                             |
| (i) Hanskumar Ramakant Agarwal                        | 0.53                        | 0.95                        | -                           |
| (ii) Ramakant Bhojnagarwala                           | -                           | 0.26                        | 0.05                        |
| (iii) M/s Aurum Fabritech LLP(Demerger)               | -                           | 434.82                      | -                           |
| (iv) Shakti Polyweave Private Limited                 | 34.00                       | 2.56                        | 2.61                        |
| (v) Shri Jagdamba Polymers Limited                    | 256.92                      | 87.15                       | 102.29                      |
| (vi) M/s Aurum Fabritech LLP                          | -                           | 8.73                        | -                           |
| (vii) Shradha Hanskumar Agarwal                       | 0.03                        | -                           | -                           |
| <b>Advance given to Suppliers</b>                     |                             |                             |                             |
| Shri Jagdamba Polymers Limited                        | -                           | -                           | -                           |
| <b>Outstanding Business Advances</b>                  |                             |                             |                             |
| Shakti Techtex Private Limited                        | 310.64                      | 41.35                       | -                           |
| <b>Outstanding Unsecured Loan</b>                     |                             |                             |                             |
| Radhadevi Agrawal                                     | -                           | 270.81                      | 275.49                      |
| Shradha Hanskumar Agarwal                             | 540.80                      | 165.01                      | 349.42                      |
| Hanskumar Ramakant Agarwal                            | 85.96                       | -                           | -                           |
| Shri Jagdamba Polymers Limited                        | 747.92                      | -                           | 217.25                      |
| Shakti Polyweave Private Limited                      | -                           | -                           | 250.65                      |
| <b>Security Deposits Given</b>                        |                             |                             |                             |
| Shradha Hanskumar Agarwal                             | 1.75                        | -                           | -                           |
| Hanskumar Ramakant Agarwal                            | -                           | 1.75                        | -                           |

#### ANNEXURE –X

##### Statement of Dividends

No Dividend Paid till Date

#### ANNEXURE –XI

##### Changes in the Significant Accounting Policies

There have been no changes in the accounting policies of the company for the period covered under audit

#### ANNEXURE –XII

##### Contingent Liabilities:

a.Claims against the Company (including unasserted claims) not acknowledged as debt:

| <b>(₹ in Lakhs)</b> |                             |                             |                             |
|---------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Particulars</b>  | <b>As At<br/>31/03/2023</b> | <b>As At<br/>31/03/2022</b> | <b>As At<br/>31/03/2021</b> |
| Bank Guarantee      | 43.00                       | 43.00                       | -                           |

| <b>(₹ in Lakhs)</b>                                                                               |                             |                             |                             |
|---------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Capital Commitment</b>                                                                         | <b>As At<br/>31/03/2023</b> | <b>As At<br/>31/03/2022</b> | <b>As At<br/>31/03/2021</b> |
| Estimated value of contracts in capital account remaining to be executed (net of capital advance) | 222.67                      | 14.82                       | -                           |



## OTHER FINANCIAL INFORMATION

₹ in Lakhs

| Particulars                                                                    | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--------------------------------------------------------------------------------|----------------------|----------------------|----------------------|
| Restated PAT as per P& L Account                                               | 910.63               | 826.56               | 1,265.68             |
| <b>EBITDA</b>                                                                  |                      | 1,226.21             | 1,807.08             |
| <b>Actual No. of Equity Shares outstanding at the end of the period *</b>      | 1,250.78             | 2,250,000            | 2,250,000            |
| Weighted Average Number of Equity Shares at the end of the Period (Note -2) ** | 17,550,000           | 2,250,000            | 2,250,000            |
| Weighted Average Number of Equity Shares at the end of the Period post Bonus   | 17,550,000           | 17,550,000           | 17,550,000           |
| Net Worth                                                                      | 2,981.50             | 2,099.46             | 2,075.69             |
| <b>Earnings Per Share (Basic &amp; Diluted)</b>                                |                      |                      |                      |
| EPS (Pre-Bonus)                                                                | 5.19                 | 36.74                | 56.25                |
| EPS (Post-Bonus)                                                               | 5.19                 | 4.71                 | 7.21                 |
| <b>Return on Net Worth (%)</b>                                                 | 30.54%               | 39.37%               | 60.98%               |
| <b>Net Asset Value Per Share</b>                                               |                      |                      |                      |
| Pre-Bonus                                                                      | 16.99                | 93.31                | 92.25                |
| Post-Bonus                                                                     | 16.99                | 11.96                | 11.83                |
| <b>EBITDA</b>                                                                  | 910.63               | 1226.21              | 1807.08              |
| Nominal Value per Equity Share (₹)                                             | 10                   | 10                   | 10                   |

\* The Company does not have any diluted potential Equity Shares. Consequently, the basic and diluted profit/earning per share of the company remain the same.

### Notes:

- The ratios have been calculated as below:
  - Basic Earnings Per Share (₹) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.
  - Diluted Earnings Per Share (₹) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.
  - Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100
  - Restated Net Asset Value per equity share (₹) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.
- Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. Further, number of shares are after considering impact of the bonus shares.
- Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.
- Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & –loss) - Preliminary Expenses to the extent not written-off.
- The figures disclosed above are based on the Restated Financial Information of the Company.



## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

*financial statements included in the Red Herring Prospectus. You should also read the section entitled “Risk Factors” beginning on page 26, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and, is based on our Restated Financial Information, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year (“Fiscal Year”) are to the twelve-month period ended March 31 of that year.*

### OVERVIEW:

Our Company was originally formed and registered as a partnership firm under the Partnership Act, 1932 (“Partnership Act”) in the name and style of “M/s Shree Tech Tex Company”, pursuant to a deed of partnership dated January 7, 2011. Subsequently, the constitution of partnership firm were changed on February 18, 2016, July 01, 2017, March 14, 2018 and June 12, 2020 by admission and retirement of partners. Later on, Name of “M/s Shree Tech Tex Company” was changed to “M/s Shri Techtex” on July 03, 2018 by amendment in Deed of Partnership. “M/s Shri Techtex” was thereafter converted from a partnership firm to a private limited company under Part I chapter XXI of the Companies Act, 2013 in the name of “Shri Techtex Private Limited” and received a certificate of incorporation dated September 08, 2018 from the Central Registration Center, Ministry of Corporate Affairs. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on December 31, 2022 and the name of our Company was changed to “Shri Techtex Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated January 03, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U36900GJ2018PLC104005.

Our company is engaged in the business of manufacturing of Polypropylene (PP) Non-Woven Fabric. The practical use of non-woven fabric is more ecological for certain applications, especially in fields and industries where disposable or single use products are important, such as organic farming, hospitals, health care, nursing homes, home furnishing, vehicle upholstery seat fabrication, Mattress & furniture covering, ecological packaging, industrial and consumer goods. We manufacture PP non-woven fabric in variety of sizes and density. As on the date of this Red Herring Prospectus, we manufacture PP non-woven fabric upto 4.5 meters size and 15 GSM to 800 GSM.

Our manufacturing facility is situated at Simaj of Dholka Taluka in Ahmedabad District of Gujarat. The manufacturing facility is well connected with near about transport hubs. Our manufacturing facility is spread across 41548 sq. meters. The manufacturing facility is installed with manufacturing capacity of 3600 MT PP non-woven fabric per annum.

In past, since FY 2011, as a Partnership firm, we were engaged in the business of industrial trading activity in Polymers, Chemicals, Packaging Materials and other allied products. Upon conversion of Partnership Firm to company, our company continued manufacturing on job work basis and in the initial phase we were engaged in job work basis exclusively for our group companies. However, w.e.f. April 01, 2021, as a result of demerger, the said business of contract manufacturing was transferred to resultant company Aurum Fabritech Private Limited (Aurum Fabritech Private Limited was converted to LLP w.e.f. February 02, 2022). After the demerger, till date, our company is engaged in the business of manufacturing of Polypropylene (PP) Non-Woven Fabric.

Till date, in our existing manufacturing vertical, we have been catering majorly to offshore customers. In last 3 years we have derived our revenue from exports from countries namely USA, Taiwan, Canada, Denmark and China. However, recently, we have started focusing more on domestic market for products manufactured by us. As on the date of this Red Herring Prospectus, we derive revenue from domestic sales from states namely Gujarat, Tamil Nadu and West Bengal.

In order to improve our product portfolio, Our company is planning for business expansion by adding new business lines viz. Manufacturing of Hot melt Coating Lamination and PP Multifilament Yarn. Our company expect both machineries to be ready for commercial production by April 2024 having installed capacity of 3360 tons and 1200 tons per annum respectively. For more details please refer to the chapter titled “Objects of the Issue” beginning from page no 85 of this Red Herring Prospectus.

The financial performance of the company for last three years as per restated financial Statement:

(₹ in Lakhs)

| Particulars                          | For the Year ended on March 31 |          |          |
|--------------------------------------|--------------------------------|----------|----------|
|                                      | 2023                           | 2022     | 2021     |
| Revenue from Operations (₹ in Lakhs) | 5,692.39                       | 5,117.63 | 3,946.76 |



| Particulars                           | For the Year ended on March 31 |            |            |
|---------------------------------------|--------------------------------|------------|------------|
|                                       | 2023                           | 2022       | 2021       |
| Growth in Revenue from Operations (%) | 11.23%                         | 29.67%     | -          |
| Gross Profit                          | 2,086.39                       | 2,242.32   | 3,052.74   |
| Gross Profit Margin (%)               | 36.65%                         | 43.82%     | 77.35%     |
| EBITDA (₹ in Lakhs)                   | 1,250.78                       | 1,226.21   | 1,807.08   |
| EBITDA Margin (%)                     | 21.97%                         | 23.96%     | 45.79%     |
| Profit After Tax (₹ in Lakhs)         | 910.63                         | 826.56     | 1,265.68   |
| PAT Margin (%)                        | 16.00%                         | 16.15%     | 32.07%     |
| RoE (%)                               | 35.84%                         | 39.59%     | 121.95%    |
| RoCE (%)                              | 20.07%                         | 29.21%     | 44.55%     |
| Net Fixed Asset Turnover (In Times)   | 1.50 Times                     | 1.69 Times | 2.24 Times |
| Net Working Capital Days              | 186 Days                       | 60 Days    | 148 Days   |
| Operating Cash Flows (₹ in Lakhs)     | -759.79                        | 2,175.10   | 355.13     |

#### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE BALANCE SHEET:**

After the date of last Audited accounts i.e., March 31, 2023, the Directors of our Company confirm that, there have not been any significant material developments.

#### **FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS:**

Our Company's future results of operations could be affected potentially by the following factors:

- COVID-19 Pandemic;
- Political Stability of the Country;
- World Economy;
- Government Regulation & Policies;
- Competition from existing players;
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
- Dependency on our end customers;
- Disruption in supply of Raw Materials and Labour Supply at our facilities;
- Occurrence of Environmental Problems & Uninsured Losses;
- Conflicts of interest with affiliated companies, the Promoters group and other related parties;
- The performance of the financial markets in India and Globally;
- Our ability to expand our geographical area of Operation;
- Concentration of ownership among our Promoters.
- failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
- Our ability to retain our key management persons and other employees

#### **OUR SIGNIFICANT ACCOUNTING POLICIES:**

(₹ In Lakhs)



| Particulars                                                                    | For the year ended March 31, 2023 | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|--------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Revenue from operations                                                        | 5692.39                           | 5,117.63                          | 3,946.76                          |
| <b>Total Revenue from Operation</b>                                            | <b>5692.39</b>                    | <b>5,117.63</b>                   | <b>3,946.76</b>                   |
| % of growth                                                                    | 11.23%                            | 29.67%                            | 145.51%                           |
| Other Income                                                                   | 115.19                            | 64.51                             | 74.82                             |
| % of growth                                                                    | 78.56%                            | -13.78%                           | 311.42%                           |
| <b>Total income</b>                                                            | <b>5807.58</b>                    | <b>5,182.15</b>                   | <b>4,021.58</b>                   |
| % of growth                                                                    | 12.07%                            | 28.86%                            | 147.37%                           |
| <b>Expenses</b>                                                                |                                   |                                   |                                   |
| Cost of Material Consumed                                                      | 3027.43                           | 2,923.78                          | 943.24                            |
| % Increase/(Decrease)                                                          | 3.54%                             | 209.97%                           | 195379.02%                        |
| Changes in Inventories of finished goods, work in progress and stock -in-trade | 1139.72                           | (48.47)                           | (49.23)                           |
| Employee benefits expense                                                      | -561.14                           | 52.29                             | 272.33                            |
| % Increase/(Decrease)                                                          | 86.17                             | -80.80%                           | 31.28%                            |
| Finance Costs                                                                  | 64.79%                            | 116.77                            | 88.48                             |
| % Increase/(Decrease)                                                          | 80.72                             | 31.98%                            | 22.14%                            |
| Depreciation and amortisation expenses                                         | -30.87%                           | 110.55                            | 114.33                            |
| % Increase/(Decrease)                                                          | 124.12                            | -3.31%                            | 7.12%                             |
| Other expenses                                                                 | 12.27%                            | 963.82                            | 973.33                            |
| % Increase/(Decrease)                                                          | 749.44                            | -0.98%                            | 54.67%                            |
| <b>Total Expenses</b>                                                          | <b>-22.24%</b>                    | <b>4,118.75</b>                   | <b>2342.49</b>                    |
| % to total revenue                                                             | <b>4646.45</b>                    | 79.48%                            | 58.25%                            |
| Profit/(Loss) Before Extra-Ordinary Items and Tax                              | 81.63%                            | <b>1,063.39</b>                   | <b>1,679.09</b>                   |
| % to total revenue                                                             | <b>1161.13</b>                    | 20.52%                            | 41.75%                            |
| Exceptional Items                                                              | 20.40%                            | -                                 | -                                 |
| <b>Profit before Tax</b>                                                       | <b>0.00</b>                       | <b>1,063.40</b>                   | <b>1,679.09</b>                   |
| Total tax expense                                                              | <b>1161.13</b>                    | 236.84                            | 413.41                            |
| Profit and Loss after tax for the Year as Restated                             | 250.50                            | 826.56                            | 1,265.68                          |
| % to total revenue                                                             | 910.63                            | 15.95%                            | 31.47%                            |

#### COMPARISON OF FY 2022-23 WITH 2021-22:

##### Income from Operations

Our Company is engaged in the business of Polypropylene (PP) Non-Woven Fabric manufacturing. The revenue from operations for the FY 2022-23 was ₹ 5692.39 Lakh as compared to ₹ 5117.63 Lakh during the FY 2021-22 showing an increase of 11.23%. Income from Operations increased mainly on account increase in sales volume of Products of our company. Revenue from Operations mainly includes sales from manufacturing operations and Jobwork Charges.

Other Income was ₹ 115.19 Lakhs for FY 2022-23 and ₹ 64.51 Lakhs for FY 2021-22. The other income mainly income includes income from Fixed Deposit and foreign exchange fluctuation gain.

##### Expenditure:

##### Cost of Material Consumed:

Cost of Material Consumed for FY 2022-23 was ₹ 3,027.43 Lakhs as against ₹ 2,923.78 Lakhs for the FY 2021-22. Cost of material consumed increased by 3.54% in FY 2022-23.

##### Purchases of stock-in-trade



Purchases of stock-in-trade in FY 2022-23 was ₹ 1139.72 Lakhs as against Nil for the FY 2021-22.

#### **Employee Benefit Expenses**

Employee Benefit expenses increased from ₹ 52.29 Lakh for FY 2021-22 to ₹ 86.17 Lakh for FY 2022-23 showing a increase of 64.79% over previous year, i.e., F.Y. 2021-22. Employee Benefit Expenses mainly includes Salary Expenses, Bonus & Ex-Gratia Expenses, Bonus & Ex-Gratia Expenses, Remuneration paid to directors/KMP, Contributions to provident and other funds and Staff Welfare expenses. Employee expenses increased mainly on account of Remuneration paid to directors/KMP.

#### **Finance Cost**

Finance cost decreased from ₹ 116.77 Lakh in FY 2021-22 to ₹ 80.72 Lakh in FY 2022-23 showing decrease of 30.87%. Finance Cost Mainly Includes Interest cost on borrowings and Other Finance Charges. Finance cost is decreased due to reduction in borrowings of the Company with higher rate of Interest.

#### **Depreciation**

The Depreciation and amortization expense for FY 2022-23 was ₹ 124.12 Lakh as compared to ₹ 110.55 Lakh for FY 2021-22 which is increase of 12.27%.

#### **Other Expenses**

Other Expenses decreased from ₹ 963.82 Lakh for FY 2021-22 to ₹ 749.44 Lakh for FY 2022-23 showing a decline of 22.24%. Other expense mainly includes Manufacturing Expenses, Rent, Rates and taxes, Insurance, Repair & Maintenance expense, Freight & Container Expenses and Audit Fees. Other expense decreased mainly on account of decrease in Freight & Container Expenses.

#### **Profit before Extra-Ordinary Items and Tax**

The Profit before Extra-Ordinary Items and Tax for the FY 2022-23 was 20.40% of the total income and it was 20.78% of total income for the FY 2021-22. The Profit before Extra-Ordinary Items and Tax has increased from ₹ 1063.40 Lakh in FY 2021-22 to ₹ 1161.13 Lakh in FY 2022-23.

#### **Profit after Tax (PAT)**

PAT increased from ₹ 826.56 Lakh in the FY 2021-22 to ₹ 910.63 Lakh in FY 2022-23 showing increase of 10.17%.

PAT of our company for FY 2022-23 has increased from ₹ 826.56 Lakh to ₹ 910.63 Lakh mainly on account of increase in Revenue from Operations.

### **COMPARISON OF FY 2021-22 WITH 2020-21:**

#### **Income from Operations**

Our Company is engaged in the business of Polypropylene (PP) Non-Woven Fabric manufacturing. The revenue from operations for the FY 2021-22 was ₹ 5,117.63 Lakh as compared to ₹ 3,946.76 Lakh during the FY 2020-21 showing an increase of 29.67%. Income from Operations increased mainly on account increase in sales volume of Products of our company. Revenue from Operations mainly includes sales from manufacturing operations and Jobwork Charges.

Other Income was ₹ 64.51 Lakhs for FY 2021-22 and ₹ 74.82 Lakhs for FY 2020-21. The other income mainly income includes income from Fixed Deposit and foreign exchange fluctuation gain and Freight Income.

#### **Expenditure:**

##### **Cost of Material Consumed:**

Cost of Material Consumed for FY 2021-22 was ₹ 2,923.78 Lakhs as against ₹ 943.24 for the FY 2020-21. Cost of material consumed increased 209.97% in FY 2021-22 due to increase in the turnover of the Company.

##### **Employee Benefit Expenses**

Employee Benefit expenses decreased from ₹ 272.33 Lakh for FY 2020-21 to ₹ 52.29 Lakh for FY 2021-22 showing a decrease of 80.80 % over previous year, i.e., F.Y. 2020-21. Employee Benefit Expenses mainly includes Salary Expenses, Bonus & Ex-Gratia Expenses, Bonus & Ex-Gratia Expenses, Contributions to provident and other funds and Staff Welfare expenses. Employee expenses were reduced mainly on account of demerger.

##### **Finance Cost**





Finance cost Increased from ₹ 88.48 Lakh in FY 2020-21 to ₹ 116.77 Lakh in FY 2021-22 showing Increase of 31.98%. Finance Cost Mainly Includes Interest cost on borrowings and Other Finance Charges. Finance cost is increased due to increase in borrowings of the company.

### **Depreciation**

The Depreciation and amortization expense for FY 2021-22 was ₹ 110.55 Lakh as compared to ₹ 114.33 Lakh for FY 2020-21 which is decreased by 3.31%.

### **Other Expenses**

Other Expenses decreased from ₹ 973.33 Lakh for FY 2020-21 to ₹ 963.82 Lakh for FY 2021-22 showing a decline of 0.98%.

Other expense mainly includes Manufacturing Expenses, Rent, Rates and taxes, Insurance, Repair & Maintenance expense, Freight & Container Expenses and Audit Fees.

### **Profit before Extra-Ordinary Items and Tax**

The Profit before Extra-Ordinary Items and Tax for the FY 2021-22 was 20.52% of the total income and it was 41.75% of total income for the FY 2020-21. The Profit before Extra-Ordinary Items and Tax has decreased from ₹ 1679.09 Lakh in FY 2020-21 to ₹ 1063.40 Lakh in FY 2021-22.

### **Profit after Tax (PAT)**

PAT decreased from ₹ 1,265.68 Lakh in the FY 2020-21 to ₹ 826.56 Lakh in FY 2021-22 showing decrease of 34.69%.

Our company was engaged in the business of Third Party Manufacturing of Polypropylene (PP) Non-Woven Fabric on job work basis in Unit I upto September 30, 2021. Our company started its own manufacturing of Polypropylene (PP) Non-Woven Fabric in Unit II after demerger of Unit I.

PAT of our company for FY 2021-22 has decreased from ₹ 1,265.68 lakhs to ₹ 826.56 Lakhs mainly on account of demerger of UNIT I of our company in FY 2021-22. Our company started its own manufacturing in UNIT II w.e.f. October 01, 2021. Prior to which our company was engaged in the third-party Manufacturing on job work basis.

## **COMPARISON OF FY 2020-21 WITH 2019-20:**

### **Income from Operations**

Our Company is engaged in the business of Polypropylene (PP) Non-Woven Fabric manufacturing. The total revenue from operations for the FY 2020-21 was ₹ 3,946.76 Lakh as compared to ₹ 1,607.54 Lakh during the FY 2019-20 showing an increase of 145.51%. Income from Operations increased mainly on account increase in sales volume of Products of our company. Revenue from Operations mainly includes sales from manufacturing operations and Jobwork Charges.

Other Income was ₹ 18.19 Lakhs for FY 2019-20 and was ₹ 74.82 Lakhs for FY 2020-21. The other mainly income includes Freight Income, Interest on Fixed Deposit and Profit on sale of Fixed assets. Other Income increased mainly on account of freight Income.

### **Expenditure:**

#### **Cost of Material Consumed:**

Cost of Material Consumed for FY 2020-21 was ₹ 943.24 Lakh as against ₹ 0.48 Lakh for the FY 2019-20. Our company was engaged in the business of manufacturing on Jobwork basis for our group companies upto March 31, 2021 in Unit-I which was subsequently de-merged with Aurum Fabritech Private Limited (now converted to Aurum Fabritech LLP). From FY 2021-22 our company started own manufacturing in Unit – II. Thereafter from October 2021 our company started own manufacturing.

#### **Employee Benefit Expenses**

Employee Benefit expenses increased from ₹ 207.44 Lakh for FY 2019-20 to ₹ 272.33 Lakh for FY 2020-21 showing an increase of 31.28%. Employee Benefit Expenses mainly includes Salary Expenses, Bonus & Ex-Gratia Expenses, Bonus & Ex-Gratia Expenses, Contributions to provident and other funds and Staff Welfare expenses.

#### **Finance Cost**

Finance cost Increased from ₹ 72.44 Lakh in FY 2019-20 to ₹ 88.48 Lakh in FY 2020-21 showing Increase of 22.14%. Finance Cost Mainly Includes Interest cost on borrowings and Other Finance Charges. Finance cost is increased due to increase in borrowings of the company.



## Depreciation

The Depreciation and amortization expense for FY 2020-21 was ₹ 114.33 Lakh as compared to ₹ 106.73 Lakh for FY 2019-20 which is increase of 7.12%.

## Other Expenses

Other Expenses increased from ₹ 629.30 Lakh for FY 2019-20 to ₹ 973.33 Lakh for FY 2020-21 showing an increase of 54.67%. Other expense mainly includes Manufacturing Expenses, Rent, Rates and taxes, Insurance, Repair & Maintenance expense, Freight & Container Expenses and Audit Fees.

## Profit before Extra-Ordinary Items and Tax

The Profit before Extra-Ordinary Items and Tax for the FY 2020-21 was 41.75% of the total income and it was 37.48% of total income for the FY 2019-20. The Profit before Extra-Ordinary Items and Tax has increased from ₹ 609.33 Lakh in FY 2019-20 to ₹ 1,679.09 Lakh.

## Profit after Tax (PAT)

PAT increased from ₹ 447.23 Lakh in the FY 2019-20 to ₹ 1,265.68 Lakh in FY 2020-21 showing increase of 183.01%.

## RELATED PARTY TRANSACTIONS

For further information please refer “Annexure – IX - Statement of Related Party & Transactions” under section “Restated Financial Information” beginning from page no. 161 of this Red Herring Prospectus.

## FINANCIAL MARKET RISKS

We are exposed to financial market risks from changes in borrowing costs, interest rates and inflation.

### INTEREST RATE RISK

We are currently exposed interest to rate risks to the extent of outstanding loans. However, any rise in future borrowings may increase the risk.

### EFFECT OF INFLATION

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

## INFORMATION REQUIRED AS PER ITEM (2) (C) (I) (11) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS, 2018:

### Factors that may affect the results of the operations:

#### 1. Unusual or infrequent events or transactions

Except as described in this Red Herring Prospectus, there have been no other events or transactions to the best of our knowledge which may be described as “unusual” or “infrequent”.

#### 2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in ‘Factors Affecting our Results of Operations’ and the uncertainties described in the section entitled “Risk Factors” beginning on page no. 26 of the Red Herring Prospectus. To our knowledge, except as we have described in the Red Herring Prospectus, there are no known factors which we expect to bring about significant economic changes.

#### 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 titled “Risk Factors” beginning on page no. 26, in this Red Herring 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, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies and other economic factor.



**5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices.**

Increases in revenues are by and large linked to launch of new products and increase in volume of business.

**6. Total turnover of each major industry segment in which the issuer company operated.**

Our Company is engaged in the business of Polypropylene (PP) Non-Woven Fabric manufacturing. Relevant Industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page no. 106, of this Red Herring Prospectus.

**7. Status of any publicly announced new products or business segment.**

Our Company is engaged in the business of Polypropylene (PP) Non-Woven Fabric manufacturing. Currently our company has not launched any new product publicly.

In order to improve our product portfolio, Our company is planning for business expansion by adding new business lines viz. Manufacturing of Hot melt Coating Lamination and PP Multifilament Yarn.

**8. The extent to which business is seasonal.**

Our Company is engaged in the business of Polypropylene (PP) Non-Woven Fabric manufacturing and business of our company is not seasonal and demand and supply of our products are market driven.

**9. Any significant dependence on a single or few suppliers or customers.**

Our top Five customers Contributes 94.08%, 94.09% and 89.05% of our total sales for the year ended on March 31, 2023, March 31, 2022 and March 31, 2021 respectively.

Further Our top Five suppliers contributes 69.69%, 97.93% and 100% of our total purchase of year ended on March 31, 2023, March 31, 2022, and March 31, 2021 respectively.

**10. Competitive conditions:**

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitors who have been discussed in section titles “*Business Overview*” beginning on page no. 114 of this Red Herring Prospectus.



## CAPITALISATION STATEMENT

(₹ In Lakhs)

| Sr. No                                                            | Particulars                        | Pre issue*      | Post issue |
|-------------------------------------------------------------------|------------------------------------|-----------------|------------|
|                                                                   | <b>Debts</b>                       |                 |            |
| A                                                                 | Long Term Debt                     | 2,501.82        | [•]        |
| B                                                                 | Short Term Debt                    | 687.16          | [•]        |
| C                                                                 | <b>Total Debt</b>                  | <b>3,188.98</b> | [•]        |
|                                                                   | <b>Equity Shareholders Funds</b>   |                 |            |
|                                                                   | Equity Share Capital               | 1,755.00        | [•]        |
|                                                                   | Reserves and Surplus               | 1,256.61        | [•]        |
|                                                                   | Less: Misc. Expenditure            | 30.11           | [•]        |
| D                                                                 | <b>Total Shareholders' Funds</b>   | <b>2,981.50</b> | [•]        |
|                                                                   | Long Term Debt/ Equity Ratio (A/D) | 0.84            | [•]        |
|                                                                   | Total Debt/ Equity Ratio (C/D)     | 1.07            | [•]        |
| Notes:                                                            |                                    |                 |            |
| * The amounts are considered as outstanding as on March 31, 2023. |                                    |                 |            |



## SECTION X – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENT

*Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoter or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoter or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Red Herring Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Red Herring Prospectus; (ix) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Red Herring Prospectus; (x) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.*

*For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Red Herring Prospectus:*

- a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, or Group Companies, as the case may be shall be deemed to be material;*
- b) All pending litigation involving our Company, Promoter, Directors, or Group Companies as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' (a) the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess 1% of Profit after tax of the company as per last annually audited financial statement (FY 2021-22) i.e. ₹825000/- (Rupees Eight Lakhs Twenty Five Thousand only);*
- c) Notices received by our Company, Promoter, Directors, or Group Companies, as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoter / Group Companies, as the case may be, are impleaded as parties in proceedings before any judicial forum.*

*Our Company, our Promoter and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.*

### **OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTER 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:**

**A.Y. 2022-23**

As per details available on the website of the Income Tax Department M/s. Shri Tech Tex Limited (hereinafter referred to as the “Assessee”) have been issued with an adjustment notice u/s. 143(1)(a) of the Income Tax Act, 1961, bearing DIN EFL/2223/G22/ITR000445849308 dated January 23, 2023 proposing adjustment u/s. 143(1)(a) of the Act for A.Y. 2022-23 and the same is pending for the response of the Assessee.

**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 PROMOTER OF THE COMPANY**

**A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTER**

**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:**

**Hanskumar Ramakant Agarwal**

**A.Y. 2021-22**

As per details available on the website of the Income Tax Department Mr. Hanskumar Ramakant Agarwal (hereinafter referred to as the “Assessee”) have been issued with an intimation order u/s. 143(1)(a) of the Income Tax Act, 1961, bearing Demand Reference no. 2022202137070913631T dated May 28, 2022, for an amount of Rs. 5,120/- in addition to Interest of Rs. 408/- for A.Y. 2021-22 and the same is pending for payment.

**A.Y. 2019-20**

As per details available on the website of the Income Tax Department Mr. Hanskumar Ramakant Agarwal (hereinafter referred to as the “Assessee”) have been issued with an intimation order u/s. 154 of the Income Tax Act, 1961, bearing Demand Reference no. 2020201937011196241T dated August 11, 2020, for an amount of Rs. 6,67,090/- in addition to Interest of Rs. 2,18,825/- for A.Y. 2019-20 and the same is pending for payment.

**Anup Mahendra Gopalka (Independent Director)**

**A.Y. 2009-10**

As per details available on the website of the Income Tax Department Mr. Anup Mahendra Gopalka (hereinafter referred to as the “Assessee”) have been issued with a demand notice u/s. 143(1)(a) of the Income Tax Act, 1961, bearing Demand Reference no. 2010200910051979282T dated March 17, 2011, for an amount of Rs. 2730/- in addition to Interest of Rs. 2750/- for A.Y. 2009-10 and the same is pending for payment.

**Shraddha Hanskumar Agarwal (Director)**

**A.Y. 2022-23**

As per details available on the website of the Income Tax Department Mrs. Shraddha Hanskumar Agarwal (hereinafter referred to as the “Assessee”) have been issued with an intimation order u/s. 143(1)(a) of the Income Tax Act, 1961, bearing Demand Reference no. 2022202237151801826T dated February 23, 2023, for an amount of Rs. 33,690/- for A.Y. 2022-23 and the same is pending for payment.

#### 5) Other Pending Litigation based on Materiality Policy of our Company

NIL

#### B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTER

##### 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**





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**Direct Tax: NIL**

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**PART 3: LITIGATION RELATING TO OUR SUBSIDIARIES**

**A. LITIGATION AGAINST OUR SUBSIDIARIES**

**1) Litigation involving Criminal Laws**

NA

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NA

**3) Disciplinary Actions by Authorities**

NA

**4) Litigation involving Tax Liability**

**Indirect Tax: NA**

**Direct Tax: NA**

**5) Other Pending Litigation based on Materiality Policy of our Company**

NA

**B. LITIGATION FILED BY OUR SUBSIDIARIES**

**1) Litigation involving Criminal Laws**

NA

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NA

**3) Disciplinary Actions by Authorities**

NA

**4) Litigation involving Tax Liability**

NA

**5) Other Pending Litigation based on Materiality Policy of our Company**

NA

**PART 4: LITIGATION RELATING TO OUR GROUP COMPANIES**

**A. LITIGATION AGAINST OUR 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:**

**SHAKTI POLYWEAVE PRIVATE LIMITED**

**1. Pending demand under GST Act, 2016**

As per details available on the website of the Goods and Service Tax Department M/s. Shakti Polyweave Private Limited (hereinafter referred to as the “Assessee”) have been issued with a notice DRC-01A (being intimation of tax ascertained as being payable under Section 73(5) of GST Act, 2016, bearing case proceeding Reference No. ZD2401220013846 dated January 03, 2022 ascertaining a **tax liability of Rs. 1,05,54,699/- and an interest amount of Rs. 33,24,731/- (net liability being Rs. 1,38,79,430/-)** for the period from April 2019 till March 2020 on account of several discrepancies found during the scrutiny of the GST returns for the given period, conducted vide GST ASMT-10 issued under Section 99 of GST Act, vide reference no. zd240821026676C dated August 23, 2021. However, the Assessee have vide its letter dated February 11, 2022, submitted their response to the demand notice, post which no response have been received from the department till date and the matter is pending for response from the Office of Hon’ble State Tax Officer.

**SHRI JAGDAMBA POLYMERS LIMITED**

**2. Union of India and Others (Petitioner) V/s. M/s. Shri Jagdamba Polymers Limited & Another (Respondent) [Pending with the Honb’le Supreme Court of India as Special Leave Petition (Civil) No. 24495 of 2019]**

The Respondent herein imported various input materials through ICDs and SEZ, without payment of duty of customs under cover of 11 (eleven) Advance Authorizations (AA) on the basis of the provisions of Section 17, 46 of the Customs Act, 1962 and also the provisions of Customs notifications no. 18/2015 Custom dated April 01, 2015 as amended by the Customs Notification no. 79/2017 dated October 12, 2017 read with the provisions of Para 4.03, 4.13 & 4.14 of the Foreign Trade Policy (2015-20) as amended by the DGFT Notification no. 33/2015-20 dated October 13, 2017, issued in terms of the provisions of para 4.13 of the Foreign Trade Policy (2015-20), and availed benefit of exemption of from payment of IGST on the goods so imported, leviable in terms of Sub-Section (7) of Section 3 of the Customs Tariff Act, 1975 and as alleged by the competent authority, the said benefits have been availed by deliberate suppression of the fact of non-compliance of pre-import condition laid down in the subject notification. **The undue benefit so availed by the Respondent have been calculated to the extent of Rs. 8,61,20,451/- resulting from the non-payment of duty of customs** in the form of IGST which as per the Directorate of Revenue Intelligence (DRI), Kolkata Zonal Unit is recoverable under Section 28(4) of the Customs Act, 1962 along with applicable interest and raising a liability of confiscation of goods in terms of Section 111(o) of the Customs Act, 1962 and attracting a penalty u/s. 114 A and Section 112(a) of the Act.

Accordingly a Show Cause Notice no. DRI/KZU/CF/ENQ-23(INT-09)/2020/32 dated January 04, 2021 was issued to the Respondent requiring to show cause why action not be taken against the Respondent and after exchange of requisite documents and information amongst the parties, the present petition was filed and is pending with the Honb’le Supreme Court of India.

Matter decided against the Company and the Company stands to pay the liability mentioned hereinabove.



## **Direct Tax:**

### **SHAKTI POLYWEAVE PRIVATE LIMITED**

#### **1. Pending Demands/ Defaults of TDS:**

As per details available on the TRACES an aggregate outstanding amount of **Rs. 6,72,723/-** from beginning till 2022-23 is pending against M/s. Shakti Polyweave Private Limited (hereinafter referred to as the “Assessee”) as default on account of late filing of returns, late deposit of taxes and mismatch of PAN details. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

#### **2. A.Y. 2022-23**

As per details available on the website of the Income Tax Department M/s. Shakti Polyweave Private Limited (hereinafter referred to as the “Assessee”) have been issued with an adjustment notice u/s. 143(1)(a) of the Income Tax Act, 1961, bearing DIN EFL/2223/G22/ITR000469451104 dated January 23, 2023 proposing adjustment u/s. 143(1)(a) of the Act for A.Y. 2022-23 and the same is pending for the response of the Assessee.

Further Intimation bearing no. ITBA/AST/S/61/2023-24/10485756 dated June 01, 2023 have accordingly been issued to the Assessee intimating of selection of its return for A.Y. 2018-19 for the purpose of assessment u/s. 144B and the matter is pending.

#### **3. A.Y. 2020-21**

M/s. Shakti Polyweave Private Limited (hereinafter referred to as the “Assessee”) have been issued with an order u/s. 143(3) of the Income Tax Act, 1961, bearing Reference no. ITBA/AST/S/143(3)/2022-23/1045576430(1) dated September 13, 2022 for A.Y. 2020-21. raising a demand of Rs. 4,05,43,380/- and interest of Rs. 43,36,670/- and part the demand has been adjusted from the refund for F.Y. 2022-23.

Subsequent to above demands notices, the assessee has been raised with a penalty notice bearing number ITBA/PNL/S/270A/2022-23/1045576837(1) dated September 13, 2022 u/s. 274 r.w.s. 270A of the Act and notice u/s. 274 r.w.s. 271AAC(1) bearing no. **ITBA/PNL/S/271AAC(1)/2022-23/1045576838(1)** dated September 13, 2022, requiring the assessee to show cause as to why penalty u/s. 270A and section 271AAC(1) of the Act, not be imposed against the assessee for under reporting of the Income as detailed in the demand orders issued u/s. 143(1)(a) and 143(3) of the Act. The matters are pending under appeal with commissioner of appeals.

#### **4. A.Y. 2018-19**

M/s Shakti Polyweave Private Limited (herein after referred to as the “Assessee”) have been issued with a notice u/s.148 of the Income Tax Act,1961 bearing no. ITBA/AST/S/148\_1/2023-24/1052270566(1) dated April 21,2023 for A.Y. 2019-20 informing the assessee of assessment / reassessment on the grounds that the assessee had made donations amounting to Rs. 13,25,500/- to parties allegedly involved in providing accommodation entries and accordingly the re-assement notice u/s. 148 of the Act have been issued against the Company pursuant to an order bearding no. ITBA/AST/F/148A/ 2023-24/1052270253(1) dated April 21, 2023 passed u/s. 148A, passed by the Principal Commissioner of Income Tax (PCIT)Ahmedabad for opening the reassessment u/s.148oftheAct requiring the assessee to furnish a return for the A.Y. 2019-20 in the prescribed format and the matter is pending. .

#### **5. A.Y. 2018-19**

M/s. Shakti Polyweave Private Limited (hereinafter referred to as the “Assessee”), have been issued with a notice u/s. 148 of the Income Tax Act, 1961 bearing no. ITBA/AST/S/148\_1/2022-23/1042737263(1) dated April 13, 2022 for A.Y. 2018-19 informing the assessee of assessment / reassessment on the grounds that the assessee had escaped assessment within the meaning of Section 147 of the Act and accordingly an order u/s. 148A of the Act had been passed vide DIN **ITBA/AST/F/148A/2022-23/1042736806(1)** dated April 13, 2022 passed by the Principal Commissioner of Income Tax (PCIT) Ahmedabad-3, for opening the reassessment u/s. 148 of the Act. In the order, it is alleged that the assessee has understated the profits to the amount of Rs. 61,28,000/- and reassessment proceedings have been initiated as per Faceless Assessment Scheme 2019. The assessee has challenged the reason for reopening on factual and legal grounds.

### **SHRI JAGDAMBA POLYMERS LIMITED**



#### **A.Y. 2022-23**

As per details available on the website of the Income Tax Department M/s. Shri Jagdamba Polymers Limited (hereinafter referred to as the “Assessee”) have been issued with an adjustment notice u/s. 143(1)(a) of the Income Tax Act, 1961, bearing DIN EFL/2223/G22/ITR000468862957 dated January 06, 2023 proposing adjustment u/s. 143(1)(a) of the Act for A.Y. 2022-23 and the same is pending for the response of the Assessee.

#### **A.Y. 2019-20:**

Further the Assessee have been issued with a show cause notice u/s 148A(b) of the Act was issued vide letter ITBA/AST/F/148A(SCN)/2022- 23/1051526058(1) dated 28.03.2023 requiring the assessee to show cause why re-assessment proceedings not be initiated against the Assessee for A.Y. 2019-20 for making bogus donations to ALL INDIA SOCIAL EDUCATION CHARITABLE TRUST amounting to Rs. 5,00,000/-to route its unaccounted income and to claim bogus deduction as per provision of the Act.

However upon receipt of response from the assessee and being dis-satisfied with the same, an order bearing no. ITBA/AST/F/148A/2023-24/1052267664(1) dated April 21, 2023 have been passed by the Office of Assistant Commissioner of Income Tax, Circle 4(1)(1), Ahmedabad for re-assessment of the return for the A.Y. 2019-20 and accordingly a notice bearing no. ITBA/AST/S/148\_1/2023-24/1052270595(1) dated April 21, 2023 have been issued requiring the assessee to furnish a return for the A.Y. 2019-20 in the prescribed form and the matter is pending.

#### **5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

### **B. LITIGATION FILED BY OUR 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**

**Direct Tax:** NIL

**Indirect Tax:**

#### **SHAKTI POLYWEAVE PRIVATE LIMITED**

- 1. M/s. Shakti Polyweave Pvt. Ltd. (Appellant) V/s. The Commissioner of CGST and Central Excise (Respondent) [Appeal no. E/10561/2021-SM dated July 09, 2021 filed and pending before the Customs, Excise & Service Tax Appellate Tribunal arising out of order no. AHM-EXCUS-002-COMMR-002-2020-21 dated April 20, 2021]**

The appellant herein is a 100% export oriented unit (EOU), had been procuring its raw materials against CT-3 form and also against procurement in accordance with the EOU Scheme and prepared semi-finished goods which were further sent to DTA unit for further processing on job work basis, under job work challans and the fully finished goods were procured at the DTA unit which were returned to the appellant for being cleared and delivered to their customers. Several quantities of semi-finished and finished goods delivered from the appellant's EOU to the DTA unit were lying in the DTA Unit for carrying out further process. Also several quantities of finished goods belonging to the EOU were also lying at the DTA Unit. However as a result of an accidental fire which broke on May 10, 2016 and the above goods lying at the DTA unit were also destroyed in the fire. As a result of the fire, the respondent herein claims to have submitted an application dated April 18, 2017 before the respondent commissioner requesting for remission of duties



for an amount of Rs. 36,16,049/- foregone on the inputs imported / procured under CT-3 and procurement Certificate and also for excise duty leviable in respect of semi finished products produced out of inputs procured under Ct-3 certificates and procurement certificates, under Rule 21 of Central Excise Rules 2002. The Respondent however after issue of due show cause notice and receipt of reply from the Appellant, vide its Order in Original bearing number AHM-EXCUS-002-COMMR-002-2021-22 dated April 20, 2021, rejected the said application of remission of duty submitted by the Appellant and aggrieved by the said rejection order, the appellant herein filed the present appeal.

Although the rejection order did not raise any demand by way of its rejection order, the appellant herein have already deposited the amount of **Rs. 36,16,049/-**, under protest which was applied for remission, and have filed the present appeal against the rejection order.

**2. M/s. Shakti Polyweave Pvt. Ltd. (Appellant) V/s. The Commissioner of CGST and Central Excise (Respondent) [Appeal no. E/10568/2021-SM dated June 22, 2021 filed and pending before the Customs, Excise & Service Tax Appellate Tribunal arising out of order no. AHM-EXCUS-002-COMMR-033-2021-22 dated March 31, 2021]**

The appellant herein, during the period of dispute was governed by the provisions of Central Excise Act, 1944 and the rules framed thereunder and held a valid Central Excise Registration number AACCS1107MXM001 as a manufacturer of excisable goods. As a result of an accidental fire which broke at the premises of the Appellant, on May 10, 2016 wherein raw material and semi finished goods of several amount was lost. Out of the destroyed raw material it contained several quantities of raw material on which an excise of Rs. 3,88,494/- was paid and as claimed by the appellant herein, the CENVAT credit of Rs. 3,88,494/- was reversed. Other material destroyed included several quantities of materials received under Job Work challan and several quantum of semi-finished goods. As a result of the fire, the respondent herein claims to have submitted an application dated April 18, 2017 before the respondent commissioner requesting for remission of duties for an amount of Rs. 19,02,646/- under Rule 21 of Central Excise Rules 2002 and the application was later revised for an amount of Rs. 24,94,499/- by including the material received for on job challan as well. The Respondent however after issue of due show cause notice and receipt of reply from the Appellant, vide its Order in Original bearing number AHM-EXCUS-002-COMMR-033-2020-21 dated March 31, 2021, rejected the said application of remission of duty submitted by the Appellant and aggrieved by the said rejection order, the appellant herein filed the present appeal.

Although the rejection order did not raise any demand by way of its rejection order, the appellant herein have already deposited the amount of Rs. **24,94,499/-** which was applied for remission, bonafied and under protest, and have filed the present appeal against the rejection order.

**3. M/s. Shakti Polyweave Pvt. Ltd. (Appellant) V/s. The Principal Commissioner of Customs (Respondent) [Appeal against order in original no. 82/ADC/PMR/O&A/2021-22 dated February 11, 2022 passed by Additional Commissioner of Customs, Ahmadabad, filed u/s. 128 of the Customs Act, 1962.]**

As claimed, the appellant had procured an EPCG License no. 830003354 dated January 29, 2010 and availed the benefits of exemption notification no. 102/2009-Cus dated September 11, 2009 and imported a second hand machinery and executed a bond 1-2-2010 for Rs. 8,00,000/- and had given an undertaking to fulfill the conditions of the Bond, E.P.C.G. License and the relevant notification, at the time of registration of the E.P.C.G. License. As per the condition of the EPCG License the appellant were required to fulfill the export obligation within a period of 6 years from the date of the License i.e. January 29, 2010 i.e. on or before January 28, 2016 as per the conditions laid down in the Notification and License itself and to submit the proof of fulfillment of export obligation. As claimed, the appellant having fulfilled the export obligation it obtained Export Obligation Discharge Certificate (EODC) and Bond Waiver Letter both dated December 26, 2013 from the DGFT Ahmedabad. However the Deputy commissioner, ICD Khodiyar, Ahmedabad observed that the export obligation was required to be fulfilled by January 28, 2016 and accordingly issued letters to the Appellant to submit EODC vide its letters dated January 21, 2019 and February 02, 2020 which the Appellant failed to furnish as the same were already furnished on December 28, 2013 with due acknowledgement. Later after issue of a Show Cause Notice no. VIII/48-23/ICD/EODC/Shakti/2021 dated February 17, 2021 for recovery of Rs. 7,19,806/- (being duty foregone and Interest thereon) and after due process of law an Order in Original (OIO) no. 82/ADC/PMR/O&A/2021-22 dated February 11, 2022 a **demand for Rs. 7,19,806/- u/s. 143 of the Customs Act, 1962, redemption fine of Rs. 7,00,000/- u/s. 125 of the Act and a penalty of Rs. 72,000/- u/s. 112(a) of the Act** was imposed. Aggrieved by the said OIO, the present appeal have been filed by the Appellant.

**SHRI JAGDAMBA POLYMERS LIMITED**



1. **M/s. Shri Jagdamba Polymers Limited (Appellant) V/s. The Commissioner of CGST and Central Excise (Respondent) [Appeal no. E/10569/2021-SM dated June 22, 2021 filed and pending before the Customs, Excise & Service Tax Appellate Tribunal arising out of order no. AHM-EXCUS-002-COMMR-001-2021-22 dated April 05, 2021]**

The appellant herein, is engaged inter alia in the business of manufacture of plastic goods PP/HDPE woven fabrics and sacks and has a factory for that purpose. In the normal course of business, the Appellant had been availing production facilities of one M/s. Shakti Polyweave Pvt. Ltd. (Job Worker) on job Work basis. Accordingly the Appellant herein sent several quantum of semi-finished goods to the job worker on Job Work challan and the said goods were lying at the factory of the job worker. As a result of an accidental fire which broke at the premises of the job worker on May 10, 2016 certain quantum of semi finished goods out of material delivered to the job worker and certain quantum of laminated and unlaminated fabric produced out of the semi finished goods so delivered, lying at the premises of the job worker, got destroyed. The Appellant herein claims to have reversed the CENVAT credit of Rs. 2,81,099/- availed in respect of certain raw material delivered to the Job Worker. Thereafter, the appellant filed an application dated April 21, 2017, with the respondent herein for remission of duty amounting to Rs. 11,58,929/- on the value of the semi finished goods value of which was calculated on the basis of value of raw materials and average conversion cost. The Respondent however after issue of due show cause notice and receipt of reply from the Appellant, vide its Order in Original bearing number AHM-EXCUS-002-COMMR-001-2021-22 dated April 05, 2021, rejected the said application of remission of duty submitted by the Appellant and aggrieved by the said rejection order, the appellant herein filed the present appeal.

Although the rejection order did not raise any demand by way of its rejection order, the appellant herein have already deposited the **amount of Rs. 11,58,929/- which was applied for remission, bonafied and under protest, and have filed the present appeal.**

2. **M/s. Shri Jagdamba Polymers Limited (Appellant) V/s. The Commissioner of Central Excise, Ahmadabad (Respondent)**

Original Order in Appeal No. 649/2003 (Ahd-1) dated October 15, 2003

As stated in the petition, the appellant got HDPE/PP Bags manufactured through job workers, one of them being Tirupati Packaging during 1992. The said job worker was not paying any excise duty for the reason that vide notification no. 14/92 (Sr. No. 37), the final product was exempted from Excise duty. Upon being insisted by the department, that the said product was covered under Chapter 63 instead of Chapter 39, the Job worker started paying duty under Chapter 63 under protest letter on April 18, 1992. Later CEGAT, vide its order dated January 22, 1999, confirmed that the final product was classifiable under Chapter 39 of the Central Excise Tariff and accordingly a refund application for the duty paid under protest, was filed by the appellant herein on May 09, 2002 being the actual claimant. As claimed, after issue of Show Cause Notice dated August 04, 2002 by the department and exchange of information the refund application was rejected by the Asstt. Collector vide its order dated January 31, 2003. The order was appealed against with the Collector (Appeals) which vacated the order of Asstt. Collector vide its order dated October 20, 2003 and a refund was granted to the appellant. Aggrieved by the order, the department filed an appeal with CEGAT and the Tribunal rejected the order of the Collector (Appeals) vide its order dated 04.11.2004 on the grounds of the refund application being time barred.

Followed by the rejection order as stated above the appellant herein filed rectification applications with the Customs, Excise and Service Tax Appellate Tribunal, West Zonal Bench, Mumbai (the Tribunal) which got rejected vide its orders on various dates and accordingly the appellant herein filed the following Appeals u/s. 35H of the Central Excise & Salt Act, 1944, before the **Honb'le High Court of Gujarat at Ahmadabad details of which are as under:**

- a. **Tax Appeal No. 159 of 2008, Arising out of Application no. E/MA(ROM)1091/05 Appeal No. E/154/04**, arising out of Order dated 16.05.2006 passed by the Customs, Excise and Service Tax Appellate Tribunal, West Zonal Bench.
- b. **Tax Appeal No. 160 of 2008 Arising out of Application no. E/MA(ROM)1093/05 Appeal No. E/244 and 245/04** arising out of Order dated November 23, 2005 passed by the Customs, Excise and Service Tax Appellate Tribunal, West Zonal Bench, Mumbai





- c. **Tax Appeal No. 173 of 2008 Arising out of Appeal No. E/244/04** arising out of Order dated November 01, 2004 passed by the Customs, Excise and Service Tax Appellate Tribunal, West Zonal Bench, Mumbai
- d. **Tax Appeal No. 174 of 2008 Arising out of Application no. E/MA(EH)203/04 –Mum in Appeal No. E/154/04** arising out of Order dated February 02, 2005 passed by the Customs, Excise and Service Tax Appellate Tribunal, West Zonal Bench, Mumbai
- e. **Tax Appeal No. 175 of 2008 Arising out of Appeal No. E/245/04** arising out of Order dated November 04, 2004 passed by the Customs, Excise and Service Tax Appellate Tribunal, West Zonal Bench,

Total amount of claim in respect of appeal no. 173, 174 and 175 is **Rs. 11,95,167/-** and appeal no. 159 and 160 have been filed for rejection of the order of Honb'le Tribunal rejecting rectification application.

#### **5) Other Pending Litigation based on Materiality Policy of our Company**

##### **SHAKTI POLYWEAVE PRIVATE LIMITED**

###### **1. Shakti Polyweave Pvt. Ltd. (Claimant) V/s. United India Insurance Co. Ltd. (Respondent)**

**Arbitration Case No. 31 of 2022 Pending before the Arbitral Tribunal comprised of Sole Arbitrator Ms. Justice Harsha Devani and in the matter of Standard Fire and Special Perils Policy no. 500800/11/15/11/00000489 and floater policy no. 500800/11/15/11/00000490 held by Shakti Polyweave Pvt. Ltd. with United India Insurance Co. Ltd.**

As claimed, the claimant herein was engaged in the business of manufacturing woven polypropylene / polyethylene fabric and like on its own premises. A fire broke out at its premises at plot no. 401/4 and 401/5, GIDC, Dholka on May 10, 2016 which incurred heavy loss to the Applicant. As alleged, the applicant filed a claim for its losses with the respondent for an amount of Rs. 28,34,84,415/- under the cover of the policies as detailed above. The respondent however has been alleged to have settled the claim at Rs. 20,39,33,653/- through a letter dated March 01, 2019 which is claimed to have been signed under duress, by the Claimant herein. Further as alleged, the claim was further revised to Rs. 20,04,57,816/- vide respondent's letter dated June 10, 2019. Post receipt of an ad hoc amount of Rs. 9,00,00,000/- on 12.04.2018 and final amount of Rs. 11,04,37,957/- on 09.02.2021, the survey report was provided to the surveyor on 23.04.2021. As claimed by the claimant herein, the respondent failed to provide the copy of Survey report to the Claimant and the same was provided on 23.04.2021 i.e. after the disbursement of final claim. The claimant further alleged that the survey report contained several errors which could have been rectified if the report was received beforehand at the time of submission in 2019 and aggrieved by the same have invoked the present arbitration proceedings for recovery / indemnification from the Respondent of a total principal sum of Rs. 4,65,82,591/- and interest towards its insurance claim. The arbitration proceedings are pending for dispute resolution before the Sole arbitrator appointed under the order of the Hon'ble High Court of Gujarat, Ahmadabad passed under R/PETN. Under Arbitration Act No. 145 Of 2021.

###### **2. Shakti Polyweave Pvt. Ltd. (Plaintiff) V/s. United India Insurance Co. Ltd. (Defendant)**

**Pending in the Commercial Court for the City of Ahmadabad, Commercial Suit No. 3935 of 2021**

M/s. Shakti Polyweave Pvt. Ltd. has an 100% Export Oriented Unit (EOU) (hereinafter referred to as Shakti III) and is engaged inter alia in the business of manufacture of plastic goods PP/HDPE woven fabrics and sacks. The Shakti III Unit also sends material on Job Work basis to its DTA unit I at Dholka (hereinafter referred to as Shakti I). A fire broke at the premises of Shakti I on 10.05.2016 and the stock of raw material and semi finished goods lying at the premises of Shakti I which was received for job work from Shakti III were destroyed in the fire. As Shakti III held a Fire Floater Policy no. 500800/11/15/13/00000493 it filed a claim for the loss of its stock of goods lying at the premises at Shakti I. of Rs. 2,62,60,508/- was filed with the defendant i.e. the insurance company under which the peril was covered. The plaintiff alleged that the defendant wrongly repudiated the claim and accordingly the present dispute arise. the plaintiff herein claims that the dispute so aroused is covered u/s. 2(1)(c)(xx) of the Commercial Court Act, 2015 and have accordingly filed for a claim for the principal amount of Rs. 1,63,32,360/- and interest towards its insurance claim. The matter is pending before the Commercial Court for the City of Ahmadabad.

##### **SHRI JAGDAMBA POLYMERS LIMITED**

###### **3. Shri Jagdamba Polymers Ltd. (Claimant) V/s. United India Insurance Co. Ltd. (Respondent)**





**Arbitration Case No. 32 of 2022 Pending before the Arbitral Tribunal comprised of Sole Arbitrator Ms. Justice Harsha Devani and in the matter of floater policy no. 500800/11/15/13/00000488 held by Shri Jagdamba Polymers Ltd. with United India Insurance Co. Ltd.**

As claimed, the claimant herein was engaged in the business of manufacturing woven polypropylene / polyethylene fabric and like on its own promises and also gets the manufacturing done on job work basis at the premises of others including one of its sister concern M/s. Shakti Polyweave Pvt. Ltd. (the sister Concern). A fire broke out at the premises of its sister concern at plot no. 401/4 and 401/5, GIDC, Dholka on 10.05.2016 and the stock of goods which was sent on job work challan by the applicant herein for further processing and lying at the premises of the Sister Concern also got destroyed. As alleged, the applicant filed a claim for its losses with the respondent for an amount of Rs. 3,99,21,777/- under the cover of a floater policy as detailed above. The respondent however has been alleged to have settled the claim at Rs. 2,20,60,839/- through a letter dated 19.11.2018, claimed to have been signed under duress, by the Claimant herein. Further as alleged, the claim was further revised to Rs. 2,06,87,502/- vide respondent's letter dated 31.05.2019 and a further reduced amount of Rs. 1,55,15,540/- was disbursed by the Respondent on 24.07.2020. Aggrieved by the action of the respondent, the Claimant invoked the present arbitration proceedings for recovery / indemnification from the Respondent of a total principal sum of Rs. 2,46,74,388/- and interest towards its insurance claim. The arbitration proceedings are pending for dispute resolution before the Sole arbitrator appointed under the order of the Hon'ble High Court of Gujarat, Ahmadabad passed under R/PETN. Under Arbitration Act No. 147 of 2021.

**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 RHP 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 RHP.

**OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

As on the date of the RHP, 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 RHP 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 RHP.

**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 163 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, 2023:

| Name                                                                                | Number of Counts | Balance (₹ in Laacs) |
|-------------------------------------------------------------------------------------|------------------|----------------------|
| Total Outstanding dues to Micro and Small & Medium Enterprises                      | 6                | 18.52                |
| Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises | 70               | 437.14               |

**(Based on certificate duly certified by Statutory Auditor M/s. A S R V & Co., Chartered Accountants dated June 23, 2023, bearing UDIN: 23193591BGUVKT6922)**

Details pertaining to amount overdue towards material creditors are available on the website of our Company at [www.shritechtex.com](http://www.shritechtex.com).

Information provided on the website of the Company is not part of this Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information including our Company's website would be doing so at their own risk.



## **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 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 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. Originally formed as a Partnership firm Shree Tech Tex Company vide Partnership deed dated January 07, 2011. (Firm Registration number GUJAH100249)
2. Altered the name of the partnership firm from Shree Tech Tex Company to M/s. Shri Techtex vide Amendment deed dated May 03, 2018. ((Firm Registration number GUJAH100249)
3. Certificate of Incorporation dated September 08, 2018 from the Registrar of Companies, Ahmadabad, under the Companies Act, 2013 as "Shri Techtex Private Limited" (Company registration no. U36900GJ2018PTC104005)
4. Fresh Certificate of Incorporation dated January 03, 2023 from the Registrar of Companies, Ahmadabad, consequent to conversion of the Company from 'Shri Techtex Private Limited' to "Shri Techtex Limited" (Corporate Identification No. - U36900GJ2018PLC104005)

### **Approvals in relation to the Issue**

#### ***Corporate Approvals***

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on January 03, 2023 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 January 04, 2023 under Section 62(1) (c) of the Companies Act, 2013, authorized the Issue.

### **Approvals from Stock Exchange**

1. Our Company has received in- principle listing approval from the NSE Emerge dated June 22, 2023 for listing of Equity Shares issued pursuant to the issue.

#### ***Other Approvals***

1. The Company has entered into a tripartite agreement dated January 25, 2023 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is LinkIntime India Private Limited, for the dematerialization of its shares.
2. The Company has entered into an agreement dated January 25, 2023 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is LinkIntime India 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                                                                                                                                | ABACS7800A          | Income Tax Department                                    | September 08, 2018 | Valid till Cancelled |
| 2.    | Tax Deduction Account Number (TAN)                        | NA                                                                                                                                | AHMS34085C          | Income Tax Department                                    | September 08, 2018 | Valid till Cancelled |
| 3.    | GST Registration Certificate                              | 15/A, Shree Vidhyanagar Co Op Housing Soc Ltd, 2nd Floor, Nr Usmanpura Garden, Opp. NABARD, Ahmedabad, Ahmedabad, Gujarat, 380014 | 24ABACS7800A1ZY     | Goods and Services Tax department                        | September 28, 2018 | Valid till Cancelled |
| 4.    | Professions Tax Payer Enrollment certificate (P.T.E.C.)   | 15/A, Shree Vidhyanagar Co Op Housing Soc Ltd, 2nd Floor, Nr Usmanpura Garden, Opp. NABARD, Ahmedabad, Ahmedabad, Gujarat, 380014 | PEC010516091263     | Amdavad Municipal Corporation, Profession Tax Department | January 23, 2023   | Valid till Cancelled |
| 5.    | Professions Tax Payer Registration certificate (P.T.R.C.) | 15/A, Shree Vidhyanagar Co Op Housing Soc Ltd, 2nd Floor, Nr Usmanpura Garden, Opp. NABARD, Ahmedabad, Ahmedabad, Gujarat, 380014 | PRC010516001376     | Amdavad Municipal Corporation, Profession Tax Department | January 24, 2023   | Valid till Cancelled |
| 6.    | Professions Tax Payer Enrollment certificate (P.T.E.C.)   | Survey No.165P, 166P, 167P Simej Rupgadh Road, Simej, taluka Dholka, Ahmedabad, Gujarat-382265                                    | 01/07/054/017       | Simej Gram Panchayat                                     | December 20, 2021  | Valid till Cancelled |
| 7.    | Professions Tax Payer Registration certificate (P.T.R.C.) | Survey No.165P, 166P, 167P Simej Rupgadh Road, Simej, taluka, Dholka, Ahmedabad, Gujarat-382265                                   | 01/07/054/014       | Simej Gram Panchayat                                     | December 20, 2021  | Valid till Cancelled |

**Registrations related to Labour Laws:**

| S. No. | Description     | Address                                                       | License Number                                         | Issuing Authority            | Date of issue      | Date of Expiry    |
|--------|-----------------|---------------------------------------------------------------|--------------------------------------------------------|------------------------------|--------------------|-------------------|
| 1.     | Factory License | Survey No.165P, 166P, 167P Simej Rupgadh Road, Simej, taluka, | License No. 45412<br>Registration no. 10591/2220912021 | Director Industrial Safety & | September 16, 2021 | December 31, 2024 |



| S. No. | Description                                           | Address                                                                                                                      | License Number        | Issuing Authority                                                                        | Date of issue    | Date of Expiry       |
|--------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------------------------------------------------------------------------|------------------|----------------------|
|        |                                                       | Dholka, Ahmedabad, Gujarat-382265                                                                                            | FIN A01045412A        | Health, Gujarat State                                                                    |                  |                      |
| 2.     | Registration under the Employees Provident fund (EPF) | Shri Techtext Private Ltd Unit II Survey No.165P, 166P, 167P, Simej Rupgadh Road, AT-Simej, Dholka Ahmedabad, Gujarat-382265 | GJAHD2494891000       | Employees' Provident Fund (A Statutory Body Under The Ministry Of Labour And Employment) | October 20, 2021 | Valid till Cancelled |
| 3.     | Employees Compensation insurance Policy               | Shri Techtext Private Ltd Unit II Survey No.165P, 166P, 167P, Simej Rupgadh Road, AT-Simej, Dholka Ahmedabad, Gujarat-382265 | Policy no. 2250024183 | TATA AIG General Insurance Company Ltd.                                                  | October 28, 2022 | October 27, 2023     |
| 4.     | Udyam Registration Certificate                        | A-801, Narnarayan Complex, Opp. Navrangpura P.O., Navrangpura Ahmedabad Ahmedabad GJ-380009                                  | UDYAM-GJ-01-0020563   | MSME (Ministry of Micro Small & Medium Enterprises)                                      | --               | Valid till Cancelled |

**Business Related Approvals:**

| S. No. | Description                                                                                                                    | Address of Premises                                                                                                                        | Registration Number        | Issuing Authority                                                 | Date of issue     | Date of Expiry       |
|--------|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-------------------------------------------------------------------|-------------------|----------------------|
| 1.     | Import Export Code (IEC)                                                                                                       | HARMONY, 2nd Floor, 15/A, Shree Vidhyanagar Co Op Housing Soc Ltd, Nr Usmanpura Garden, Opp. NABARD, Ahmedabad, AHMADABAD, GUJARAT, 380014 | 0816902828                 | DGFT, Ahmadabad                                                   | May 12, 2016      | Valid till Cancelled |
| 2.     | Registration Certificate for Producer under Rule 13(2) of the Plastic Waste Management Rules, 2016                             | Shri Techtext Private Ltd (Unit II) A-801, Narnarayan Complex, Opp. Navrangpura P.O., Navrangpura Ahmedabad Ahmedabad GJ-380009            | PR-02-Guj-11-ABACS7800A-22 | Gujarat Pollution Control Board, Gandhi Nagar, Gujarat            | November 02, 2022 | November 01, 2023    |
| 3.     | Combined consent for discharge of effluents under the Water (Prevention and control of Pollution) Act, 1974 and emission under | Shri Techtext Private Ltd (Unit II) Survey No.165, 166, 167 Paiki/R/N, Simej Rupgadh Road, AT-Simej, Dholka Ahmedabad, Gujarat-382265      | AWH-56970                  | Gujarat Pollution Control Board, Regional Office, Ahmadabad-Rural | August 22, 2022   | June 30, 2029        |



| S. No. | Description                                                                                                                                                | Address of Premises                                                                                                                                                                             | Registration Number                                                      | Issuing Authority                                                                                                                                             | Date of issue         | Date of Expiry          |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------------|
|        | air (Prevention and control of Pollution) Act, 1981 and authorization under Hazardous and Other Waste (Management and Trans Boundary Movement) Rules, 2016 |                                                                                                                                                                                                 |                                                                          |                                                                                                                                                               |                       |                         |
| 4.     | NOC for Ground Water Abstraction                                                                                                                           | Shri Techtext Private Ltd (Unit II)<br>Survey No.165,166,167<br>Paiki/r/n, Simej<br>Rupgadh Road,,<br>Simej,taluka, Dholka,<br>District Ahmedabad.,<br>Dholka, Ahmadabad,<br>Gujarat - 382265   | CGWA/NOC/I<br>ND/ORIG/2021<br>/13287                                     | Central Ground<br>Water Board<br>West Central<br>Region, Swami<br>Narayan<br>College,<br>Building, Shah<br>Alam Tolnaka,<br>Ahmadabad,<br>Gujarat –<br>380022 | September<br>17, 2021 | September<br>16, 2024   |
| 5.     | Certificate of Registration Contract Labour (Regulation & Abolition) Act,1970                                                                              | Shri Techtext Private Ltd (Unit II)<br>Survey No.165,166,167<br>Paiki/r/n, Simej<br>Rupgadh Road,,<br>Simej,taluka, Dholka,<br>District Ahmedabad.,<br>Dholka, Ahmadabad,<br>Gujarat – 382265   | AHD/2020/CL<br>RA/174                                                    | Government of<br>Gujarat<br>Deputy Labour<br>Commissioner<br>Office -<br>Ahmadabad                                                                            | December<br>16, 2020  | Valid till<br>Cancelled |
| 6.     | License under the Fire Services Act, 1950                                                                                                                  | HARMONY, 2nd<br>Floor,, 15/A, Shree<br>Vidhyanagar Co Op<br>Housing Soc Ltd, Nr<br>Usmanpura Garden,<br>Opp. NABARD,,<br>Ahmedabad,<br>AHMADABAD,<br>GUJARAT, 380014                            | NOC71392105<br>2022                                                      | Chief Fire<br>Officer,<br>Amdavad<br>Municipal<br>Corporation                                                                                                 | June 04,<br>2022      | June 04,<br>2025        |
| 7.     | Certificate of Verification Legal Metrology Act                                                                                                            | Shri Techtext Private Ltd (Unit II)<br>Survey No. 165, 166,<br>167 Paiki/r/n, Simej<br>Rupgadh Road, Simej,<br>taluka Dholka, District<br>Ahmedabad., Dholka,<br>Ahmadabad, Gujarat –<br>382265 | Book number:<br>32<br>Serial number<br>:83<br>Registration<br>No.: 44/21 | Office of the<br>controller of<br>Legal<br>Metrology,<br>Gujarat                                                                                              | February<br>12, 2022  | September<br>11, 2023   |
| 8.     | LEI (Legal Entity Identifier)                                                                                                                              | A-801, Narnarayan<br>Complex, Opp.<br>Navrangpura P.O.                                                                                                                                          | 984500C2E876<br>55DA1B79                                                 | LEI Register                                                                                                                                                  | April 22,<br>2021     | April 22,<br>2026       |



| S. No. | Description                                                                                                        | Address of Premises                                                                                                                                                | Registration Number                      | Issuing Authority                                 | Date of issue   | Date of Expiry       |
|--------|--------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|---------------------------------------------------|-----------------|----------------------|
|        |                                                                                                                    | Navrangpura-380009                                                                                                                                                 |                                          |                                                   |                 |                      |
| 9.     | Provisional Membership Certificate for disposal of Industrial Hazardous Waste generated from production activities | Shri Techtex Private Ltd<br>Survey No. 165, 166, 167 Paiki/r/n, Simej Rupgadh Road, Simej, taluka Dholka, District Ahmedabad., Dholka, Ahmadabad, Gujarat – 382265 | Ref No.<br>SEPPL/120000<br>5066/2022/159 | Saurashtra Enviro Projects Private Limited –Kutch | August 22, 2022 | August 21, 2028      |
| 10.    | Gujarat Shops and Establishments (Regulation of Employment and Condition of Service) Act, 2019                     | 15 /A, Shree Vidhyanagar Co Op Housing Soc Ltd, 2nd Floor, Nr Usmanpura Garden, Opp. NABARD, Ahmedabad, Ahmedabad, Gujarat, 380014                                 | 1482/30-01-2023                          | Amdavad Municipal Corporation                     | March 04, 2023  | Valid till Cancelled |

### Intellectual Property

**Trademarks registered/Objected/Abandoned in the name of our company;**

| S. No | Brand Name/Logo Trademark                                                           | Class | Registration/ Application number        | Owner                                                                                                                                                                                      | Authority                          | Date of Registration | Valid till       |
|-------|-------------------------------------------------------------------------------------|-------|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|------------------|
| 1.    |  | 22    | Registered vide application no. 4043515 | Originally registered in the name of M/s. Shakti Polyweave Private Limited and acquired on license by Shri Techtex Limited vide license agreement dated April 01, 2022 from original owner | Registrar of Trademarks, Ahmedabad | January 02, 2019     | January 01, 2029 |
| 2     |  | 19    | Registered vide application no. 4043516 | Originally registered in the name of M/s. Shakti Polyweave Private Limited and acquired by Shri Techtex Limited vide license agreement dated April 01, 2022                                | Registrar of Trademarks, Ahmedabad | January 02, 2019     | January 01, 2029 |

### **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://shritechtex.com/">https://shritechtex.com/</a> | 2755079140_DOMAIN_CO<br>M-VRSN | GoDaddy.com, LLC                | January<br>31,2023 | January<br>31,2024   |

**LICENSES APPLIED FOR:**

NIL

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.



## SECTION XI – INFORMATION WITH RESPECT TO GROUP COMPANIES

The definition of “Group Companies” pursuant to the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, to include companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards and also other companies as are considered material by the Board.

Pursuant to a Board resolution dated January 03, 2023 our Board has identified companies with which there were related party transactions, during the period for which financial information is disclosed and formulated a policy to identify other companies which are considered material to be identified as group companies, pursuant to which the following entities are identified as Group Companies of our Company:

1. Shri Jagdamba Polymers Limited
2. Shakti Techtext Private Limited
3. Shakti Polyweave Private Limited
4. Aurum Fabtech Private Limited
5. Aurum Fabritech LLP

Except as stated above, there are no companies falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group companies.

As per sub clause A of Clause 13 of Schedule VI of SEBI (ICDR) Regulations, 2018, we are providing the financial information group companies.

### 1. SHRI JAGDAMBA POLYMERS LIMITED (“SJPL”)

#### ***Brief Corporate Information***

SJPL was originally incorporated as “Jagdamba Polymers Limited” on May 21, 1985 under the Companies Act, 1956. Subsequently, name of the Company was changed to “Shri Jagdamba Polymers Limited” pursuant to fresh certificate of incorporation was issued by Registrar of Companies, Gujarat on January 05, 1998. The CIN of SJPL is L17239GJ1985PLC007829. Registered Office of SJPL is situated at Harmony, 4<sup>th</sup> Floor, 15/A, Shree Vidhyanagar Co-op Hsg. Soc. Ltd, Opp. Nabard, Nr. Usmanpura Garden, Ahmedabad, Gujarat, India – 380014.

#### ***Current Nature of Activities / Business Activities***

SJPL is currently engaged in the business of technical textile, geo textile and other allied products i.e. manufacturing of Polypropylene / High Density Polyethylene woven and non-woven fabrics and bags.

#### ***Board of Directors***

As on date of this Red Herring Prospectus, the following are the Directors of SJPL:

| Sr. No. | Name                        | Designation                    | DIN      |
|---------|-----------------------------|--------------------------------|----------|
| 1.      | Ramakant Bhojnagarwala      | Chairman cum Managing Director | 00012733 |
| 2.      | Kiranbhai Bhailalbhai Patel | Whole-Time Director            | 00045360 |
| 3.      | Vikas Srikishan Agarwal     | Executive Director             | 03585140 |
| 4.      | Mudra Sachin Kansal         | Independent Director           | 06904735 |
| 5.      | Mahesh Gaurishanker Joshi   | Independent Director           | 07214532 |
| 6.      | Shail Akhil Patel           | Independent Director           | 08427908 |

#### ***Capital Structure***

As on the date of this Red Herring Prospectus, the authorised share capital of SJPL is ₹ 10,00,00,000 divided into 10,00,00,000 Equity Shares of ₹ 1 each. The issued, subscribed and paid-up Equity share capital of SJPL is ₹ 87,58,000 divided into 87,58,000 Equity Shares of ₹ 1 each.

#### ***Financial Information***



The brief financial details of SJPL derived from its audited standalone financial statements for Fiscals 2023, 2022 and 2021 are set forth below:

(₹ in lakhs)

| Particulars                                         | For the financial year ended |                |                |
|-----------------------------------------------------|------------------------------|----------------|----------------|
|                                                     | March 31, 2023               | March 31, 2022 | March 31, 2021 |
| Equity Share Capital                                | 87.58                        | 87.58          | 87.58          |
| Other Equity                                        | 21,233.97                    | 18,274.38      | 13,190.49      |
| Net worth                                           | 21,321.55                    | 18,361.96      | 13,278.07      |
| Total Revenue (including other income)              | 33,635.06                    | 38,092.85      | 24,674.37      |
| Profit / (Loss) after tax                           | 3,006.26                     | 5,116.04       | 4,090.64       |
| Earnings per Share (face value of ₹ 1 each)         | 34.54                        | 58.45          | 46.59          |
| Diluted Earnings per Share (face value of ₹ 1 each) | 34.54                        | 58.45          | 46.59          |
| Net Asset value per share (₹)                       | 243.45                       | 209.66         | 151.61         |

### Shareholding Pattern

The shareholding pattern of SJPL as on the date of this Red Herring Prospectus is mentioned below:

| Sr. No.                                  | Shareholder's Name         | No. of Equity Shares held (₹ 1/- each) | Percentage    |
|------------------------------------------|----------------------------|----------------------------------------|---------------|
| <b>Promoter &amp; Promoter Group (A)</b> |                            |                                        |               |
| 1                                        | Ramakant Bhojnagarwala     | 25,73,000                              | 29.38         |
| 2                                        | Radhadevi R Agrawal        | 19,48,000                              | 22.24         |
| 3                                        | Hanskumar Ramakant Agarwal | 10,48,000                              | 22.24         |
| 4                                        | Shradha Hanskumar Agarwal  | 3,93,675                               | 4.50          |
|                                          | <b>Sub Total (A)</b>       | <b>59,62,675</b>                       | <b>68.08</b>  |
| <b>Public (B)</b>                        |                            | <b>27,95,325</b>                       | <b>31.92</b>  |
|                                          | <b>TOTAL (A+B)</b>         | <b>87,58,000</b>                       | <b>100.00</b> |

### Nature and extent of interest of our Promoter

Our Promoters and Promoter Group holds 68.08% Equity Shares in SJPL.

### Other Confirmations

- As on the date of this Red Herring Prospectus, SJPL is a BSE Listed Company and it has not made any public issue (including any rights issue to the public) in the preceding three financial years.
- The Company is neither a sick Company nor is under winding up.
- There are no defaults in meeting any statutory/bank/institutional dues.
- No proceedings have been initiated for economic offences against the Company.

## 2. SHAKTI TECHTEX PRIVATE LIMITED ("STPL")

### Brief Corporate Information

STPL was incorporated as "Shakti Techtex Private Limited" on March 10, 2021 under the Companies Act, 2013. The CIN of STPL is U17299GJ2021PTC121001. Registered Office of STPL is situated at Harmony, 3<sup>rd</sup> Floor, 15/A, Shree Vidhyanagar Co-op Hsg. Soc. Ltd, Opp. Nabard, Nr. Usmanpura Garden, Ahmedabad, Gujarat, India – 380014.

### Current Nature of Activities / Business Activities

STPL is currently engaged in the business as manufactures, processors, converters, representative, traders, dealers, exporters, importers, factors, distributors, consignors, consignees and stockiest/ suppliers of all classes, kind, nature and description of technical textile, polymers, plastic, geo-textiles, non-woven and woven products.



### Board of Directors

As on date of this Red Herring Prospectus, the following are the Directors of STPL:

| Sr. No. | Name                       | Designation | DIN      |
|---------|----------------------------|-------------|----------|
| 1.      | Hanskumar Ramakant Agarwal | Director    | 00013290 |
| 2.      | Jatanlal Gulabchand Surana | Director    | 02706412 |

### Capital Structure

As on the date of this Red Herring Prospectus, the authorised share capital of STPL is ₹ 4,00,00,000 divided into 40,00,000 Equity Shares of ₹ 10 each. The issued, subscribed and paid-up Equity share capital of STPL is ₹ 4,00,00,000 divided into 40,00,000 Equity Shares of ₹ 10 each.

### Financial Information

The brief financial details of STPL derived from its audited financial statements for Fiscals 2023, 2022 and 2021 are set forth below:

(₹ in lakhs)

| Particulars                                          | For the financial year ended |                |
|------------------------------------------------------|------------------------------|----------------|
|                                                      | March 31, 2022               | March 31, 2021 |
| Equity Share Capital                                 | 400.00                       | 5.00           |
| Other Equity                                         | (0.09)                       | -              |
| Net worth                                            | 399.91                       | 5.00           |
| Total Revenue (including other income)               | 5.69                         | -              |
| Profit / (Loss) after tax                            | (0.09)                       | -              |
| Earnings per Share (face value of ₹ 10 each)         | (0.002)                      | -              |
| Diluted Earnings per Share (face value of ₹ 10 each) | (0.002)                      | -              |
| Net Asset value per share (₹)                        | 9.99                         | -              |

### Shareholding Pattern

The shareholding pattern of STPL as on the date of this Red Herring Prospectus is mentioned below:

| Sr. No. | Shareholder's Name               | No. of Equity Shares held<br>(₹ 10/- each) | Percentage    |
|---------|----------------------------------|--------------------------------------------|---------------|
| 1       | Hanskumar Agarwal                | 4,00,000                                   | 10.00         |
| 2       | Ramakant Bhojnagarwala           | 4,40,000                                   | 11.00         |
| 3       | Radhadevi R Agrawal              | 12,00,000                                  | 30.00         |
| 4       | Shradha Hanskumar Agarwal        | 12,00,000                                  | 30.00         |
| 5       | Shakti Polyweave Private Limited | 7,60,000                                   | 19.00         |
|         | <b>TOTAL</b>                     | <b>40,00,000</b>                           | <b>100.00</b> |

### Nature and extent of interest of our Promoter

Our Promoters and Promoter Group holds 100.00% Equity Shares in STPL.

### Other Confirmations

- As on the date of this Red Herring Prospectus, STPL is an unlisted private limited Company and it has not made any public issue (including any rights issue to the public) in the preceding three financial years.
- The Company is neither a sick Company nor is under winding up.
- There are no defaults in meeting any statutory/bank/institutional dues.
- No proceedings have been initiated for economic offences against the Company.

### 3. SHAKTI POLYWEAVE PRIVATE LIMITED ("SPPL")



### **Brief Corporate Information**

SPPL was incorporated as “Shakti Polyweave Private Limited” on December 17, 1997 under the Companies Act, 1956. The CIN of SPPL is U17110GJ1997PTC033436. Registered Office of SPPL is situated at Harmony, 3<sup>rd</sup> Floor, 15/A, Shree Vidhyanagar Co-op Hsg. Soc. Ltd, Opp. Nabard, Nr. Usmanpura Garden, Ahmedabad, Gujarat, India – 380014.

### **Current Nature of Activities / Business Activities**

SPPL is currently engaged in the business as manufactures, representative, traders, dealers, exporters, importers, factors, distributors, consignors and stockiest/suppliers whether in own capacity or as in capacity of agent, broker or dalal of all classes, kinds, nature and description of:

- i) Plastics whether PP, HD, HM, LD, LDP, HDP, HDPE, whether in sheet, plates or bags tarpulines, articles or otherwise;
- ii) Textile goods, fabrics, yarns, readymade garments, hosiery and finished fabrics and made-ups;
- iii) Cotton, cotton waste and man-made fibres;
- iv) Plants, Machineries, tools, jigs, dies, patterns, moulds, spares, components and accessories thereof made of plastic.

### **Board of Directors**

As on date of this Red Herring Prospectus, the following are the Directors of SPPL:

| Sr. No. | Name                       | Designation       | DIN      |
|---------|----------------------------|-------------------|----------|
| 1.      | Hanskumar Ramakant Agarwal | Managing Director | 00013290 |
| 2.      | Radhadevi R Agrawal        | Director          | 07309539 |
| 3.      | Jatanlal Gulabchand Surana | Director          | 02706412 |

### **Capital Structure**

As on the date of this Red Herring Prospectus, the authorised share capital of SPPL is ₹ 1,00,00,000 divided into 10,00,000 Equity Shares of ₹ 10 each. The issued, subscribed and paid-up Equity share capital of SPPL is ₹ 95,00,000 divided into 9,50,000 Equity Shares of ₹ 10 each.

### **Financial Information**

The brief financial details of SPPL derived from its audited financial statements for Fiscals 2023, 2022 and 2021 are set forth below:

(₹ in lakhs)

| Particulars                                          | For the financial year ended |                |
|------------------------------------------------------|------------------------------|----------------|
|                                                      | March 31, 2022               | March 31, 2021 |
| Equity Share Capital                                 | 95.00                        | 95.00          |
| Other Equity                                         | 21,917.88                    | 16,448.22      |
| Net worth                                            | 22,012.88                    | 16,543.22      |
| Total Revenue (including other income)               | 66,469.04                    | 45,669.18      |
| Profit / (Loss) after tax                            | 5,469.66                     | 5,319.56       |
| Earnings per Share (face value of ₹ 10 each)         | 575.75                       | 559.95         |
| Diluted Earnings per Share (face value of ₹ 10 each) | 575.75                       | 559.95         |
| Net Asset value per share (₹)                        | 2,317.15                     | 1,741.39       |

### **Shareholding Pattern**

The shareholding pattern of SPPL as on the date of this Red Herring Prospectus is mentioned below:

| Sr. No. | Shareholder's Name     | No. of Equity Shares held (₹ 10/- each) | Percentage |
|---------|------------------------|-----------------------------------------|------------|
| 1       | Hanskumar Agarwal      | 2,90,000                                | 30.53      |
| 2       | Ramakant Bhojnagarwala | 2,60,000                                | 27.37      |



| Sr. No. | Shareholder's Name                                    | No. of Equity Shares held<br>(₹ 10/- each) | Percentage    |
|---------|-------------------------------------------------------|--------------------------------------------|---------------|
| 3       | Radhadevi Ramakant Agrawal                            | 2,39,800                                   | 25.24         |
| 4       | Shradha Hanskumar Agarwal                             | 1,60,000                                   | 16.84         |
| 5       | Hanskumar Ramakant Agarwal and Ramakant Bhojnagarwala | 200                                        | 0.02          |
|         | <b>TOTAL</b>                                          | <b>9,50,000</b>                            | <b>100.00</b> |

#### ***Nature and extent of interest of our Promoter***

Our Promoters and Promoter Group holds 100.00% Equity Shares in SPPL.

#### ***Other Confirmations***

- As on the date of this Red Herring Prospectus, SPPL is an unlisted private limited Company and it has not made any public issue (including any rights issue to the public) in the preceding three financial years.
- The Company is neither a sick Company nor is under winding up.
- There are no defaults in meeting any statutory/bank/institutional dues.
- No proceedings have been initiated for economic offences against the Company.

#### **4. AURUM FABTECH PRIVATE LIMITED ("AFPL")**

##### ***Brief Corporate Information***

AFPL was originally incorporated as "Aurum Printpack Private Limited" on June 28, 2021 under the Companies Act, 2013. Subsequently, name of the Company was changed to "Aurum Fabtech Private Limited" pursuant to fresh certificate of incorporation was issued by Registrar of Companies, Gujarat on September 09, 2021. The CIN of AFPL is U17299GJ2021PTC123659. Registered Office of AFPL is situated at Harmony, 1<sup>st</sup> Floor, 15/A, Shree Vidhyanagar Co-op Hsg. Soc. Ltd, Opp. Nabard, Nr. Usmanpura Garden, Ahmedabad, Gujarat, India – 380014.

##### ***Current Nature of Activities / Business Activities***

AFPL is currently engaged in following business:

To carry on in India or elsewhere the business to manufacture, produce, reprocess, buy, sale, export, import, convert, commercialize, design, develop, distribute, exchange, laminate, print, knit, coat, dye, blend, fabricate, prepare, promote, supervise, supply, use, turn to account, collaborate and to act as broker, agent, merchant, trade, supplier, wholesaler, retailer, stockist, dealer, distributor, sales organizer, promoter, liaisoner, job worker, C&F agent, concessionaries, consultant, collaborator, consigner, franchisor, or otherwise to deal in all kind of bags and sacks for the transport and storage of materials in bulk, pinch bottom bags, fabric container, pouches, receptacles, boxes, ropes, string, nets, tents, awnings, tarpaulins, sails, all other kind of sacks and bags padding and stuffing materials, raw fibrous textile materials, body bags, cords for hanging pictures, raw cotton, cotton tow, cotton waste for padding and stuffing, covers for camouflage, fishing nets, textile fibers, vehicle covers, vitreous silica fibers for textile use, wadding for filtering, wadding for padding and stuffing upholstery, wax ends, whipcord, wood shavings, wood wool, wool flock, raw or treated wool, wrapping or binding bands, straw for stuffing upholstery, straw wrappers for bottles, bottle envelopes of straw, packing for bottles, all kinds of packing materials made of natural and artificial substances like jute, cotton, silk, PP, BOPP, HDPE, HDDPE, LDPE, LLDPE, PVC, Yarn, Polystyrene, Polymers, Monomers, elastomers, raisin, polyesters, monofilament yarn, nylon, benzyl, Bakelite tap, jute, cotton, woven and Non-woven fabrics, tape, film, co extruded films, wide width films, collapsible tubes and sheets, aluminium foil, laminating material, papers, thermosetting, thermoplastic, Teflon plastics, esters, raisin, wax coating etc.

##### ***Board of Directors***

As on date of this Red Herring Prospectus, the following are the Directors of AFPL:

| Sr. No. | Name                       | Designation | DIN      |
|---------|----------------------------|-------------|----------|
| 1.      | Hanskumar Ramakant Agarwal | Director    | 00013290 |



| Sr. No. | Name                      | Designation | DIN      |
|---------|---------------------------|-------------|----------|
| 2.      | Shradha Hanskumar Agrawal | Director    | 02195281 |

### Capital Structure

As on the date of this Red Herring Prospectus, the authorised share capital of AFPL is ₹ 1,00,000 divided into 10,000 Equity Shares of ₹ 10 each. The issued, subscribed and paid-up Equity share capital of AFPL is ₹ 1,00,000 divided into 10,000 Equity Shares of ₹ 10 each.

### Financial Information

The brief financial details of AFPL derived from its audited financial statements for Fiscal 2023, 2022 is set forth below:  
(₹ in lakhs)

| Particulars                                          | For the financial year ended March 31, 2022 |
|------------------------------------------------------|---------------------------------------------|
| Equity Share Capital                                 | 1.00                                        |
| Other Equity                                         | (0.14)                                      |
| Net worth                                            | 0.86                                        |
| Total Revenue (including other income)               | -                                           |
| Profit / (Loss) after tax                            | (0.14)                                      |
| Earnings per Share (face value of ₹ 10 each)         | (1.81)                                      |
| Diluted Earnings per Share (face value of ₹ 10 each) | (1.81)                                      |
| Net Asset value per share (₹)                        | 8.60                                        |

### Shareholding Pattern

The shareholding pattern of AFPL as on the date of this Red Herring Prospectus is mentioned below:

| Sr. No. | Shareholder's Name         | No. of Equity Shares held (₹ 10/- each) | Percentage    |
|---------|----------------------------|-----------------------------------------|---------------|
| 1       | Hanskumar Ramakant Agarwal | 5,000                                   | 50.00         |
| 2       | Shradha Hanskumar Agrawal  | 5,000                                   | 50.00         |
|         | <b>TOTAL</b>               | <b>10,000</b>                           | <b>100.00</b> |

### Nature and extent of interest of our Promoter

Our Promoters and Promoter Group holds 100.00% Equity Shares in AFPL.

### Other Confirmations

- As on the date of this Red Herring Prospectus, AFPL is an unlisted private limited Company and it has not made any public issue (including any rights issue to the public) in the preceding three financial years.
- The Company is neither a sick Company nor is under winding up.
- There are no defaults in meeting any statutory/bank/institutional dues.
- No proceedings have been initiated for economic offences against the Company.

## 5. AURUM FABRICTECH LLP ("AFL")

### Brief Corporate Information

AFL was originally incorporated as "Snowfall International Travel Solutions Private Limited" on May 31, 2013 under the Companies Act, 1956. Further, name of "Snowfall International Travel Solutions Private Limited" was changed to "Snowflakes Travel Private Limited" vide fresh certificate of incorporation dated June 12, 2013. Further, name of "Snowflakes Travel Private Limited" was again changed to "Aurum Fabrictech Private Limited" vide fresh certificate of incorporation dated November 18, 2021. Subsequently, "Aurum Fabrictech Private Limited" was converted to "Aurum Fabrictech LLP" vide fresh certificate of incorporation dated February 02, 2022. The LLPIN of AFL is ABA-4695.





Registered Office of AFL is situated at Harmony, 1<sup>st</sup> Floor, 15/A, Shree Vidhyanagar Co-op Hsg. Soc. Ltd, Opp. Nabard, Nr. Usmanpura Garden, Ahmedabad, Gujarat, India – 380014.

### ***Current Nature of Activities / Business Activities***

AFL is currently engaged in the business of manufacturing and trading of polymers, plastic, non-woven and woven products.

### ***Designated Partners / Partners***

As on date of this Red Herring Prospectus, the following are the Partners and their Profit/Loss sharing ratio in AFL:

| Sr. No.      | Name                          | Designation        | DIN      | Ratio %       |
|--------------|-------------------------------|--------------------|----------|---------------|
| 1.           | Hanskumar Ramakant Agarwal    | Designated Partner | 00013290 | 51.51         |
| 2.           | Shradha Hanskumar Agrawal     | Designated Partner | 02195281 | 16.00         |
| 3.           | Radhadevi R Agrawal           | Partner            | N.A.     | 16.00         |
| 4.           | Ramakant Bhojnagarwala        | Partner            | N.A.     | 16.00         |
| 5.           | Shri Techtex Private Limited* | Partner            | N.A.     | 0.49          |
| <b>TOTAL</b> |                               |                    |          | <b>100.00</b> |

\* Converted from Shri Techtex Private Limited to Shri Techtex Limited on January 03, 2023.

### ***Financial Information***

The brief financial details of AFL derived from its audited financial statements for Fiscals 2022, 2021 and 2020 are set forth below:

(₹ in lakhs)

| Particulars                            | For the financial year ended<br>March 31, 2022 |
|----------------------------------------|------------------------------------------------|
| Partners' Fixed Capital                | 202.07                                         |
| Partners' Current Capital              | 1,083.19                                       |
| Total Revenue (including other income) | 211.00                                         |
| Profit / (Loss) after tax              | 10.18                                          |

(₹ in lakhs)

| Particulars                                          | For the financial year ended |                   |
|------------------------------------------------------|------------------------------|-------------------|
|                                                      | March 31,<br>2021            | March 31,<br>2020 |
| Equity Share Capital                                 | 1.00                         | 1.00              |
| Other Equity                                         | (1.00)                       | (6.61)            |
| Net worth                                            | 0.00                         | (5.61)            |
| Total Revenue (including other income)               | 7.14                         | 3.67              |
| Profit / (Loss) after tax                            | 5.61                         | 0.73              |
| Earnings per Share (face value of ₹ 10 each)         | 56.08                        | 7.30              |
| Diluted Earnings per Share (face value of ₹ 10 each) | 56.08                        | 7.30              |
| Net Asset value per share (₹)                        | 0.00                         | (56.08)           |

### ***Nature and extent of interest of our Company and our Promoter***

Our Company holds 0.49% and our Promoters and Promoter Group hold 99.51% ratio in AFL.

### ***Other Confirmations***

- As on the date of this Red Herring Prospectus, AFL is a Limited Liability Partnership and it has not made any public issue (including any rights issue to the public) in the preceding three financial years.
- AFL is neither a sick Company nor is under winding up.
- There are no defaults in meeting any statutory/bank/institutional dues.
- No proceedings have been initiated for economic offences against AFL.



## 6. OMJAGDAMBA FOUNDATION (“OJF”)

### Brief Corporate Information

OJF was incorporated as “Omjagdamba Foundation” on June 17, 2019 under the Companies Act, 2013. The CIN of OJF is U85300GJ2019NPL108531. Registered Office of OJF is situated at Harmony, 4<sup>th</sup> Floor, 15/A, Shree Vidhyanagar Co-op Hsg. Soc. Ltd, Opp. Nabard, Nr. Usmanpura Garden, Ahmedabad, Gujarat, India – 380014.

### Current Nature of Activities / Business Activities

OJF is currently engaged in social welfare activities.

### Board of Directors

As on date of this Red Herring Prospectus, the following are the Directors of OJF:

| Sr. No. | Name                       | Designation      | DIN      |
|---------|----------------------------|------------------|----------|
| 1.      | Hanskumar Ramakant Agarwal | Nominee Director | 00013290 |
| 2.      | Shradha Hanskumar Agrawal  | Nominee Director | 02195281 |

### Capital Structure

As on the date of this Red Herring Prospectus, the authorised share capital of OJF is ₹ 500,000 divided into 50,000 Equity Shares of ₹ 10 each. The issued, subscribed and paid-up Equity share capital of OJF is ₹ 5,00,000 divided into 50,000 Equity Shares of ₹ 10 each.

### Financial Information

The brief financial details of OJF derived from its audited financial statements for Fiscals 2023, 2022 and 2021 are set forth below:

(₹ in thousands)

| Particulars                                          | For the financial year ended |                |
|------------------------------------------------------|------------------------------|----------------|
|                                                      | March 31, 2022               | March 31, 2021 |
| Equity Share Capital                                 | 500.00                       | 500.00         |
| Other Equity                                         | 49.40                        | (49.39)        |
| Net worth                                            | 549.40                       | 450.61         |
| Total Revenue (including other income)               | 496.29                       | 3,100.00       |
| Profit / (Loss) after tax                            | 98.78                        | (10.73)        |
| Earnings per Share (face value of ₹ 10 each)         | 1.98                         | (0.21)         |
| Diluted Earnings per Share (face value of ₹ 10 each) | 1.98                         | (0.21)         |
| Net Asset value per share (₹)                        | 10.99                        | 9.01           |

### Shareholding Pattern

The shareholding pattern of OJF as on the date of this Red Herring Prospectus is mentioned below:

| Sr. No. | Shareholder's Name               | No. of Equity Shares held (₹ 10/- each) | Percentage    |
|---------|----------------------------------|-----------------------------------------|---------------|
| 1       | Shakti Polyweave Private Limited | 9,500                                   | 19.00         |
| 2       | Ramakant Bhojnagarwala           | 8,900                                   | 17.80         |
| 3       | Radhadevi R Agrawal              | 8,900                                   | 17.80         |
| 4       | Hanskumar Ramakant Agarwal       | 8,900                                   | 17.80         |
| 5       | Shradha Hanskumar Agarwal        | 8,900                                   | 17.80         |
| 6       | Shri Jagdamba Polymers Limited   | 4,900                                   | 9.80          |
|         | <b>TOTAL</b>                     | <b>50,000</b>                           | <b>100.00</b> |



### ***Nature and extent of interest of our Promoter***

Our Promoters and Promoter Group holds 100.00% Equity Shares in OJF.

### ***Other Confirmations***

- a) As on the date of this Red Herring Prospectus, OJF is an unlisted Non-Profit Company limited by shares and it has not made any public issue (including any rights issue to the public) in the preceding three financial years.
- b) The Company is neither a sick Company nor is under winding up.
- c) There are no defaults in meeting any statutory/bank/institutional dues.
- d) No proceedings have been initiated for economic offences against the Company.

*Financial details of our group company viz. "Shri Jagdamba Polymers Limited" is available on its website [www.shrijagdamba.com](http://www.shrijagdamba.com) and financial details of our group company except "Shri Jagdamba Polymers Limited" are available on website of our company under investor tab. Website of our company is [www.shritechtex.com](http://www.shritechtex.com).*

### **PENDING LITIGATIONS**

There is no pending litigation involving any of the above-mentioned group companies which has a material impact on our company. However, for details of Outstanding Litigation against our Company and Group Companies, please refer to Chapter titled "*Outstanding Litigations and Material Developments*" on the Page no. 171 of this Red Herring Prospectus.

### **GENERAL DISCLOSURE**

- None of our Group Companies of which Securities are listed on any stock exchange and has made any public and/or rights issue of securities to the public in the preceding three years.
- None of the above-mentioned Group Companies is in defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies/Entities.
- Our Group Companies has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.
- Our Group Companies has not been identified as a Willful Defaulter or Fraudulent Borrower.

### **COMMON PURSUITS**

Our all Group Companies/Entities which are in same line of business or have some of the objects similar to that of our company's business. The details of group companies which are in same/similar line of business activities, as carried out by our Company, are stated below;

1. **Shri Jagdamba Polymers Limited, Shakti Techtex Private Limited, Aurum Fabtech Private Limited & Aurum Fabrictech LLP** are engaged in business that is being carried out by our Company to the extent it is related to manufacturing of non-woven fabric. we do not have any noncompete agreement/arrangement with any of our Group Entities. Such a conflict of interest may have adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.
2. **Shakti Polyweave Private Limited** - is currently engaged in the business as manufactures, representative, traders, dealers, exporters, importers, factors, distributors, consignors and stockiest/suppliers whether in own capacity or as in capacity of agent, broker or dalal of all classes, kinds, nature and description of:
  - a. Plastics whether PP, HD, HM, LD, LDP, HDP, HDPE, whether in sheet, plates or bags tarpulines, articles or otherwise;
  - b. Textile goods, fabrics, yarns, readymade garments, hosiery and finished fabrics and made-ups;
  - c. Cotton, cotton waste and man-made fibres;
  - d. Plants, Machineries, tools, jigs, dies, patterns, moulds, spares, components and accessories thereof made of plastic

**Justification:** Shakti Polyweave Private Limited is engaged in Trading Business where as our company is engaged in manufacturing business Therefore there is no such conflict of interest arises. However, we do not have any noncompete agreement/arrangement with any of our Group Entities. Such a conflict of interest may have adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.



Our company & Group Companies will adopt the necessary procedures and practices as permitted by law to address any conflict situations as and when it arises.

## **BUSINESS INTERESTS AMONGST OUR COMPANY AND GROUP COMPANIES/ENTITIES /ASSOCIATE COMPANIES**

### **Existing**

Except as mentioned under “*Annexure – IX– Statement of Related Party & Transactions*” under Chapter titled “*Restated Financial Information*” beginning on page 161 of the Red Herring Prospectus, there is no business interest among Group Companies.

Proposed Related Party Transactions with Group/Entities for FY 2023-24 as approved by the Board of Directors and Audit Committee on January 03, 2023 are as follows;

| Sr. No. | Name of Related Party            | Nature of Relation | Nature of contracts/ arrangements/ transactions            | Omnibus Approval (Limit ₹ in Lacs) |            |
|---------|----------------------------------|--------------------|------------------------------------------------------------|------------------------------------|------------|
|         |                                  |                    |                                                            | FY 2022-23                         | FY 2023-24 |
| 1.      | Shri Jagdamba Polymers Limited   | Group Company      | To supply / purchase the goods / fixed assets or services. | 50.00 Cr.                          | 50.00Cr.   |
| 2.      | Shakti Polyweave Private Limited | Group Company      | To supply / purchase the goods / fixed assets or services. | 25.00 Cr.                          | 25.00 Cr.  |
| 3.      | Shakti Techtext Private Limited  | Group Company      | To supply / purchase the goods / fixed assets or services. | 25.00 Cr.                          | 25.00 Cr.  |
| 4.      | Harmony Finvest                  | Partnership firm   | Landing and Borrowing of Money                             | 10.00 Cr.                          | 10.00 Cr.  |
| 5.      | Aurum Fabtech Private Limited    | Group Company      | To supply / purchase the goods / fixed assets or services. | 10.00 Cr.                          | 10.00 Cr.  |
| 6.      | Aurum Fabrictech LLP             | Group Company      | To supply / purchase the goods / fixed assets or services. | 25.00 Cr.                          | 25.00 Cr.  |

Additionally, our Company will pay remuneration and salary to our Directors and Key Managerial Personnel as approved by the Board of Directors and/or Shareholders of our Company.

In addition to all above transactions proposed to be entered, our Company may also propose to enter into new transactions or transactions beyond the present approval given by the Board of Directors/Audit Committee after obtaining the fresh approval for the new transactions or transactions beyond the approval specified above.

## **DISSOCIATION OF PROMOTERS IN THE LAST THREE YEAR**

None of our Promoters have disassociated themselves from any Company or Firm during the preceding three years.

## **RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP COMPANY/ENTITY AND ITS SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY**

For details, please refer Chapter titled “*Restated Financial Information*” beginning on page 161 of the Red Herring Prospectus, there is no business interest among Group Companies.

## **CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS**

Except as mentioned under the paragraph Changes in Significant Accounting Policies, “*Annexure IV* under Chapter titled “*Restated Financial Information*” on page 161 of this Red Herring Prospectus, there have been no changes in the accounting policies in the last three years.



## SECTION – XII – OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Board of Directors has, pursuant to a resolution passed at its meeting held on January 03, 2023 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in EoGM held on January 04, 2023, authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

Our Company has received an In-Principal Approval letter dated June 22, 2023 from NSE for using its name in this Red Herring Prospectus for listing our shares on the Emerge Platform of NSE. NSE is the Designated Stock Exchange for the purpose of this Issue.

### PROHIBITION BY SECURITIES MARKET REGULATORS

Our Company, our Promoters, our Directors and our Promoters's Group have not been prohibited from accessing or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

### CONFIRMATIONS

1. Our Company, our Promoters, Promoters's Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
2. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI.
3. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoters or directors.

### PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Neither our Company, nor our Promoters, nor the relatives (as defined under the Companies Act) of our Promoters nor Group Companies/Entities have been identified as willful defaulters or Fraudulent Borrowers by the RBI or any other governmental authority.

### ELIGIBILITY FOR THE ISSUE

Our company whose post issue paid-up capital is more than ₹ 10 Crore and upto ₹ 25 Crore therefore, our company is eligible for the Issue in accordance with Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018.

Our Company also complies with the eligibility conditions laid by the Emerge Platform of National Stock Exchange of India Limited for listing of our Equity Shares. The point wise Criteria for Emerge Platform of National Stock Exchange of India Limited and compliance thereof are given hereunder;

1. **The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.**

Our Company is incorporated under the Companies Act, 2013.

2. **The post issue paid up capital of the company (face value) shall not be more than ₹ 25.00 Crore.**

The present paid-up capital of our Company is ₹ 1755.00 Lakhs and we are proposing issue 7400000 Equity Shares of ₹ 10/- each at Issue price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating to ₹ [●] Lakh. Hence, our Post Issue Paid up Capital will be ₹ 2495.00 Lakhs which is more than ₹ 10.00 Crores and less than ₹ 2500.00 Lakhs.

3. **Track Record**

- A. **The company should have a track record of at least 3 years.**

Our Company was incorporated on September 8, 2018 under the provisions of the Companies Act, 2013. Hence, we are in compliance with criteria of having track record of 3 years.

- B. **The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.**



Our Company satisfies the criteria of track record which given hereunder based on Restated Financial Statement.

(₹ In lakh)

| Particulars                                                                                        | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 | For the year ended<br>March 31, 2021 |
|----------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Operating profit (earnings before interest, depreciation and tax and other income) from operations | 1,250.78                             | 1,226.21                             | 1,807.08                             |
| Net Worth as per Restated Financial Statement                                                      | 2,981.50                             | 2,099.47                             | 2,075.69                             |

#### 4. Other Requirements

We confirm that;

- The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

#### 5. The Company has a website: [www.shritechtex.com](http://www.shritechtex.com)

#### 6. Disclosures

We confirm that:

- There is no material regulatory or disciplinary action taken 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 companies of the Company.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, Promoters/promoting Company(ies), group companies, companies promoted by the Promoters/promoting Company(ies) during the past three years.

#### In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:

- In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten by the BRLM in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting by BRLM, please refer to Section titled “General Information” beginning on page no. 51 of this Red Herring Prospectus.
- In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled “General Information” beginning on page no. 51 of this Red herring Prospectus.
- In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, 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 at rate of fifteen per cent per annum and within such time as disclosed in the Issue document and BRLM shall ensure the same.
- In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Issue Document through BRLM immediately up on registration of the Issue Document with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on our Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and Subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### SEBI DISCLAIMER CLAUSE





**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT OFFER DOCUMENT/~~DRAFT LETTER OF OFFER~~/OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT/~~DRAFT LETTER OF OFFER~~/OFFER DOCUMENT. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/~~DRAFT LETTER OF OFFER~~/OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT / OFFER DOCUMENT, THE LEAD MANAGER(S) IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER(S) BEELINE CAPITAL ADVISORS PRIVATE LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED JULY 19, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT OFFER DOCUMENT/~~DRAFT LETTER OF OFFER~~/OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER(S) ANY IRREGULARITIES OR LAPSES IN THE DRAFT OFFER DOCUMENT/~~DRAFT LETTER OF OFFER~~/OFFER DOCUMENT.”**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, AHMEDABAD, IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE COMPANIES ACT, 2013.**

#### **DISCLAIMER CLAUSE OF THE NSE**

The copy of the Draft Red Herring Prospectus is submitted to NSE. Post scrutiny of the Draft Red Herring Prospectus, the Disclaimer Clause as intimated by NSE to us is read as under:

**“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/2200 dated June 22, 2023 permission to the Issuer to use the Exchange’s name in this Offer Document as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft red herring prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoters, its management or any scheme or project of this Issuer.**

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

#### **CAUTION- DISCLAIMER FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

The Company, the Directors, accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisement or any other material issued by or at the instance of the issuer and that anyone placing reliance on any other source of information would be doing so at their own risk.





The BRLM accepts no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of the issuer and that anyone placing reliance on any other source of information, including Company's website: [www.shritechtex.com](http://www.shritechtex.com) would be doing so at their own risk.

The Company, the Directors and the BRLM accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of the issuer and that anyone placing reliance on any other source of information, including Company's website: [www.shritechtex.com](http://www.shritechtex.com) would be doing so at their own risk.

#### **CAUTION**

The BRLM accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered into between the BRLM, and our Company dated February 06, 2023 and the Underwriting Agreement dated July 13, 2023 between BRLM, our Company and the Market Making Agreement dated July 13, 2023 entered into among the Market Maker, Book Running Lead Manager and our Company.

All information shall be made available by us and BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres etc.

The BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and our Promoters Group, 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 and our Promoters Group, affiliates or associates for which they have received, and may in future receive, compensation.

#### **Note:**

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and BRLM 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 Issue, 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 BRLM 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 Equity Shares of our company.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub-account registered with SEBI which is a foreign corporate or Foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares Issue hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Red Herring Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1933**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares



will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

**Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with 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. Further, each applicant, wherever required, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **FILING OF DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES**

The Draft Red Herring Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India. The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus 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 Red Herring Prospectus/Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>

A copy of the Red Herring Prospectus/Prospectus along with the material contracts and documents referred elsewhere in the Red Herring Prospectus/Prospectus, will be delivered to the RoC Office situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat.

#### **LISTING**

Application is to be made to the Emerge Platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has received an In-Principle Approval letter dated June 22, 2023 from NSE for using its name in this offer document for listing our shares on the Emerge Platform of NSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, the Company shall refund through verifiable means the entire monies received within Four days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four day after the company becomes liable to repay it the company and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within Six Working Days from the Issue Closing Date.

#### **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

**“Any person who –**

- (a). makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or**
- (b). makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- (c). Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”**



The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

## **CONSENTS**

The written consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Advisor to the Company, Legal Advisor to the Issue, the BRLM to the Issue, Registrar to the Issue, Banker to the issue, Market Maker, and Underwriter to the issue to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of the Red Herring Prospectus/Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus/Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, 1) M/s. A S R V & Co., Chartered Accountants have provided their written consent to act as Peer review Auditor and expert to the company dated January 07, 2023. They have also given consent to include Audit Report to the Restated Financial Information as well as inclusion of Statement of Tax Benefits dated June 23, 2023, Consent to include certificate on details of outstanding creditors and material overdues date June 23, 2023 in this Red Herring Prospectus; 2) M/s. ANA Advisors, Advocate has provided their written consent to act as Legal Advisor to the issue dated February 14, 2023 and to inclusion of name as Expert dated February 14, 2023 for the chapter titled “*key Industry Regulations*”, “*Government approvals*” and “*Outstanding Litigation and Material Developments*”

Further, such consents and reports have not been withdrawn up to the time of delivery of this Red Herring Prospectus.

## **EXPERT OPINION**

Except for report and certificates from Peer Review Auditors on financial matter and Legal advisor to the company on Legal matters, we have not obtained any other expert opinions.

## **PREVIOUS PUBLIC OR RIGHTS ISSUE**

There have been no public or rights issue by our Company since Incorporation.

## **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

We have not made any previous public Issue. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

## **CAPITAL ISSUE DURING THE LAST THREE YEARS**

Our Company and Group Companies/Entities have not made any capital issue during the last three years.

## **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BRLM**

The price information and track record of the past issue handled by Beeline Capital Advisors Private Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI is as follows:

### **TABLE 1**



| Sr. No | Issuer Name                             | Issue Size (₹ in Cr.) | Issue Price (₹) | Listing Date      | Opening Price on Listing Date (₹) | +/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing | +/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing | +/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing |
|--------|-----------------------------------------|-----------------------|-----------------|-------------------|-----------------------------------|----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 1.     | Vital Chemtech Limited                  | 64.64                 | 101.00          | November 14, 2022 | 164.00                            | 39.06% (1.52%)                                                                                     | 6.53% (-2.58%)                                                                                     | +10.56% (+0.08%)                                                                                    |
| 2.     | RBM Infracore Limited                   | 8.37                  | 36.00           | January 04, 2023  | 52.50                             | 132.36% (-3.19%)                                                                                   | 52.78% (3.47%)                                                                                     | +58.33% (6.35%)                                                                                     |
| 3.     | Aristo Bio-Tech and Lifescience Limited | 13.05                 | 72.00           | January 30, 2023  | 80.00                             | -11.81% (-1.95%)                                                                                   | -17.50% (2.36%)                                                                                    | N.A.                                                                                                |
| 4.     | Transvoy Logistics India Limited        | 5.11                  | 71.00           | February 02, 2023 | 71.00                             | 3.17% (1.67%)                                                                                      | -14.44% (2.37%)                                                                                    | N.A.                                                                                                |
| 5.     | Viaz Tyres Limited                      | 20.00                 | 62.00           | March 01, 2023    | 68.00                             | -17.28% (-1.60%)                                                                                   | -15.40% (6.58%)                                                                                    | N.A.                                                                                                |
| 6.     | Vertex Technologies Limited             | 14.21                 | 96.00           | March 15, 2023    | 101.00                            | 0.74% (5.04%)                                                                                      | 22.92% (9.38%)                                                                                     | N.A.                                                                                                |
| 7.     | Dev Labtech Venture Limited             | 11.22                 | 51              | March 29, 2023    | 51.20                             | 18.32% (4.64%)                                                                                     | 25.94% (9.41%)                                                                                     | N.A.                                                                                                |
| 8.     | Sotac Pharmaceuticals Limited           | 33.30                 | 111.00          | April 13, 2023    | 115.00                            | +7.70% (+2.31%)                                                                                    | 6.31% (8.73%)                                                                                      | N.A.                                                                                                |
| 9.     | Remus Pharmaceuticals Limited           | 47.69                 | 1229.00         | May 29, 2023      | 1711.25                           | 263.98% (1.01%)                                                                                    | N.A.                                                                                               | N.A.                                                                                                |
| 10.    | Pentagon Rubber Limited                 | 16.17                 | 70.00           | July 07, 2023     | 130.00                            | N.A.                                                                                               | N.A.                                                                                               | N.A.                                                                                                |

Source: Price Information [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

#### Note:

1. The S&P NSE Sensex and NSE Nifty are considered as the Benchmark.
2. "Issue Price" is taken as "Base Price" for calculating % Change in Closing Price of the respective Issues on 30<sup>th</sup> / 90<sup>th</sup>/180<sup>th</sup> Calendar days from listing.
3. "Closing Benchmark" on the listing day of respective scripts is taken as "Base Benchmark" for calculating % Change in Closing Benchmark on 30<sup>th</sup> / 90<sup>th</sup>/180<sup>th</sup> Calendar days from listing. Although it shall be noted that for comparing the scripts with Benchmark, the +/- % Change in Closing Benchmark has been calculated based on the Closing Benchmark on the same day as that of calculated for respective script in the manner provided in Note No. 4 below.
4. In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the previous trading day for the respective Scripts has been considered, however, if scripts are not traded on that previous trading day then last trading price has been considered.

## SUMMARY STATEMENT OF DISCLOSURE

TABLE 2

| Financial Year | Total No. of IPOs | Total Funds Raised (₹ in Cr.) | Nos. of IPO trading at discount as on 30 <sup>th</sup> calendar day from listing date |                |               | Nos. of IPO trading at premium as on 30 <sup>th</sup> calendar day from listing date |                |               | Nos. of IPO trading at discount as on 180 <sup>th</sup> calendar day from listing date |                |               | Nos. of IPO trading at premium as on 180 <sup>th</sup> calendar day from listing date |                |               |
|----------------|-------------------|-------------------------------|---------------------------------------------------------------------------------------|----------------|---------------|--------------------------------------------------------------------------------------|----------------|---------------|----------------------------------------------------------------------------------------|----------------|---------------|---------------------------------------------------------------------------------------|----------------|---------------|
|                |                   |                               | Over 50%                                                                              | Between 25-50% | Less than 25% | Over 50%                                                                             | Between 25-50% | Less than 25% | Over 50%                                                                               | Between 25-50% | Less than 25% | Over 50%                                                                              | Between 25-50% | Less than 25% |
| 2023-24        | 2                 | 63.86                         | 1                                                                                     | -              | -             | -                                                                                    | -              | -             | -                                                                                      | -              | -             | -                                                                                     | -              | -             |
| 2022-23        | 12                | 232.94                        | -                                                                                     | 1              | 2             | 3                                                                                    | 2              | 4             | -                                                                                      | 1              | -             | 1                                                                                     | 2              | 1             |
| 2021-22        | N.A.              |                               |                                                                                       |                |               |                                                                                      |                |               |                                                                                        |                |               |                                                                                       |                |               |

Notes: Issue opening date is considered for calculation of total number of IPO's in the respective financial year.

## PROMISE VIS-A-VIS PERFORMANCE

Since, neither our Company nor our Promoters's Group Companies/Entities have made any previous rights or public issues in last five years, promise vis-a-vis Performance is not applicable.



## STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Managers shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount. 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, bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and comply with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Red Herring Prospectus/Prospectus. -

## DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee as follows:

| Name of the Directors         | Designation | Nature of Directorship |
|-------------------------------|-------------|------------------------|
| Mr. Anup Mahendra Gopalka     | Chairman    | Independent Director   |
| Mr. Vimalkumar Mishrilal Shah | Member      | Independent Director   |
| Mr. Vikas Srikishan Agarwal   | Member      | Non-Executive Director |

Our Company has appointed Mrs. Akanksha Aswani as the Company Secretary and Compliance Officer who may be contacted in case of any pre-issue or post-issue related problems at the following address:

Mrs. Akanksha Aswani  
C/o. Shri Techtext Limited  
Harmony, 2nd Floor, 15/A, Shree Vidhyanager Co. Op. Hsg. Soc. Ltd. Opp. NABARD, Nr. Usmanpura Garden  
Ahmedabad Gujarat 380014 India





**Telephone No:** +91 78741 32777

**Website:** [www.shritechtex.com](http://www.shritechtex.com) **E-Mail:** [cs@shritechtex.co.in](mailto:cs@shritechtex.co.in)

Till date of this Red Herring Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

## **PUBLIC ISSUE EXPENSES**

| <b>Expenses</b>                                                               | <b>Expenses<br/>(₹ in Lakh)</b> | <b>Expenses<br/>(% of Total<br/>Issue expenses)</b> | <b>Expenses<br/>(% of Gross<br/>Issue Proceeds)</b> |
|-------------------------------------------------------------------------------|---------------------------------|-----------------------------------------------------|-----------------------------------------------------|
| Lead Manger Fees including Underwriting Commission                            | [●]                             | [●]                                                 | [●]                                                 |
| Fees Payable to Advisor to the Issue and Consultants                          | [●]                             | [●]                                                 | [●]                                                 |
| Fees Payable to Registrar to the Issue                                        | [●]                             | [●]                                                 | [●]                                                 |
| Fees Payable Advertising, Marketing Expenses and Printing Expenses            | [●]                             | [●]                                                 | [●]                                                 |
| Fees Payable to Regulators including Stock Exchanges and other Intermediaries | [●]                             | [●]                                                 | [●]                                                 |
| Fees payable to Peer Review Auditor                                           | [●]                             | [●]                                                 | [●]                                                 |
| Fees Payable to Market Maker (for Two Years)                                  | [●]                             | [●]                                                 | [●]                                                 |
| Escrow Bank Fees                                                              | [●]                             | [●]                                                 | [●]                                                 |
| <b>Total Estimated Issue Expenses</b>                                         | [●]                             | <b>100.00</b>                                       | [●]                                                 |

### **Notes:**

- Up to July 11, 2023, Our Company has deployed/incurred expense of ₹ 9.49 Lakhs towards Issue Expenses and custodian connectivity charges out of internal accruals duly certified by Statutory Auditor M/s. A S R V & Co., Chartered Accountants vide its certificate dated July 12, 2023, bearing UDIN: 23151324BHABXG6597.
- Any expenses incurred towards aforesaid issue related expenses during the period from November 01, 2022 to till the date of listing of Equity Shares will be reimburse/recouped out of the gross proceeds of the issue:
- 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% or ₹ 100/- whichever is less ^ (exclusive of GST)  
 Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (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).
- 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.
- 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.
- 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.
- Issuer banks for UPI Mechanism as registered with SEBI 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 them.
- Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed



₹ [●]/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds ₹ [●]/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.

#### **FEES PAYABLE TO BRLM TO THE ISSUE**

The total fees payable to the BRLM will be as per the Memorandum of Understanding for Initial Public Offer, a copy of which is available for inspection at the Registered Office of our Company.

#### **FEES PAYABLE TO THE REGISTRAR TO THE ISSUE**

The fees payable to the Registrar to the Issue, for processing of Bidding application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement between the Company and the Registrar to the Issue.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, communication expenses etc. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post or email.

#### **FEES PAYABLE TO OTHERS**

The total fees payable to the Sponsor Bank, Legal Advisor, Statutory Auditor and Peer Review Auditor, Market maker etc. will be as per the terms of their respective engagement letters.

#### **COMMISSION PAYABLE TO SCSBS**

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% or ₹ 100/- whichever is less ^ (exclusive of GST)*

*Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (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.*
5. *Issuer banks for UPI Mechanism as registered with SEBI 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 them.*
6. *Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed ₹ [●]/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds ₹ [●]/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.*

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no.





SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.

#### PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 61 of this Red Herring Prospectus, our Company has not Issue any Equity Shares for consideration otherwise than for cash.

#### LISTED VENTURES OF PROMOTERS

Except M/s Shri Jagdamba Polymers Limited whose equity shares are listed on BSE Limited since February 23, 1987, There are no listed ventures of our Promoters as on date of filing of this Red Herring Prospectus.

#### OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Red Herring Prospectus.

#### CHANGES IN AUDITORS

Details of Changes in auditors of our company in last 3 years is set forth below:

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Date of change    | Reason of change                                                                                                                                                                                                         |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>M/s. Loonia &amp; Associates,</b><br>Chartered Accountants<br><b>Address:</b> 218, New Cloth Market,<br>Opp. Raipur Gate, Ahmedabad-<br>380002, Gujarat, India.<br><b>Mobile No.:</b> +91 93273 11334<br><b>Email:</b> loonia.associates@gmail.com<br><b>Contact Person:</b> CA Hitesh Loonia<br><b>Membership Number:</b> 135424<br><b>Firm Registration Number:</b><br>130883W                                                                                                                              | December 05, 2022 | Resignation Due to casual vacancy                                                                                                                                                                                        |
| <b>M/s. A S R V &amp; Co.,</b><br>Chartered Accountants<br><b>Address:</b> 813, I Square Business<br>Park, Near Shukan Mall, Besides<br>CIMS Hospital, Science City Road,<br>Sola, Ahmedabad-380060.<br><b>Mobile No.:</b> +91 81603 41317<br><b>Email:</b> <a href="mailto:careeturaj@gmail.com">careeturaj@gmail.com</a><br><b>Contact Person:</b> CA Reeturaj<br>Verma<br><b>Membership Number:</b> 193591<br><b>Firm Registration Number:</b><br>135182W<br><b>Peer Review Certificate Number:</b><br>014698 | December 20, 2022 | Appointment as Statutory<br>Auditor of the company due to<br>Casual Vacancy of to hold.<br>Tenure of M/s. A S R V & Co. will<br>be until the conclusion of Annual<br>General Meeting to be held in<br>calendar year 2023 |

#### CAPITALIZATION OF RESERVES OR PROFITS DURING LAST 5 (FIVE) YEARS

Except as disclosed under chapter titled “*Capital Structure*” on page 61 of this Red Herring Prospectus, our Company has not capitalized Reserves or Profits since incorporation.

#### REVALUATION OF ASSETS DURING THE LAST FIVE (5) YEARS

Our Company has not revalued its assets since incorporation.



## SECTION – XIII – ISSUE RELATED INFORMATION

### TERMS OF ISSUE

*Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Red Herring Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') 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, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated*

*November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by retail individual investors through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

#### **Ranking of Equity Shares**

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

#### **Authority for the Issue**

This Issue has been authorized by a resolution of the Board passed at their meeting held on January 03, 2023 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EoGM of the Company held on January 04, 2023.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and other applicable laws in this respect and recommended by the Board of Directors at their discretion and approved by the shareholders 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, 2013. For further details, please refer to the chapter titled "Dividend Policy" beginning on pages 160 of this Red Herring Prospectus.

#### **Face Value, Issue Price, Floor Price and Price Band**

The face value of each Equity Share is ₹ 10/- and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share ("**Floor Price**") and at the higher end of the Price Band is ₹ [●] per Equity Share ("**Cap Price**").

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper, each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchange. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.



The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled “*Basis of Issue Price*” beginning on page 96 of this Red Herring Prospectus.

#### **Compliance with the disclosure and accounting norms**

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.

#### **Rights of the Equity Shareholder**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, SEBI (LODR), 2015 and the Memorandum and Articles of Association of the Company.

#### **Minimum Application Value, Market Lot and Trading Lot**

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Red Herring Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated January 25, 2023.
- Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated January 25, 2023.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the National Stock Exchange of India 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 [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

#### **Minimum Number of Allottees**

Further in accordance with the Regulation 268(1) of 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 all the monies blocked by SCSBs shall be unblocked within four (4) working days of closure of Issue.

#### **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.

#### **Jurisdiction**

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.



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 issued or sold within the United States or to, or for the account or benefit of, —U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues 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 issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Nomination Facility to the Investor**

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall 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 titled to make afresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. to make such transfer of the equity shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of our Company, Promoters's minimum contribution as provided under the chapter titled "*Capital Structure*" on page 61 of this Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer chapter titled "*Description of Equity Shares and terms of the articles of association*" on page 248 of this Red Herring 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 Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring 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.

### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the



Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company in consultation with BRLM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Prospectus with Stock Exchange.

## ISSUE PROGRAM

| Events                                                                                                         | Indicative Dates                       |
|----------------------------------------------------------------------------------------------------------------|----------------------------------------|
| <b>Bid/Issue Opening Date</b>                                                                                  | Wednesday July 26, 2023                |
| <b>Bid/Issue Closing Date</b>                                                                                  | Friday July 28, 2023                   |
| <b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>                                   | On or before Wednesday August 02, 2023 |
| <b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account</b> | On or before Thursday, August 03, 2023 |
| <b>Credit of Equity Shares to Demat accounts of Allottees</b>                                                  | On or Before Thursday, August 03, 2023 |
| <b>Commencement of trading of the Equity Shares on the Stock Exchange</b>                                      | On or Before Monday, August 07, 2023   |

*\$ Our Company in consultation with the Book Running Lead Manager has consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Offer Opening Date.*

**\*\***In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchange are taken within six Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchange. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

The SEBI is in the process of streamlining and reducing the post Issue timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the Issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non- adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.





In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit report of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

#### **Submission of Bids**

##### **Bid/Issue Period (except the Bid/Issue Closing Date)**

Submission and Revision in Bids: Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))

##### **Bid/Issue Closing Date**

Submission and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST

##### **On the Bid/Issue Closing Date, the Bids shall be uploaded until:**

- i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in this Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken. Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

#### **Minimum Subscription**



This Issue is not restricted to any minimum subscription level and 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 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue including through the Red Herring Prospectus/Red Herring Prospectus/Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000 (Rupees One Lac only) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **Migration to Main Board**

*Our company may migrate to the main board of NSE Limited at a later date subject to the following:*

- a. *If the Paid-up Capital of our Company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to NSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- b. *If the paid-up Capital of our company is more than ₹ 10 Crores but below ₹ 25 Crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

*Any company desiring to migrate to the Main board from the SME Board within two years of listing on Emerge platform of NSE has to fulfill following conditions:*

- a. *The increase in post issue face value capital beyond ₹ 25 crore should arise only because of merger/acquisition or for expansion purposes.*
- b. *The company should have a minimum turnover of ₹ 100 crore as per last audited financials and market capitalization of ₹ 100 crore.*
- c. *The company should have a minimum profit before tax of ₹ 10 crore for two years out of three preceding years.*
- d. *There should not be any action against the company by any regulatory agency at the time of application for migration.*

#### **Market Making**

The shares issued and transferred through this Issue are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of NSE. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 51 of this Red Herring Prospectus.

#### **Arrangements for disposal of Odd Lots**





The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of NSE.

#### **Restrictions, if any, 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's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 61 of this Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. 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 Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of 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.

#### **Application by eligible NRIs, FPIs/FIIs registered with SEBI, VCFs registered with SEBI and QFIs**

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

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.

#### **Option to receive securities in Dematerialized 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. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further it is mandatory for the investor to furnish the details of his/her depository account, & if for any reasons details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

#### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.



## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than ₹ 10 crores and upto ₹ 25 crores, shall issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the Emerge Platform of NSE). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of Issue*” and “*Issue Procedure*” on page no. 210 and 220 respectively of this Red Herring Prospectus.

This public issue comprises of 7400000 equity shares of face value of ₹10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share (the “issue price”) aggregating to ₹ [●]/- Lakhs (“the issue”) by our company. The Issue and the Net Issue will constitute 29.66 % and 28.17% respectively of the post issue paid up Equity Share Capital of the Company.

This Issue is being made by way of Book Building Process <sup>(1)</sup>:

| Particulars of the Issue <sup>(2)</sup>           | Market Maker Reservation Portion | QIBs                                                                                                                                                                                                                                                                                                                                                                                                                                    | Non-Institutional Applicants        | Retail Individual Investors         |
|---------------------------------------------------|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Number of Equity Shares available for allocation  | 372000 Equity Shares             | Not more than 3510000 Equity Shares.                                                                                                                                                                                                                                                                                                                                                                                                    | Not less than 1056000 Equity Shares | Not less than 2462000 Equity Shares |
| Percentage of issue size available for allocation | 5.03 % of the issue size         | Not more than 50% of the Net Issue being available for allocation to QIB Bidders.<br><br>However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only.<br><br>Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion.<br><br>The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion | Not less than 15% of the Net Issue  | Not less than 35% of the Net Issue  |
| Basis of Allotment <sup>(3)</sup>                 | Firm Allotment                   | Proportionate as follows:<br>a) not More than 70000 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and<br>b) not more than 1340000 Equity Shares shall be                                                                                                                                                                                                                               | Proportionate                       | Proportionate                       |



| Particulars of the Issue <sup>(2)</sup> | Market Maker Reservation Portion                                                                                                                                                                                      | QIBs                                                                                                                                 | Non-Institutional Applicants                                                                                                                                                  | Retail Individual Investors                                                                                      |
|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|
|                                         |                                                                                                                                                                                                                       | available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.         |                                                                                                                                                                               |                                                                                                                  |
| Mode of Bid                             | Only through the ASBA process.                                                                                                                                                                                        | Only through the ASBA process.                                                                                                       | Through ASBA Process through banks or by using UPI ID for payment                                                                                                             | Through ASBA Process through banks or by using UPI ID for payment                                                |
| Mode of Allotment                       | Compulsorily in dematerialized form                                                                                                                                                                                   |                                                                                                                                      |                                                                                                                                                                               |                                                                                                                  |
| Minimum Bid Size                        | [●] Equity Shares in multiple of [●] Equity shares                                                                                                                                                                    | Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 200,000                             | Such number of Equity shares in multiple of [●] Equity shares that Bid size exceeds ₹ 2,00,000                                                                                | [●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed ₹ 2,00,000             |
| Maximum Bid Size                        | [●] Equity Shares                                                                                                                                                                                                     | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder | Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000 |
| Trading Lot                             | [●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations                                                                                     | [●] Equity Shares and in multiples thereof                                                                                           | [●] Equity Shares and in multiples thereof                                                                                                                                    | [●] Equity Shares                                                                                                |
| Terms of Payment                        | Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. |                                                                                                                                      |                                                                                                                                                                               |                                                                                                                  |
| Mode of Bid                             | Only through the ASBA process                                                                                                                                                                                         |                                                                                                                                      |                                                                                                                                                                               |                                                                                                                  |

- (1) This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an issue for at least 25% of the post issue paid-up Equity share capital of the Company. This issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
- (3) Subject to valid Bids being received at or above the issue price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.

#### WITHDRAWAL OF THE ISSUE



In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ 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 Book Running 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 our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring 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 registration of Draft Red Herring Prospectus/ Red Herring Prospectus with RoC.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Ahmedabad.

## BID/ISSUE PROGRAMME:

| Events                                                                                                         | Indicative Dates                       |
|----------------------------------------------------------------------------------------------------------------|----------------------------------------|
| <b>Bid/Issue Opening Date</b>                                                                                  | Wednesday July 26, 2023                |
| <b>Bid/Issue Closing Date</b>                                                                                  | Friday July 28, 2023                   |
| <b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>                                   | On or before Wednesday August 02, 2023 |
| <b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account</b> | On or before Thursday, August 03, 2023 |
| <b>Credit of Equity Shares to Demat accounts of Allottees</b>                                                  | On or Before Thursday, August 03, 2023 |
| <b>Commencement of trading of the Equity Shares on the Stock Exchange</b>                                      | On or Before Monday, August 07, 2023   |

Bids 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 Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

- A standard cut-off time of 3.00 p.m. for acceptance of bids.
- A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
- A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of bids received up to the closure of timings and reported by BRLM to NSE 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 bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).



## ISSUE PROCEDURE

All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, 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 RIBs 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.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI. The Issue has been undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public Issues and redressing investor grievances. This circular shall come into force for initial public Issues opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Prospectus. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 modifying the process timelines and extending the implementation timelines for certain measures introduced by the March 16 Circular. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 5,00,000/- shall use the UPI Mechanism.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Our Company, the Promoters and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

Further, our Company, the Promoters and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.

## BOOK BUILDING PROCEDURE



This Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

**Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for RIBs Bidding in the Retail Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.**

#### 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. The application forms may also be downloaded from the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

#### Phased implementation of Unified Payments Interface

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by 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 Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a) Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual Bidder, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.
- b) Phase II: This phase has commenced with effect from July 01, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, submission of the Bid cum Application Form by a Retail Individual Investor through intermediaries to SCSBs for blocking of funds has been discontinued and has been replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.
- c) Phase III: Subsequently, the time duration from public issue closure to listing would be reduced to be three Working Days.

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal





officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints in this regard, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the Retail Individual Bidders using the UPI.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For further details, refer to the “General Information Document” available on the websites of the Stock Exchange and the BRLM.

### **Bid cum Application Form**

Copies of the Bid cum Application Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. The RIs Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

RIBs Bidding in the Retail Portion using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

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                        |

**Note:** Electronic Bid Cum Application Forms will also be available for download on the website of the NSE ([www.nseindia.com](http://www.nseindia.com)).

**Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.**





Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

| Sr. No. | Designated Intermediaries                                                                                                                                              |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | An SCSB, with whom the bank account to be blocked, is maintained                                                                                                       |
| 2.      | A syndicate member (or sub-syndicate member)                                                                                                                           |
| 3.      | A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker') |
| 4.      | A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)                                           |
| 5.      | A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)                  |

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

**The upload of the details in the electronic bidding system of stock exchange will be done by:**

|                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>For Applications submitted by Investors to SCSB:</b>                                                        | After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.                                                                                                                                                                                                                                                                                                                                                |
| <b>For applications submitted by investors to intermediaries other than SCSBs:</b>                             | After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.                                                                                                                                                                                                                                |
| <b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b> | After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account. |

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

**Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.**

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.



For RIBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Issue Closing Date (“Cut-Off Time”). Accordingly, RIBs should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

### WHO CAN BID?

**Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, 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. Bidders are requested to refer to the Red Herring Prospectus for more details.**

**Subject to the above, an illustrative list of Bidders 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 Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Kartal. 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) Mutual Funds registered with SEBI;
- e) 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;
- f) 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);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder ‘s category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) 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;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their



constitution to hold and invest in equity shares;

- q) 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;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

#### **APPLICATIONS NOT TO BE MADE BY:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

##### **1. For Retail Individual Bidders**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

##### **2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder 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 Bidders, 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.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders 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.**

#### **METHOD OF BIDDING PROCESS**

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper, all editions of Hindi national newspaper and Ahmedabad Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide



circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Regional newspaper [●] where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- c) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- d) The BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form
- e) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- f) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- g) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- h) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum 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 Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall



be rejected.

- d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

#### **Participation by Associates /Affiliates of BRLM and the Syndicate Members**

**The BRLM 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 BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.**

#### **Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for





participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.

10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY HUFs**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

#### **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company’s paid-up share capital carrying voting rights.

#### **BIDS BY ELIGIBLE NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non-repatriation basis, shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% 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, on a repatriation or non- repatriation basis, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see “Restrictions on Foreign Ownership of Indian Securities” beginning on page 246. Participation of eligible NRIs shall be subject to FEMA NDI Rules.

#### **BIDS BY FPIS**



In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilise the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations ("Operational FPI Guidelines"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("MIM Bids"). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilise the multi-investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "MIM Structure"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

#### **BIDS BY SEBI-REGISTERED AIFS, VCFS AND FVCIS**

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFS and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.





There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

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.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids 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 Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY BANKING COMPANIES**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see “*Key Regulations and Policies*” beginning on page 132 of this Red Herring Prospectus.

#### **BIDS BY SCSBS**

SCSBS participating in the Issue are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. Such SCSBS are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBS. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **BIDS BY SYSTEMICALLY IMPORTANT NBFCS**



In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) equity shares of a company: the lower of 10%\* of the outstanding equity shares (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 operates: 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.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

#### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

#### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall



send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.

2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

#### **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

#### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

#### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB 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 Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum 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 finalization 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 Bidder, 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 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, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a) the applications accepted by them,



- b) the applications uploaded by them
  - c) the applications accepted but not uploaded by them or
  - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
- (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

| S. No. | Details*          |
|--------|-------------------|
| 1.     | Symbol            |
| 2.     | Intermediary Code |
| 3.     | Location Code     |
| 4.     | Application No.   |
| 5.     | Category          |
| 6.     | PAN               |
| 7.     | DP ID             |
| 8.     | Client ID         |
| 9.     | Quantity          |
| 10.    | Amount            |

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
- Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;



- Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by an Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
  9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
  10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
  11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
  12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
  13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
  14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
  15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Issue Period.

#### **Withdrawal of Bids**

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Issue Price.





- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

**Illustration of the Book Building and Price Discovery Process:** Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

| Bid Quantity | Bid Amount (₹) | Cumulative Quantity | Subscription |
|--------------|----------------|---------------------|--------------|
| 500          | 24             | 500                 | 16.67%       |
| 1,000        | 23             | 1,500               | 50.00%       |
| 1,500        | 22             | 3,000               | 100.00%      |
| 2,000        | 21             | 5,000               | 166.67%      |
| 2,500        | 20             | 7,500               | 250.00%      |

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

## GENERAL INSTRUCTIONS

### Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;



8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum 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 Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. RIBs bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids 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 Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. 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;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;





23. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date;
25. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in)); and
27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by RIBs);
3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
7. Do not submit the Bid for an amount more than funds available in your ASBA account.
8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
9. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
10. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
11. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
12. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
13. Do not submit the General Index Register (GIR) number instead of the PAN;
14. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
15. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
16. Do not Bid 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);
17. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;



18. Do not submit a Bid using UPI ID, if you are not a RIB;
19. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
20. Do not Bid for Equity Shares in excess of what is specified for each category;
21. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
22. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
23. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
24. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
25. Do not Bid if you are an OCB; and
26. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Issue Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled “General Information” and “Our Management” beginning on pages 51 and 144 respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section entitled “General Information” beginning on page 47.

#### **GROUND FOR TECHNICAL REJECTION**

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by RIBs with Bid Amount of a value of more than ₹ 2,00,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and



14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “General Information” beginning on page 47.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.
- Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

**The Allotment of Equity Shares to Bidders other than Retail Individual Investors may be on proportionate basis. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.**

#### **BASIS OF ALLOTMENT**

##### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail



Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

**b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

**c. For QIBs**

Bids received from QIBs Bidding in the QIB Category at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
  - In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for 95% of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

**c) Basis of Allotment for QIBs and NIIs in case of Over Subscribed Issue:**

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) 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 oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders 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).

- c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
- Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Red Herring Prospectus.

**Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.**

**The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running 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.**

#### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

#### **Designated Date:**

**On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.**

**The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any**

#### **Instructions for Completing the Bid Cum Application Form**

**The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp**





of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com)

#### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder 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.

#### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. 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 Bid Cum Application Form, in physical or electronic mode, respectively.

#### **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 Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof 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.

#### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. 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; and



3. 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.

#### **BASIS OF ALLOTMENT**

Allotment will be made in consultation NSE (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 [●] equity shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted [●] equity shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the drawl 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 [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] 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.

#### **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 100.00% of the Issue size 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 NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

**As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Equity Shares in Dematerialised Form with NSDL/CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the Issue on January 25, 2023.
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Issue on January 25, 2023.
- c) The Company's Equity shares bear an ISIN No. INE00MF01015.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.





- 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.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- 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.
- 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.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

#### **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a Pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (all editions Financial Express, an English & Gujarati national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper each with wide circulation.

In the Pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

#### **SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING**

- a) Our Company and the Underwriter intend to enter into an Underwriting Agreement on or immediately after the finalization of the Issue Price but prior to the filing of Prospectus.

After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details

#### **IMPERSONATION**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*"Any person who:*

- makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10/- Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10/- lakhs 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

#### **UNDERTAKINGS BY OUR COMPANY**



Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further issue of the Equity Shares shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Issued Shares, after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and
- if our Company, in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Red Herring Prospectus with the SEBI.

#### **UTILIZATION OF ISSUE PROCEEDS**

Our Board certifies that:

- all monies received out of the Fresh 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;
- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.



## RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of 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. Foreign investment is allowed up to 100% under automatic route in our Company.

The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion) (“DPIIT”), issued the FDI Policy, which, with effect from October 15, 2020 consolidated, subsumed and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. In terms of FDI Policy, FDI to an extent of 51% is allowed in multi brand retail trading with government approval. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

Under the current FDI Policy and the FEMA Non-Debt Rules, foreign direct investment is not permitted in companies engaged in (a) multi-brand retail trading, undertaking retail trading by means of e-commerce, and (b) inventory-based model of e-commerce. In accordance with the FEMA Non-debt Rules, participation by non-residents in the Issue is restricted to participation by (i) FPIs under Schedule II of the FEMA Non-debt Rules, subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding the sectoral cap i.e. 51% of the post issue paid up share capital; and (ii) Eligible NRIs applying only on a non-repatriation basis under Schedule IV of the FEMA Non-debt Rules. Further, other non-residents applying on a repatriation basis, FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government of India, OCBs cannot participate in this issue. See “*Issue Procedure*” beginning on page 220.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (DIPP), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

The foreign investment in our Company is governed by, inter-alia, the FEMA, the FEMA Non-debt Rules, the FDI Policy issued and amended by way of press notes.

Further, in terms of the FEMA Non-debt Rules, the aggregate FPI investment limit is the sectoral cap applicable to Indian company as prescribed in the FEMA Non-Debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. See “*Issue Procedure*” beginning on page 220.

Further, in accordance with the FDI Policy, the Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-debt Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Non-debt Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Non-Debt Rules. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall



intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/Issue Period.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those Issues 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.**

**The above information is given for the benefit of the Applicants. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring 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.**



## DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

| Title of Articles                  | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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| <b>CONSTITUTION OF THE COMPANY</b> | 1.             | The Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>INTERPRETATION CLAUSE</b>       | 2.             | <p>The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context:</p> <ul style="list-style-type: none"> <li>a) 'The Act' or 'The Companies Act' shall mean 'The Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.</li> <li>b) 'The Board' or 'The Board of Directors' means the duly constituted Board of Directors of the Company.</li> <li>c) Meeting' or 'General Meeting' means a meeting of Directors or Members or creditors as the case may be</li> <li>d) 'The Company' or 'This Company' means Shri Techtex Limited</li> <li>e) 'Directors' means the Directors for the time being of the Company, appointed in terms of these Articles or as the case may be, the directors assembled at a board.</li> <li>f) 'Writing' includes printing, lithograph, typewriting and any other usual substitutes for writing.</li> <li>g) 'Members' means members of the Company holding a share or shares of any class.</li> <li>h) 'Month' shall mean a calendar month.</li> <li>i) 'Paid-up' shall include 'credited as fully paid-up'.</li> <li>j) 'Person' shall include any corporation as well as individual.</li> <li>k) 'These presents' or 'Regulations' shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.</li> <li>l) 'Section' or 'Sec.' means Section of the Act.</li> <li>m) Words importing the masculine gender shall include the feminine gender.</li> <li>n) Except where the context otherwise requires, words importing the singular shall include the plural and the words importing the plural shall include the singular.</li> <li>o) 'Ordinary Resolution' and 'Special Resolution' means Ordinary Resolution and Special Resolution as defined by Section 114 in the Act.</li> <li>p) 'The Office' means the Registered Office for the time being of the Company.</li> <li>q) 'The Register' means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013.</li> <li>r) 'Proxy' includes Attorney duly constituted under a Power of Attorney.</li> </ul> |
|                                    | 3.             | Except as provided by Section 67, no part of funds of the Company shall be employed in the purchase of the shares of the Company, and the Company shall not directly or indirectly and whether by shares, or loans, give, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|                                    | 4.             | The Authorized Share Capital of the Company shall be as prescribed in Clause V of the Memorandum of Association of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|                                    | 5.             | Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot 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 or at a discount                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |



| Title of Articles | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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|                   |                | <p>(subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person.</p> <p>Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|                   | 6.             | <p>The Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                   | 7.             | <p>The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely:</p> <ol style="list-style-type: none"> <li>I. <ol style="list-style-type: none"> <li>(a) Such further shares shall be offered to the persons who, at the date of the offer, are holder of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date.</li> <li>(b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.</li> <li>(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right.</li> <li>(d) After the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.</li> </ol> </li> <li>II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any.</li> <li>III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by: <ol style="list-style-type: none"> <li>(a) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and</li> </ol> </li> </ol> |





| Title of Articles                                           | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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|                                                             |                | (b) The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|                                                             | 8.             | <ol style="list-style-type: none"> <li>The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 48 of the Act, be varied with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a General Meeting of the holders of the shares of that class.</li> <li>To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall Mutatis Mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.</li> </ol>                                                                                                                                                                                               |
| <b>Issue of further shares with disproportionate rights</b> | 9.             | Subject to the provisions of the Act, the rights conferred upon the holders of the shares of any class issued with preferred or other rights or not, unless otherwise expressly provided for by the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking pari passu therewith.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Not to issue shares with disproportionate rights</b>     | 10.            | The Company shall not issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Power to pay commission</b>                              | 11.            | The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed, two and half percent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful. |
| <b>Liability of joint holders of shares</b>                 | 12.            | The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share or shares.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Trust not recognised</b>                                 | 13.            | Save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by a statute required, be bound to recognise any equitable, contingent, future or partial interest lien, pledge or charge in any share or (except only by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Issue other than for cash</b>                            | 14.            | <ol style="list-style-type: none"> <li>The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business and shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                       |





| Title of Articles                                       | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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|                                                         |                | b) As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Acceptance of shares</b>                             | 15.            | An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any share therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the Register shall, for the purpose of these Articles, be a shareholder.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Member' right to share Certificates</b>              | 16.            | <ol style="list-style-type: none"> <li>Every person whose name is entered as a member in the Register shall be entitled to receive without payment: <ol style="list-style-type: none"> <li>One certificate for all his shares; or</li> <li>Share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, sub-division/consolidation into marketable lots shall be done free of charge.</li> </ol> </li> <li>The Company shall, within two months after the allotment and within fifteen days after application for registration of the transfer of any share or debenture, complete and have it ready for delivery; the share certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide.</li> <li>Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</li> <li>The certificate of title to shares and duplicates thereof when necessary shall be issued under the seal of the Company and signed by two Directors and the Secretary or authorised official(s) of the Company.</li> </ol> |
| <b>One Certificate for joint holders</b>                | 17.            | In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates in accordance with Article 20 below.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Renewal of Certificate</b>                           | 18.            | If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee, provided however that such new certificate shall not be given except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses as the Board may require in the case of the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the provisions of the act in force.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|                                                         | 19.            | For every certificate issued under the last preceding Article, no fee shall be charged by the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Splitting and consolidation of Share Certificate</b> | 20.            | <p>The shares of the Company will be split up/consolidated in the following circumstances:</p> <ol style="list-style-type: none"> <li>At the request of the member/s for split up of shares in marketable lot.</li> <li>At the request of the member/s for consolidation of fraction shares into marketable lot.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Directors may issue new Certificate(s)</b>           | 21.            | Where any share under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they think fit from the certificate not so delivered up.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Person by whom installments are payable</b>          | 22.            | If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment,                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |



| Title of Articles                                           | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
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|                                                             |                | shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any.                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>LIEN</b><br><br><b>Company's lien on shares</b>          | 23.            | The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either or jointly with any other person, and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors, at any time, may declare any share to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. |
| <b>As to enforcing lien by sale</b>                         | 24.            | For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which the lien exists has been given to the registered holders of the shares for the time being or to the person entitled to the shares by reason of the death of insolventcy of the register holder.                                                                                                                                                                                |
| <b>Authority to transfer</b>                                | 25.            | a) To give effect to such sale, the Board of Directors may authorize any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer.<br>b) The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.                                                                                                                                                                                                                    |
| <b>Application of proceeds of sale</b>                      | 26.            | The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of sale.                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>CALLS ON SHARES</b><br><br><b>Calls</b>                  | 27.            | Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors.                                                                                                                                                                                                                  |
| <b>When call deemed to have been made</b>                   | 28.            | A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. The Board of Directors making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls.                                                                                                                                                                                                      |
| <b>Length of Notice of call</b>                             | 29.            | Not less than thirty day's notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof.                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Sum payable in fixed installments to be deemed calls</b> | 30.            | If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by installments at fixed time, whether on account of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Directors, on which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or installment accordingly.                                                                                                                                                                                                         |
| <b>When interest on call or installment payable</b>         | 31.            | If the sum payable in respect of any call or, installment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installment shall fall                                                                                                                                                                                                                                                                                                                                                                                                                    |



| Title of Articles                                                                              | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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|                                                                                                |                | due, shall pay interest for the same at the rate of 12 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board of Directors shall also be at liberty to waive payment of that interest wholly or in part.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Sums payable at fixed times to be treated as calls</b>                                      | 32.            | The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Payment of call in advance</b>                                                              | 33.            | The Board of Directors, may, if it thinks fit, receive from any member willing to advance all of or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advance may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits.                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Partial payment not to preclude forfeiture</b>                                              | 34.            | Neither a judgment nor a decree in favor of the Company for calls or other moneys due in respect of any share 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 in respect of any share, either by way of principal or interest nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein after provided.                                                                                                                                                                                                                                                                                                                                                               |
| <b>FORFEITURE OF SHARES</b><br><br><b>If call or installment not paid, notice may be given</b> | 35.            | If a member fails to pay any call or installment of a call on the day appointed for the payment not paid thereof, the Board of Directors may during such time as any part of such call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest, which may have accrued. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other share.                                                                                                                                                                                                                                                                                                                       |
| <b>Evidence action by Company against shareholders</b>                                         | 36.            | On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt. |
| <b>Form of Notice</b>                                                                          | 37.            | The notice shall name a further day (not earlier than the expiration 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 shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>If notice not complied with, shares may be forfeited</b>                                    | 38.            | If the requirements of any such notice as, aforementioned 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. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |



| Title of Articles                                                                 | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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| <b>Notice after forfeiture</b>                                                    | 39.            | When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Boards' right to dispose of forfeited shares or cancellation of forfeiture</b> | 40.            | A forfeited or surrendered share may be sold or otherwise disposed off on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Liability after forfeiture</b>                                                 | 41.            | A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares.                                                                                                                                                                                                                                                                                                                    |
| <b>Effect of forfeiture</b>                                                       | 42.            | The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Evidence of forfeiture</b>                                                     | 43.            | A duly verified declaration in writing that the declarant is a Director 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, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and 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>Non-payment of sums payable at fixed times</b>                                 | 44.            | The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Validity of such sales</b>                                                     | 45.            | Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.                                                                                                                                                                     |
| <b>TRANSFER AND TRANSMISSION OF SHARES</b><br><br><b>Transfer</b>                 | 46.            | <p>a) The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof.</p> <p>b) The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the certificate and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.</p>                                                                                                                                                                                                |



| Title of Articles                                                | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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|                                                                  |                | <p>Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application on such terms in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit.</p> <p>c) An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee. The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.</p> <p>d) For the purpose of Sub-clause (c), notice to the transferee shall be deemed to have been duly given if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be delivered in the ordinary course of post.</p> <p>e) Nothing in Sub-clause (d) shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.</p> |
| <b>Form of transfer</b>                                          | 47.            | Shares in the Company shall be transferred by an instrument in writing in such common form as specified in Section 56 of the Companies Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Board's right to refuse to register</b>                       | 48.            | <p>The Board, may, at its absolute discretion and without assigning any reason, decline to register</p> <ol style="list-style-type: none"> <li>1. The transfer of any share, whether fully paid or not, to a person of whom it do not approve or</li> <li>2. Any transfer or transmission of shares on which the Company has a lien</li> </ol> <p>a. Provided that registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the shares.</p> <p>b. If the Board refuses to register any transfer or transmission of right, it shall, within fifteen days from the date of which the instrument or transfer of the intimation of such transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.</p> <p>c. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 58.</p> <p>d. The provisions of this clause shall apply to transfers of stock also.</p>                                                                                                                                                                                                                                                                                                                                                  |
| <b>Further right of Board of Directors to refuse to register</b> | 49.            | <p>a. The Board may, at its discretion, decline to recognise or accept instrument of transfer of shares unless the instrument of transfer is in respect of only one class of shares.</p> <p>b. No fee shall be charged by the Company for registration of transfers or for effecting transmission on shares on the death of any member or for registering any letters of probate, letters of administration and similar other documents.</p> <p>c. Notwithstanding anything contained in Sub-articles (b) and (c) of Article 46, the Board may not accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such a sub-division or consolidation is required to be made to comply with a</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |



| Title of Articles                                             | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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|                                                               |                | <p>statutory order or an order of a competent Court of Law or a request from a member to convert his holding of odd lots, subject however, to verification by the Company.</p> <p>d. The Directors may not accept applications for transfer of less than 100 equity shares of the Company, provided however, that these restrictions shall not apply to:</p> <ol style="list-style-type: none"> <li>Transfer of equity shares made in pursuance of a statutory order or an order of competent court of law.</li> <li>Transfer of the entire equity shares by an existing equity shareholder of the Company holding less than hundred (100) equity shares by a single transfer to joint names.</li> <li>Transfer of more than hundred (100) equity shares in favour of the same transferee under one or more transfer deeds, one or more of them relating to transfer of less than hundred (100) equity shares.</li> <li>Transfer of equity shares held by a member which are less than hundred (100) but which have been allotted to him by the Company as a result of Bonus and/or Rights shares or any shares resulting from Conversion of Debentures.</li> <li>The Board of Directors be authorised not to accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such sub-division or consolidation is required to be made to comply with a statutory order of a Court of Law or a request from a member to convert his holding of odd lots of shares into transferable/marketable lots, subject, however, to verification by the Company.</li> </ol> <p>Provided that where a member is holding shares in lots higher than the transferable limit of trading and transfers in lots of transferable unit, the residual shares shall be permitted to stand in the name of such transferor notwithstanding that the residual holding shall be below hundred (100).</p> |
| <b>Rights to shares on death of a member for transmission</b> | 50.            | <ol style="list-style-type: none"> <li>In the event of death of any one or more of several joint holders, the survivor, or survivors, alone shall be entitled to be recognised as having title to the shares.</li> <li>In the event of death of any sole holder or of the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased.</li> </ol> <p>Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder.</p> <p>Provided further that if the deceased shareholder was a member of a Hindu Joint Family, the Board, on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors of Karta thereof as having titles to the shares registered in the name of such member.</p> <p>Provided further that in any case, it shall be lawful for the Board in its absolute discretion, to dispense with the production of probate or letters of administration or other legal representation upon such evidence and such terms as to indemnity or otherwise as the Board may deem just.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Rights and liabilities of person</b>                       | 51.            | <ol style="list-style-type: none"> <li>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 be required by the Board and subject as herein, after provided elect either</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |





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|                                                                     |                | <p>a. to be registered himself as a holder of the share or</p> <p>b. to make such transfer of the share as the deceased or insolvent member could have made.</p> <p>2. 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>Notice by such a person of his election</b>                      | 52.            | <p>a. If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</p> <p>b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>c. 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 of transfer had been signed by that member.</p>                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>No transfer to infant, etc.</b>                                  | 53.            | No transfer shall be made to an infant or a person of unsound mind.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Endorsement of transfer and issue of certificate</b>             | 54.            | Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some person for the time being duly authorised by the Board in that behalf.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Custody of transfer</b>                                          | 55.            | The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Register of members</b>                                          | 56.            | <p>a. The Company shall keep a book to be called the Register of Members, and therein shall be entered the particulars of every transfer or transmission of any share and all other particulars of shares required by the Act to be entered in such Register.</p> <p><b>Closure of Register of members</b></p> <p>b. The Board may, after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.</p> <p><b>When instruments of transfer to be retained</b></p> <p>c. All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.</p>                                                                           |
| <b>Company's right to register transfer by apparent legal owner</b> | 57.            | The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in the books of the Company; but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall so think fit. |





| Title of Articles                                                                                                | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| <b>Alteration Of Capital</b><br><br><b>Alteration and consolidation, sub-division and cancellation of shares</b> | 58.            | <p>a. The Company may, from time to time, in accordance with the provisions of the Act, alter by Ordinary Resolution, the conditions of the Memorandum of Association as follows:</p> <ol style="list-style-type: none"> <li>1. increase its share capital by such amount as it thinks expedient by issuing new shares;</li> <li>2. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</li> <li>3. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of the denomination;</li> <li>4. sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division on the proportion between the amount paid and the amount, if any, unpaid, on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived.</li> <li>5. <ol style="list-style-type: none"> <li>a. Cancel shares which, at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.</li> <li>b. The resolution whereby any share is sub-divided may determined that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others.</li> </ol> </li> <li>6. Classify and reclassify its share capital from the shares on one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being be permitted under legislative provisions for the time being in force in that behalf.</li> </ol> |
| <b>Reduction of capital, etc. by Company</b>                                                                     | 59.            | <p>The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorised and consent as required by law:</p> <ol style="list-style-type: none"> <li>a. its share capital;</li> <li>b. any capital redemption reserve account; or</li> <li>c. any share premium account.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Surrender of Shares</b>                                                                                       | 60.            | The Directors may, subject to the provisions of the Act, accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Modification of Rights</b>                                                                                    | 61.            | <p><b>Power of modify shares</b></p> <p>The rights and privileges attached to each class of shares may be modified, commuted, affected, abrogated in the manner provided in Section 48 of the Act.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Set-off of Moneys Due To Shareholders</b>                                                                     | 62.            | Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the Company in respect of calls.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Conversion of Shares</b>                                                                                      | 63.            | The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Transfer of stock</b>                                                                                         | 64.            | 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |



| Title of Articles                                             | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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|                                                               |                | minimum shall not exceed the nominal amount of the shares from which the stock arose.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Right of stockholders</b>                                  | 65.            | The holders of the stock shall, according to the amount of the 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 its 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Applicability of regulations to stock and stockholders</b> | 66.            | Such of the regulations contained in these presents, other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words shares and shareholder in these presents shall include stock and stockholder respectively.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Dematerialisation of Securities</b>                        | 67.            | <p><b>a) Definitions</b><br/>For the purpose of this Article:<br/>‘Beneficial Owner’ means a person or persons whose name is recorded as such with a depository;<br/>‘SEBI’ means the Securities and Exchange Board of India;<br/>‘Depository’ means a company formed and registered under the Companies Act, 2013, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and<br/>‘Security’ means such security as may be specified by SEBI from time to time.</p> <p><b>b) Dematerialisation of securities</b><br/>Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.</p> <p><b>c) Options for investors</b><br/>Every person subscribing to securities offered by 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 law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.</p> <p><b>d) Securities in depositories to be in fungible form</b><br/>All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.</p> <p><b>e) Rights of depositories and beneficial owners:</b><br/>           (i). Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.<br/>           (ii). Save as otherwise provided in (a) 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.<br/>           (iii). 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         </p> |



| Title of Articles                           | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
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|                                             |                | <p>the 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><b>f) Service of documents</b><br/>Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.</p> <p><b>g) Transfer of securities</b><br/>Nothing contained in Section 56 of the Act or these Articles shall apply to 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><b>h) Allotment of securities dealt with in a depository</b><br/>Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> <p><b>i) Distinctive numbers of securities held in a depository</b><br/>Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.</p> <p><b>j) Register and Index of Beneficial owners</b><br/>The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles.</p> <p><b>k) Company to recognise the rights of registered holders as also the beneficial owners in the records of the depository</b><br/>Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.</p> |
| <b>General Meetings</b>                     | 68.            | <p><b>Annual General Meeting</b><br/>The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Extraordinary General Meeting</b>        | 69.            | <p>1. Extraordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board or the Managing Director (subject to any directions of the Board) may deem fit.</p> <p><b>Right to summon Extraordinary General Meeting</b></p> <p>2. The Chairman or Vice Chairman may, whenever they think fit, and shall if so directed by the Board, convene an Extraordinary General Meeting at such time and place as may be determined.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Extraordinary Meeting by requisition</b> | 70.            | <p>a. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.</p> <p>b. The requisition shall set out matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |



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|                                                                     |                | <p>deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office.</p> <p>c. The requisition may consist of several documents in like forms, each signed by one or more requisitionists.</p> <p>d. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition.</p> <p>e. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them or of not less than one tenth of such paid-up capital of the Company as is referred to in Sub-clause (d) above, whichever is less.</p>                                                                                                                                                                                                                                                                                                                                                              |
| <b>Length of notice for calling meeting</b>                         | 71.            | <p>A General Meeting of the Company may be called by giving not less than twenty one days notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid- up share capital which gives the right to vote on the matters to be considered at the meeting.</p> <p>Provided that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members, shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Accidental omission to give notice not to invalidate meeting</b> | 72.            | <p>The accidental omission is to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Special business and statement to be annexed</b>                 | 73.            | <p>All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.</p> <p>Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.</p> |
| <b>Quorum</b>                                                       | 74.            | <p>The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business:</p> <p>Number of members upto 1000: 5 members personally present</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |



| Title of Articles                                                                   | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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|                                                                                     |                | Number of members 1000-5000: 15 members personally present<br>Number of members more than 5000: 30 members personally present                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>If quorum not present, when meeting to be dissolved and when to be adjourned</b> | 75.            | If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week and at the same time and place or to such other day and to be at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.                                                                                                                                                                                                                         |
| <b>Chairman of General Meeting</b>                                                  | 76.            | The Chairman of the Board of Directors shall preside at every General Meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman, the Vice Chairman of the Board of Directors shall preside over the General Meeting of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>When Chairman is absent</b>                                                      | 77.            | If there is no such Chairman or Vice Chairman or if at any General Meeting, either the Chairman or Vice Chairman is not present within fifteen minutes after the time appointed for holding the meeting or if they are unwilling to take the chair, the members present shall choose one of their members to be the Chairman.                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Adjournment of meeting</b>                                                       | 78.            | The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.<br><br>When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.                                                                                                               |
| <b>Questions at General Meeting how decided</b>                                     | 79.            | At a General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108, unless a poll is (before or on the declaration of the result of the show of hands/ electronic voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution. |
| <b>Casting vote</b>                                                                 | 80.            | In the case of an equality of votes, the Chairman shall, whether on a show of hands, or electronically or on a poll, as the case may be, have a casting vote in addition to the vote or votes to which he may be entitled as a member.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Taking of poll</b>                                                               | 81.            | If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>In what cases poll taken without adjournment</b>                                 | 82.            | A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. Where a poll is demanded on any other question, adjournment shall be taken at such time not being later than forty-eight hours from the time which demand was made, as the Chairman may direct.                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Votes</b>                                                                        | 83.            | a. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by proxy and his voting right                                                                                                                                                                                                                                                                                                                                                                                                                                                     |



| Title of Articles                                           | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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|                                                             |                | <p>on a poll or on e-voting shall be in proportion to his share of the paid-up Equity Capital of the Company.</p> <p>b. Every member holding any Preference Share shall in respect of such shares have a right to vote only on resolutions which directly affect the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, if the dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of the meeting. Such dividend shall be deemed to be due on Preference Shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period.</p> <p>c. Whenever the holder of a Preference Share has a right to vote on any resolution in accordance with the provisions of this article, his voting rights on a poll shall be in the same proportion as the capital paid-up in respect of such Preference Shares bear to the total equity paid-up capital of the Company.</p>                                                                                                                                                                   |
| <b>Business may proceed notwithstanding demand for poll</b> | 84.            | A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded; The demand for a poll may be withdrawn at any time by the person or persons who made the demand.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Joint holders</b>                                        | 85.            | In the case of joint holders, the vote of the first named of such joint holders who tender a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Member of unsound mind</b>                               | 86.            | 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>No member entitled to vote while call due to Company</b> | 87.            | No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Proxies permitted on polls</b>                           | 88.            | On a poll, votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as resolution of its Directors in accordance with provisions of Section 113 is in force.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Instrument of proxy</b>                                  | 89.            | <p>a. The instrument appointing a proxy shall be in writing under the hand of the appointed or of the attorney duly authorised in writing, or if the appointer is a Corporation, either under the common seal or under the hand of an officer or attorney so authorised. Any person may act as a proxy whether he is a member or not.</p> <p>b. A body corporate (whether a company within the meaning of this Act or not) may:</p> <ol style="list-style-type: none"> <li>1. If it is a member of the Company by resolution of its Board of Directors or other governing body, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of any class of members of the Company;</li> <li>2. If it is a creditor (including a holder of debentures) of the Company, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.</li> </ol> <p>c. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf</p> |





| Title of Articles                                        | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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|                                                          |                | of the body corporate which he represents, as if he were personally the member, creditor or debenture holder.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Instrument of proxy to be deposited at the office</b> | 90.            | The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of authority shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, and in default, the instrument of proxy shall not be treated as valid.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Validity of vote by proxy</b>                         | 91.            | A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Form of proxy</b>                                     | 92.            | Any instrument appointing a proxy may be a two way proxy form to enable the shareholders to vote for or against any resolution at their discretion. The instrument of proxy shall be in the prescribed form as given in Form MGT-11.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>DIRECTORS</b>                                         | 93.            | <p>Number of Directors</p> <p>Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 and not more than 15.</p> <p>The First Directors of the Company are:</p> <ol style="list-style-type: none"> <li>1. Shradha Hanskumar Agarwal</li> <li>2. Vikas Srikishan Agarwal</li> </ol> <p>The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|                                                          | 94.            | Subject to the provisions of the Act as may be applicable, the Board may appoint any person as a Managing Director to perform such functions as the Board may decide from time to time. Such Director shall be a Member of the Board.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Qualification of Directors</b>                        | 95.            | Any person, whether a member of the Company or not, may be appointed as a Director. No qualification by way of holding shares in the capital of the Company shall be required of any Director.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Director's remuneration</b>                           | 96.            | <ol style="list-style-type: none"> <li>a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 of the Act, and the Rules made thereunder. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings.</li> <li>b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit.</li> </ol> |





| Title of Articles                                | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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|                                                  |                | <p>c. Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in sub-clause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors.</p> <p>d. Subject to the provisions of Section 188 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of the Article.</p> |
| <b>Directors may act notwithstanding vacancy</b> | 97.            | The continuing Directors may act notwithstanding any vacancy in their body, but subject to the provisions contained in Article 121 below:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Chairman or Vice-chairman of the Board</b>    | 98.            | <p>a. Notwithstanding anything contained in these Articles and pursuant to provisions of the Act, Managing Director of the company will act as Chairman of the board and Deputy Managing Director will act as Vice chairman of the board.</p> <p>b. Subject to the provisions of the Act, the Chairman and the Vice Chairman may be paid such remuneration for their services as Chairman and Vice Chairman respectively, and such reasonable expenses including expenses connected with travel, secretarial service and entertainment, as may be decided by the Board of Directors from time to time.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Casual vacancy</b>                            | 99.            | If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed shall hold office only upto the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>VACATION OF OFFICE OF DIRECTORS</b>           | 100.           | <p>The office of a Director shall be vacated if:</p> <ol style="list-style-type: none"> <li>1. he is found to be unsound mind by a Court of competent jurisdiction;</li> <li>2. he applies to be adjudicated as an insolvent;</li> <li>3. he is an undischarged insolvent;</li> <li>4. he is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;</li> <li>5. he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call;</li> <li>6. an order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force.</li> <li>7. he has not complied with Subsection (3) of Section 152</li> <li>8. he has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years.</li> </ol>                                                                                                                                                                                                                                                                 |



| Title of Articles          | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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|                            |                | <p>9. he absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board;</p> <p>10. he acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184.</p> <p>11. he becomes disqualified by an order of a court or the Tribunal</p> <p>12. he is removed in pursuance of the provisions of the Act,</p> <p>13. having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;</p> <p>notwithstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect:</p> <ol style="list-style-type: none"> <li>1. for thirty days from the date of the adjudication, sentence or order;</li> <li>2. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or</li> <li>3. where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Alternate Directors</b> | 101.           | <p>(a) The Board may appoint an Alternate Director to act for a Director hereinafter called in this clause “the Original Director” during his absence for a period of not less than 3 months from India.</p> <p>(b) An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India.</p> <p><b>Independent Directors</b></p> <p>(c) (i) The Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or clause 49 of Listing Agreement, whichever is higher, from time to time.</p> <p>(ii) Independent directors shall possess such qualification as required under Section 149 of the companies Act, 2013. and clause 49 of Listing Agreement</p> <p>(iii) Independent Director shall be appointed for such period as prescribed under relevant provisions of the companies Act, 2013 and Listing Agreement and shall not be liable to retire by rotation.</p> <p><b>Women Director</b></p> <p>(d) The Directors shall appoint one women director as per the requirements of section 149 of the Act.</p> <p><b>Key Managerial Personnel</b></p> <p>(e) Subject to the provisions of the Act,—</p> <ol style="list-style-type: none"> <li>(i). A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of are solution of the Board;</li> <li>(ii). A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</li> <li>(iii). The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles.</li> </ol> |



| Title of Articles                   | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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| <b>Additional Directors</b>         | 102.           | <p>The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed under Article 93 above. Any person so appointed as an Additional Director shall hold office up to the date of the next Annual General Meeting of the Company.</p> <p><b>Proportion of retirement by rotation</b></p> <p>a. The proportion of directors to retire by rotation shall be as per the provisions of Section 152 of the Act.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Debenture</b>                    | 103.           | <p>Any trust deed for securing debentures or debenture-stocks may, if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person to be a Director of the Company and may empower such Trustees, holder of debentures or debenture-stocks, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as “Debenture Director” and the term “Debenture Director” means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Corporation/Nominee Director</b> | 104.           | <p>a. Notwithstanding anything to the contrary contained in the Articles, so long as any moneys remain owing by the Company the any finance corporation or credit corporation or body, (herein after in this Article referred to as “The Corporation”) out of any loans granted by them to the Company or as long as any liability of the Company arising out of any guarantee furnished by the Corporation, on behalf of the Company remains defaulted, or the Company fails to meet its obligations to pay interest and/or instalments, the Corporation shall have right to appoint from time to time any person or person as a Director or Directors (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 so appointed, any person or persons in his or their place(s).</p> <p>b. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s as long as such default continues. Such Nominee Director/s shall not be required to hold any share qualification in the Company, and such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.</p> <p>The Nominee Director/s appointed shall hold the said office as long as any moneys remain owing by the Company to the Corporation or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.</p> <p>The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, and of the Meeting of the Committee of which the Nominee Director/s is/are member/s.</p> <p>The Corporation shall also be entitled to receive all such notices. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Director/s of the Company are entitled, but if any other fee, commission, monies or remuneration in any form is payable to the Director/s of the Company, the fee, commission, monies and remuneration</p> |



| Title of Articles                           | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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|                                             |                | <p>in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment to Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.</p> <p>Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall so accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.</p> <p>c. The Corporation may at any time and from time to time remove any such Corporation Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as a Corporation Director in his place. Such appointment or removal shall be made in writing signed by the Chairman or Joint Chairman of the Corporation or any person and shall be delivered to the Company at its Registered office. It is clarified that every Corporation entitled to appoint a Director under this Article may appoint such number of persons as Directors as may be authorised by the Directors of the Company, subject to Section 152 of the Act and so that the number does not exceed 1/3 of the maximum fixed under Article 93.</p>                                                                                                                                                                                                                                                                                                                        |
| <b>Disclosure of interest of Directors</b>  | 105.           | <p>a. Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise, nor shall any such contract or any contract or arrangement entered into by on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but the nature of the interest must be disclosed by the Director at the meeting of the Board at which the contract or arrangements is determined or if the interest then exists in any other case, at the first meeting of the Board after the acquisition of the interest.</p> <p>Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid or take part in the proceedings thereat and he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to indemnify the Directors or any of them against any loss they may suffer by becoming or being sureties for the Company.</p> <p>b. A Director may be or become a Director of any company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such company.</p> |
| <b>Rights of Directors</b>                  | 106.           | Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Directors to comply with Section 184</b> | 107.           | Notwithstanding anything contained in these presents, any Director contracting with the Company shall comply with the provisions of Section 184 of the Companies Act, 2013.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |



| Title of Articles                                                                 | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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| <b>Directors power of contract with Company</b>                                   | 108.           | Subject to the limitations prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>ROTATION OF DIRECTORS</b>                                                      | 109.           | <b>Rotation and retirement of Directors</b><br>Excluding Executive Directors having Key managerial position for particular period and Independent Directors, at least one-third of the Directors shall retire by rotation at every annual meeting, in accordance with provisions of Section 152 of the Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Retiring Directors eligible for re-election</b>                                | 110.           | A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up vacated office by electing a person thereto.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Which Directors to retire</b>                                                  | 111.           | The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Retiring Directors to remain in office till successors are appointed</b>       | 112.           | Subject to Section 152 of the Act, if at any meeting at which an election of Directors ought to take place, the place of the vacating or deceased Directors is not filled up and the meeting has not expressly resolved not to fill up or appoint the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday at the same time, place, and if at the adjourned meeting the place of vacating Directors is not filled up and the meeting has also not expressly resolved not to fill up the vacancy, then the vacating Directors or such of them as have not had their places filled up shall be deemed to have been reappointed at the adjourned meeting.                                                                                                                  |
| <b>Power of General Meeting to increase or reduce number of Directors</b>         | 113.           | Subject to the provisions of Sections 149, 151 and 152 the Company in General Meeting may increase or reduce the number of Directors subject to the limits set out in Article 93 and may also determine in what rotation the increased or reduced number is to retire.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Power to remove Directors by ordinary resolution</b>                           | 114.           | Subject to provisions of Section 169 the Company, by Ordinary Resolution, may at any time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforementioned. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.                                                                                                                                                                                                               |
| <b>Rights of persons other than retiring Directors to stand for Directorships</b> | 115.           | Subject to the provisions of Section 160 of the Act, a person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be "along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 25% of total valid votes cast either on show of hands or electronically or on poll on such resolution". |
| <b>Register of Directors and KMP and their shareholding</b>                       | 116.           | The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by Section 170 of the Act of its Directors and Key Managerial Personnel and shall send to the Registrar of Companies returns as required by the Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |



| Title of Articles                                            | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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| <b>Business to be carried on</b>                             | 117.           | The business of the Company shall be carried on by the Board of Directors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Meeting of the Board</b>                                  | 118.           | The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, provided that a meeting of the Board shall be held at least once in every one hundred and twenty days; and at least four such meetings shall be held in every year.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Director may summon meeting</b>                           | 119.           | A Director may at any time request the Secretary to convene a meeting of the Directors and seven days notice of meeting of directors shall be given to every director and such notice shall be sent by hand delivery or by post or by electronic means.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Question how decided</b>                                  | 120.           | <p>a. Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board.</p> <p>b. In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.</p>                                                                                                                                                                                                                                                                                                         |
| <b>Right of continuing Directors when there is no quorum</b> | 121.           | The continuing Directors may act notwithstanding any vacancy in the Board, but if and as long as their number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company and for no other purpose.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Quorum</b>                                                | 122.           | The quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that onethird being rounded off as one) or two Directors whichever is higher; provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time.                                                                           |
| <b>Election of Chairman to the Board</b>                     | 123.           | If no person has been appointed as Chairman or Vice Chairman under Article 98(a) or if at any meeting, the Chairman or Vice Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the meeting.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Power to appoint Committees and to delegate</b>           | 124.           | <p>a. The Board may, from time to time, and at any time and in compliance with provisions of the act and listing agreement constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit.</p> <p><b>Delegation of powers</b></p> <p>b. Subject to the provisions of Section 179 the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and listing agreement.</p> <p>c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject to provisions of the act. and listing agreement.</p> |





| Title of Articles                                                                         | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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| <b>Proceedings of Committee</b>                                                           | 125.           | The meeting and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and not superseded by any regulations made by the Directors under the last proceeding Article.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Election of Chairman of the Committee</b>                                              | 126.           | <p>a. The Chairman or the Vice Chairman shall be the Chairman of its meetings, if either is not available or if at any meeting either is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairman of the meeting.</p> <p>b. The quorum of a Committee may be fixed by the Board and until so fixed, if the Committee is of a single member or two members, the quorum shall be one and if more than two members, it shall be two.</p>                                                                                                                                                                                                                                                                                                                                                           |
| <b>Question how determined</b>                                                            | 127.           | <p>a. A Committee may meet and adjourn as it thinks proper.</p> <p>b. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Acts done by Board or Committee valid, notwithstanding defective appointment, etc.</b> | 128.           | All acts done by any meeting of the Board or 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 any person acting as aforesaid, or that any of them was disqualified, be as valid as if every such Director and such person had been duly appointed and was qualified to be a Director.                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Resolution by circulation</b>                                                          | 129.           | Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with necessary papers, if any, to all the members of the Committee then in India (not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may) and to all other Directors or members at their usual address in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.                                                                                                                                                                                                                                                                                              |
| <b>POWERS AND DUTIES OF DIRECTORS</b>                                                     | 130.           | <p><b>General powers of Company vested in Directors</b></p> <p>The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.</p>                                                                                                  |
| <b>Attorney of the Company</b>                                                            | 131.           | The Board may appoint at any time and from time to time by a power of attorney under the Company's seal, any person to be the Attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment, may, if the Board thinks fit, be made in favour of the members, or any of the members of any firm or company, or the members, Directors, nominees or managers of any firm or company or otherwise in favour of any body or persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit. |





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| <b>Power to authorise sub delegation</b>                        | 132.           | The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in him.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Directors' duty to comply with the provisions of the Act</b> | 133.           | The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and keep a register of the Directors, and send to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital and copies of special resolutions, and such other resolutions and agreements required to be filed under Section 117 of the Act and a copy of the Register of Directors and notifications of any change therein.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Special power of Directors</b>                               | 134.           | In furtherance of and without prejudice to the general powers conferred by or implied in Article 130 and other powers conferred by these Articles, and subject to the provisions of Sections 179 and 180 of the Act, that may become applicable, it is hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association and to the following things.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>To acquire and dispose of property and rights</b>            | 135.           | <p>a. To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit and to sell, let, exchange, or otherwise dispose of the property, privileges and undertakings of the Company upon such terms and conditions and for such consideration as they may think fit.</p> <p><b>To pay for property in debentures, etc.</b></p> <p>b. At their discretion to pay for any property, rights and privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid-up or with such amount credited as paid-up, the sum as may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.</p> <p><b>To secure contracts by mortgages</b></p> <p>c. To secure the fulfillment of any contracts or agreements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they think fit.</p> <p><b>To appoint officers, etc.</b></p> <p>d. To appoint and at their discretion remove, or suspend such agents, secretaries, officers, clerks and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties and fix their powers and duties and fix their salaries or emoluments and to the required security in such instances and to such amount as they think fit.</p> <p>e. 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 to compound and allow time for payments or satisfaction of any dues and of any claims or demands by or against the Company.</p> <p><b>To refer to arbitration</b></p> <p>f. To refer to, any claims or demands by or against the Company to arbitration and observe and perform the awards.</p> <p><b>To give receipt</b></p> <p>g. To make and give receipts, releases and other discharges for money payable to the Company and of the claims and demands of the Company.</p> |



| Title of Articles | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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|                   |                | <p><b>To act in matters of bankrupts and insolvents</b></p> <p>h. To act on behalf of the Company in all matters relating to bankrupts and insolvents.</p> <p><b>To give security by way of indemnity</b></p> <p>i. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.</p> <p><b>To give commission</b></p> <p>j. To give any person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company.</p> <p><b>To make contracts etc.</b></p> <p>k. To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.</p> <p><b>To make bye-laws</b></p> <p>l. From time to time, make, vary and repeal bye-laws for the regulations of the business for the Company, its officers and servants.</p> <p><b>To set aside profits for provided fund</b></p> <p>m. Before recommending any dividends, to set-aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensations; or to create any provident fund or benefit fund in such or any other manner as the Directors may deem fit.</p> <p><b>To make and alter rules</b></p> <p>n. To make and alter rules and regulations concerning the time and manner of payments of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.</p> <p>o. And generally, at their absolute discretion, to do and perform every act and thing which they may consider necessary or expedient for the purpose of carrying on the business of the Company, excepting such acts and things as by Memorandum of Association of the Company or by these presents may stand prohibited.</p> |
| Managing Director | 136.           | <p>a. Subject to the provisions of Section 196 ,197, 2(94), 203 of the Act, the following provisions shall apply:</p> <p>b. The Board of Directors may appoint or re-appoint one or more of their body, not exceeding two, to be the Managing Director or Managing Directors of the Company for such period not exceeding 5 years as it may deem fit, subject to such approval of the Central Government as may be necessary in that behalf.</p> <p>c. The remuneration payable to a Managing Director shall be determined by the Board of Directors subject to the sanction of the Company in General Meeting and of the Central Government, if required.</p> <p>d. If at any time there are more than one Managing Director, each of the said Managing Directors may exercise individually all the powers and perform all the duties that a single Managing Director may be empowered to exercise or required to perform under the Companies Act or by these</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |



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|                                              |                | <p>presents or by any Resolution of the Board of Directors and subject also to such restrictions or conditions as the Board may from time to time impose.</p> <p>e. The Board of Directors may at any time and from time to time designate any Managing Director as Deputy Managing Director or Joint Managing Director or by such other designation as it deems fit.</p> <p>f. Subject to the supervision, control and directions of the Board of Directors, the Managing Director/Managing Directors shall have the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and perform all duties and in relation to the management of the affairs, except such powers and such duties as are required by Law or by these presents to be exercised or done by the Company in General Meeting or by the Board and also subject to such conditions and restrictions imposed by the Act or by these presents or by the Board of Directors. Without prejudice to the generality of the foregoing, the Managing Director/Managing Directors shall exercise all powers set out in Article 135 above except those which are by law or by these presents or by any resolution of the Board required to be exercised by the Board or by the Company in General Meeting.</p>                         |
| <b>Whole-time Director</b>                   | 137.           | <p>1. Subject to the provisions of the Act and subject to the approval of the Central Government, if any, required in that behalf, the Board may appoint one or more of its body, as Whole-time Director or Wholetime Directors on such designation and on such terms and conditions as it may deem fit. The Whole-time Directors shall perform such duties and exercise such powers as the Board may from time to time determine which shall exercise all such powers and perform all such duties subject to the control, supervision and directions of the Board and subject thereto the supervision and directions of the Managing Director. The remuneration payable to the Whole-time Directors shall be determined by the Company in General Meeting, subject to the approval of the Central Government, if any, required in that behalf.</p> <p>2. A Whole-time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Whole-time Director, if he ceases to hold the Office of Director from any cause except where he retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Director at that Meeting.</p> |
| <b>Secretary</b>                             | 138.           | The Board shall have power to appoint a Secretary a person fit in its opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as it may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Board.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Powers as to commencement of business</b> | 139.           | Subject to the provisions of the Act, any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as it shall think fit and further may be suffered by it to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Delegation of power</b>                   | 140.           | Subject to Section 179 the Board may delegate all or any of its powers to any Director, jointly or severally or to any one Director at its discretion or to the Executive Director.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>BORROWING</b>                             | 141.           | a. The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |



| Title of Articles               | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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|                                 |                | <p>borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security.</p> <p>Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company</p> |
| <b>Assignment of debentures</b> | 142.           | Such debentures, debenture stock, bonds or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Terms of debenture issue</b> | 143.           | <p>a. Any such debenture, debenture stock, bond or other security may be issued at a discount, premium or otherwise, and with any special privilege as the redemption, surrender, drawing, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.</p> <p>b. Any trust deed for securing of any debenture or debenture stock and or any mortgage deed and/or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner may provide for the appointment from time to time, by any such mortgagee, lender, trustee of or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may, from time to time, remove any Director so appointed by him and appoint any other person in</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |



| Title of Articles                                      | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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|                                                        |                | <p>his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.</p> <p>c. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a Mortgage Director or Mortgage Directors and the Director if appointed as aforesaid under the provisions of a debenture trust deed shall be called "Debenture Director". The words "Mortgage" or "Debenture Director" shall mean the Mortgage Director for the time being in office. The Mortgage Director or Debenture Director shall not be required to hold any qualification shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provision as may be arranged between the Company and mortgagee lender, the trustee or contracting party, as the case may be, and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act.</p> <p>d. The Directors appointed as Mortgage Director or Debenture Director or Corporate Director under the Article shall be deemed to be ex-officio Directors.</p> <p>e. The total number of ex-officio Directors, if any, so appointed under this Article together with the other ex-officio Directors, if any, appointment under any other provisions of these presents shall not at any time exceed one-third of the whole number of Directors for the time being.</p> |
| <b>Charge on uncalled capital</b>                      | 144.           | Any uncalled capital of the Company may be included in or charged by mortgage or other security.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Subsequent assignees of uncalled capital</b>        | 145.           | Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject such prior charge, and shall not be entitled, by notice to the shareholder or otherwise, to obtain priority over such prior charge.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Charge in favour of Director of indemnity</b>       | 146.           | If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other person so becoming liable as aforesaid from any loss in respect of such liability.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Powers to be exercised by Board only at meeting</b> | 147.           | <p>a. Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said power shall be exercised only by resolution passed at the meetings of the Board.</p> <p>(a) to make calls on shareholders in respect of money unpaid on their shares;</p> <p>(b) to authorise buy-back of securities under section 68;</p> <p>(c) to issue securities, including debentures, whether in or outside India;</p> <p>(d) to borrow monies;</p> <p>(e) to invest the funds of the company;</p> <p>(f) to grant loans or give guarantee or provide security in respect of loans;</p> <p>(g) to approve financial statement and the Board's report;</p> <p>(h) to diversify the business of the company;</p> <p>(i) to approve amalgamation, merger or reconstruction;</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |



| Title of Articles                                        | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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|                                                          |                | <ul style="list-style-type: none"> <li>(j) to take over a company or acquire a controlling or substantial stake in another company;</li> <li>(k) to make political contributions;</li> <li>(l) to appoint or remove key managerial personnel (KMP);</li> <li>(m) to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;</li> <li>(n) to appoint internal auditors and secretarial auditor;</li> <li>(o) to take note of the disclosure of director's interest and shareholding;</li> <li>(p) 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;</li> <li>(q) to invite or accept or renew public deposits and related matters;</li> <li>(r) to review or change the terms and conditions of public deposit;</li> <li>(s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be.</li> <li>(t) such other business as may be prescribed by the Act.</li> </ul> <p>b. The Board may by a meeting delegate to any Committee of the Board or to the Managing Director the powers specified in Sub-clauses, d, e and f above.</p> <p>c. Every resolution delegating the power set out in Sub-clause d shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the said delegate.</p> <p>d. Every resolution delegating the power referred to in Sub-clause e shall specify the total amount upto which the funds may be invested and the nature of investments which may be made by the delegate.</p> <p>e. Every resolution delegating the power referred to in Sub-clause f above shall specify the total amount upto which loans may be made by the delegate, the purposes for which the loans may be made, and the maximum amount of loans that may be made for each such purpose in individual cases.</p> |
| <b>Register of mortgage to be kept</b>                   | 148.           | The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act, 2013 for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Register of holders of debentures</b>                 | 149.           | Every register of holders of debentures of the Company may be closed for any period not exceeding on the whole forty five days in any year, and not exceeding thirty days at any one time. Subject as the aforesaid, every such register shall be open to the inspection of registered holders of any such debenture and of any member but the Company may in General Meeting impose any reasonable restriction so that at least two hours in every day, when such register is open, are appointed for inspection.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Inspection of copies of and Register of Mortgages</b> | 150.           | The Company shall comply with the provisions of the Companies Act, 2013, as to allow inspection of copies kept at the Registered Office in pursuance of the said Act, and as to allowing inspection of the Register of charges to be kept at the office in pursuance of the said Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |





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| <b>Supplying copies of register of holder of debentures</b>      | 151.           | The Company shall comply with the provisions of the Companies Act, 2013, as to supplying copies of any register of holders of debentures or any trust deed for securing any issue of debentures.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Right of holders of debentures as to Financial Statements</b> | 152.           | Holders of debentures and any person from whom the Company has accepted any sum of money by way of deposit, shall on demand, be entitled to be furnished, free of cost, or for such sum as may be prescribed by the Government from time to time, with a copy of the Financial Statements of the Company and other reports attached or appended thereto.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Minutes</b>                                                   | 153.           | <p>a. The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board.</p> <p>b. The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.</p>                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Managing Director's power to be exercised severally</b>       | 154.           | All the powers conferred on the Managing Director by these presents, or otherwise may, subject to any directions to the contrary by the Board of Directors, be exercised by any of them severally.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Manager</b>                                                   | 155.           | Subject to the provisions of the Act, the Directors may appoint any person as Manager for such term not exceeding five years at a time at such remuneration and upon such conditions as they may think fit and any Manager so appointed may be removed by the Board.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Common Seal</b>                                               | 156.           | The Board shall provide a common seal of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be kept at the Registered Office of the Company and committed to the custody of the Directors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Affixture of Common Seal</b>                                  | 157.           | The seal shall not be affixed to any instrument except by the authority of a resolution of the Board or Committee and unless the Board otherwise determines, every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company, be signed by one Director and the Secretary in whose presence the seal shall have been affixed or such other person as may, from time to time, be authorised by the Board and provided nevertheless that any instrument bearing the seal of the Company issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority to issue the same provided also the counter signature of the Chairman or the Vice Chairman, which shall be sealed in the presence of any one Director and signed by him on behalf of the Company. |
| <b>Dividends And Reserves</b>                                    | 158.           | <p><b>Rights to Dividend</b></p> <p>The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity shareholders.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Declaration of Dividends</b>                                  | 159.           | The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>What to be deemed net profits</b>                             | 160.           | The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Interim Dividend</b>                                          | 161.           | 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>Dividends to be paid out of profits only</b>                  | 162.           | No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |





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| <b>Reserve Funds</b>                       | 163.           | <p>a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper 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 think prudent not to divide without setting them aside as Reserve.</p>                                                                                                       |
| <b>Method of payment of dividend</b>       | 164.           | <p>a. Subject to the rights of persons, if any, entitled to share 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.</p> <p>b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations 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 dividends as from a particular date, such shares shall rank for dividend accordingly.</p>                                                             |
| <b>Deduction of arrears</b>                | 165.           | 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 in relation to the shares of the Company or otherwise.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Adjustment of dividend against call</b> | 166.           | Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and themselves, be set off against the call.                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Payment by cheque or warrant</b>        | 167.           | <p>a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directly 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 in the Register of Members or to such person and to such address of the holder as the 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> <p>c. Every dividend or warrant or cheque shall be posted within thirty days from the date of declaration of the dividends.</p>                                                                                                                                                                               |
| <b>Retention in certain cases</b>          | 168.           | <p>The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member in respect thereof or shall duly transfer the same.</p> <p><b>Receipt of joint holders</b></p> <p>A). Where any instrument of transfer of shares has been delivered to the Company for registration on holders, the Transfer of such shares and the same has not been registered by the Company, it shall, and notwithstanding anything contained in any other provision of the Act:</p> <p>a) transfer the dividend in relation to such shares to the Special Account referred to in Sections 123 and 124 of the Act, unless the Company is authorised by the registered holder, of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and</p> |



| Title of Articles                                   | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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|                                                     |                | b) Keep in abeyance in relation to such shares any offer of rights shares under Clause(a) of Sub-section (1) of Section 62 of the Act, and any issue of fully paid-up bonus shares in pursuance of Sub-section (3) of Section 123 of the Act”.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Deduction of arrears</b>                         | 169.           | Any one of two of the joint holders of a share may give effectual receipt for any dividend, bonus, or other money payable in respect of such share.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Notice of Dividends</b>                          | 170.           | Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Dividend not to bear interest</b>                | 171.           | No dividend shall bear interest against the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Unclaimed Dividend</b>                           | 172.           | No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act, 2013.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Transfer of share not to pass prior Dividend</b> | 173.           | Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Capitalisation of Profits</b>                    | 174.           | <p>a) The Company in General Meeting, may on the recommendation of the Board, resolve:</p> <ol style="list-style-type: none"> <li>1. that the whole or any part of any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Fund or any money, investment or other asset forming part of the undivided profits, including profits or surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any Capital assets of the Company standing to the credit of the General Reserve, Reserve or any Reserve Fund or any amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and</li> <li>2. that such sum be accordingly set free for distribution in the manner specified in Sub-clause (2) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.</li> </ol> <p>b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Subclause (3) either in or towards:</p> <ol style="list-style-type: none"> <li>1. paying up any amount for the time being unpaid on any share held by such members respectively;</li> <li>2. paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; or</li> <li>3. partly in the way specified in Sub-clause (i) and partly in that specified in Sub-clause (ii).</li> </ol> <p>c) A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.</p> <p>d) The Board shall give effect to resolutions passed by the Company in pursuance of this Article.</p> |
| <b>Powers of Directors for declaration of Bonus</b> | 175.           | <p>a. Whenever such a resolution as aforesaid shall have been passed, the Board shall:</p> <ol style="list-style-type: none"> <li>1. make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue or fully paid shares if any; and</li> <li>2. generally do all acts and things required to give effect thereto.</li> </ol> <p>b. The Board shall have full power:</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |



| Title of Articles                                              | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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|                                                                |                | <ol style="list-style-type: none"> <li>1. to make such provision by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions and also;</li> <li>2. 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 the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on the existing shares.</li> </ol> <p>c. Any agreement made under such authority shall be effective and binding on all such members.</p> |
| <b>Books of account to be kept</b>                             | 176.           | <ol style="list-style-type: none"> <li>a. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.</li> <li>b. All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain in transactions.</li> <li>c. The books of accounts shall be open to inspection by any Director during business hours.</li> </ol>                                                                                                                                                                                                                        |
| <b>Where books of account to be kept</b>                       | 177.           | The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Inspection by members</b>                                   | 178.           | The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspection any account or book or document of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Statement of account to be furnished to General Meeting</b> | 179.           | The Board shall lay before such Annual General Meeting, financial statements made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Financial Statements</b>                                    | 180.           | Subject to the provisions of Section 129, 133 of the Act, every financial statements of the Company shall be in the forms set out in Parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Authentication of Financial Statements</b>                  | 181.           | <ol style="list-style-type: none"> <li>a. Subject to Section 134 of the Act, every financial statements of the Company shall be signed on behalf of the Board by not less than two Directors.</li> <li>b. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Auditors Report to be annexed</b>                           | 182.           | The Auditor's Report shall be attached to the financial statements.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Board's Report to be attached to Financial Statements</b>   | 183.           | <ol style="list-style-type: none"> <li>a. Every financial statement laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |



| Title of Articles                                        | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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|                                                          |                | <p>any reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend.</p> <p>b. The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any change which has occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries and generally in the classes of business in which the Company has an interest and material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.</p> <p>c. The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 134 of the Act in an addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report.</p> <p>d. The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not authorised, shall be signed by such number of Directors as is required to sign the Financial Statements of the Company under Article 181.</p> <p>e. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (a) to (e) of this Article are complied with.</p> |
| <b>Right of member to copies of Financial Statements</b> | 184.           | The Company shall comply with the requirements of Section 136.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Annual Returns</b>                                    | 185.           | The Company shall make the requisite annual return in accordance with Section 92 of the Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Audit</b>                                             | 186.           | <p><b>Accounts to be audited</b></p> <p>a. Every Financial Statement shall be audited by one or more Auditors to be appointed as hereinafter mentioned.</p> <p>b. Subject to provisions of the Act, The Company at the Annual General Meeting shall appoint an Auditor or Firm of Auditors to hold office from the conclusion of that meeting until the conclusion of the fifth Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.</p> <p>c. Where at an Annual General Meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy.</p> <p>d. The Company shall, within seven days of the Central Government's power under Sub-clause (d) becoming exercisable, give notice of that fact to that Government.</p> <p>e. 1. The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.</p> <p>Provided that the Company may at a General Meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any such member of the Company and of whose nomination notice has been given to the members of the Company, not less than 14 days before the date of the meeting; and</p>                                                                             |



| Title of Articles                    | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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|                                      |                | <p>2. If the Board fails to exercise its power under this Sub-clause, the Company in General Meeting may appoint the first Auditor or Auditors.</p> <p>f. The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors, if any, may act, but where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.</p> <p>g. A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless Special Notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 115 of the Act and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions of Section 140 of the Act shall apply in the matter. The provisions of this Sub-clause shall also apply to a resolution that retiring Auditor shall be reappointed.</p> <p>h. The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.</p> <p>i. Subject to the provisions of Section 146 of the Act, the Auditor of the company shall attend general meetings of the company.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Audit of Branch Offices</b>       | 187.           | The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of Branch Offices of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Remuneration of Auditors</b>      | 188.           | The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditor appointed to fill and casual vacancy may be fixed by the Board.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Rights and duties of Auditors</b> | 189.           | <p>(a) Every Auditor of the Company shall have a right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanations as may be necessary for the performance of his duties as Auditor.</p> <p>(b) All notices of, and other communications relating to any General Meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.</p> <p>(c) The Auditor shall make a report to the members of the Company on the accounts examined by him and on Financial statements and on every other document declared by this Act to be part of or annexed to the Financial statements, which are laid before the Company in General Meeting during his tenure of office, and the report shall state whether, in his opinion and to the best of his information and according to explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view:</p> <ol style="list-style-type: none"> <li>1. in the case of the Balance Sheet, of the state of affairs as at the end of the financial year and</li> <li>2. in the case of the Statement of Profit and Loss, of the profit or loss for its financial year.</li> </ol> <p>(d) The Auditor's Report shall also state:</p> <p>(a) whether he has sought and obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit and if not, the details thereof and the effect of such information on the financial statements;</p> |



| Title of Articles                                             | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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|                                                               |                | <p>(b) whether, in his opinion, proper books of account as required by law have been kept by the company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him;</p> <p>(c) whether the report on the accounts of any branch office of the company audited under sub-section (8) by a person other than the company's auditor has been sent to him under the proviso to that sub-section and the manner in which he has dealt with it in preparing his report;</p> <p>(d) whether the company's balance sheet and profit and loss account dealt with in the report are in agreement with the books of account and returns;</p> <p>(e) whether, in his opinion, the financial statements comply with the accounting standards;</p> <p>(f) the observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company;</p> <p>(g) whether any director is disqualified from being appointed as a director under sub-section (2) of section 164;</p> <p>(h) any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;</p> <p>(i) whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;</p> <p>(j) whether the company has disclosed the impact, if any, of pending litigations on its financial position in its financial statement;</p> <p>(k) whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;</p> <p>(l) whether there has been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.</p> <p>(e) Where any of the matters referred to in Clauses (i) and (ii) of Sub-section (2) of Section 143 of the Act or in Clauses (a), (b) and (c) of Sub-section (3) of Section 143 of the Act or Sub-clause (4) (a) and (b) and (c) hereof is answered in the negative or with a qualification, the Auditor's Report shall state the reason for such answer.</p> <p>(f) The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.</p> |
| <b>Accounts whether audited and approved to be conclusive</b> | 190.           | Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the accounts shall forthwith be corrected, and henceforth be conclusive.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Service of documents on the Company</b>                    | 191.           | A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by Registered Post, or by leaving it at the Registered Office or in electronic mode in accordance with the provisions of the act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>How documents to be served to members</b>                  | 192.           | a) A document (which expression for this purpose shall be deemed to included and shall include any summons, notice, requisition, process, order judgement or any other document in relation to or the winding up of the Company) may be served personally or by sending it by post to him to his registered address or in electronic mode in accordance with the provisions of the act., or (if he has no registered address in India) to the address, if                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |





| Title of Articles                                                            | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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|                                                                              |                | <p>any, within India supplied by him to the Company for the giving of notices to him.</p> <p>b) All notices shall, with respect to any registered shares to which persons are entitled jointly, be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.</p> <p>c) Where a document is sent by post:</p> <ol style="list-style-type: none"> <li>service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member, and such service shall be deemed to have been effected;</li> <li> <ol style="list-style-type: none"> <li>a.in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and</li> <li>b.in any other case, at the time at which the letter should be delivered in the ordinary course of post.</li> </ol> </li> </ol> |
| <b>Members to notify address in India</b>                                    | 193.           | Each registered holder of share(s) shall, from time to time, notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Service on members having no registered address in India</b>              | 194.           | If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Service on persons acquiring shares on death or insolvency of members</b> | 195.           | A document may be served by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of deceased or assignees of the insolvent or by any like descriptions at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Notice valid though member deceased</b>                                   | 196.           | Any notice of document delivered or sent by post or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member by then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors or administrators, and all other persons, if any, jointly interested with him or her in any such share.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Persons entitled to Notice of General Meeting</b>                         | 197.           | <p>Subject to the provisions of Section 101 the Act and these Articles, notice of General Meeting shall be given to;</p> <ol style="list-style-type: none"> <li>every member of the company, legal representative of any deceased member or the assignee of an insolvent member;</li> <li>the auditor or auditors of the company; and</li> <li>every director of the company.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |





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|                                                                  |                | Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Advertisement</b>                                             | 198.           | <p>a. Subject to the provisions of the Act, any document required to be served on or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district where the Registered Office of the Company is situated.</p> <p>b. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register shall be duly given to the person from whom he derived his title to such share or stock.</p>                                                                                                                                              |
| <b>Transference, etc. bound by prior notices</b>                 | 199.           | Every person, who by the operation of law, transfer, or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to the share.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>How notice to be signed</b>                                   | 200.           | Any notice to be given by the Company shall be signed by the Managing Director or by such Director or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Authentication of document and proceeding</b>                 | 201.           | Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, or the Managing Director or an authorised officer of the Company and need not be under its seal.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Winding up</b>                                                | 202.           | Subject to the provisions of the Act as to preferential payments, the assets of a Company shall, on its winding-up be applied in satisfaction of its liabilities pari-passu and, subject to such application, shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Division of assets of the Company in specie among members</b> | 203.           | If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, and part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators with the like sanction shall think fit. In case any shares, to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the Special Resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly. |
| <b>Indemnity And Responsibility</b>                              | 204.           | <p><b>Directors' and others' right to indemnity</b></p> <p>a. Subject to the provisions of Section 197 of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses (including travelling expenses) which Service of documents on the Company any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee.</p> <p>b. Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any</p>                         |



| Title of Articles                               | Article Number | Content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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|                                                 |                | liability, incurred by them or him in defending any proceeding whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                 | 205.           | Subject to the provisions of Section 197 of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company, or for the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any money invested, or for any loss or damages arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part or for any loss or damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own act or default.                                                                                                                                                                                                                                                                                                            |
| <b>Secrecy Clause</b>                           | 206.           | <p>a. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the Company to communicate to the public.</p> <p>b. Every Director, Managing Director, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officers, Servant, Agent, Accountant or other person employed in the business of the Company, shall, if so required by the Directors before entering upon his duties, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons to whom such matters relate and except so far as may be necessary, in order to comply with any of the provisions contained in these Articles.</p> |
| <b>Registers, Inspection and copies Thereof</b> | 207.           | <p>a. Any Director or Member or person can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member or person under provisions of the act by the company, provided he gives fifteen days' notice to the company about his intention to do so.</p> <p>b. Any, Director or Member or person can take copies of such registers of the company by paying ₹ 10 per Page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>General Authority</b>                        | 208.           | Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |



| Title of Articles | Article Number | Content                                                                                                                                                                                                                                                                                                                                 |
|-------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                   |                | out any transaction only if the Company is authorised by its Articles, this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific regulation or clause in that behalf in this articles. |



## SECTION XIV – 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 our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, will be delivered to the ROC for registration/submission of the Red Herring Prospectus /Prospectus and will also be available at the website of our Company i.e. [www.shritechtex.com](http://www.shritechtex.com) and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Harmony, 2nd Floor, 15/A, Shree Vidhyanagar Co. Op. Hsg. Soc. Ltd. Opp. Nabard, Nr. Usmanpura Garden Ahmedabad - 380014, Gujarat, India from date of filing the Red Herring Prospectus with ROC on all Working Days until the Bid/Issue Closing Date.

#### A. MATERIAL CONTRACTS

1. Issue Agreement dated February 06, 2023 executed between our Company and Book Running Lead Manager to the Issue.
2. Registrar and Transfer Agent Agreement dated February 06, 2023 executed between our Company and the Registrar to the Issue.
3. Market Making Agreement dated July 13, 2023, executed between our Company, Book Running Lead Manager and Market Maker to the Issue.
4. Banker to the Issue Agreement dated June 28, 2023, executed between our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
5. Underwriting Agreement dated July 13, 2023, executed between our Company, Book Running Lead Manager, and Underwriter.
6. Syndicate Agreement dated July 17, 2023 executed between our Company, Book Running Lead Manager and Syndicate Member
7. Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated January 25, 2023.
8. Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated January 25, 2023.

#### B. MATERIAL DOCUMENTS

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Board Resolution dated January 03, 2023 and Special Resolution passed pursuant to Section 62(1)(C) of the Companies Act, 2013 at the EoGM by the shareholders of our Company held on January 04, 2023.
3. Statement of Tax Benefits dated June 23, 2023 issued by our Statutory Auditors M/s. A S R V & Co., Chartered Accountants Ahmedabad.
4. Copy of Restated Financial Statement– M/s. A S R V & Co., Chartered Accountants, Ahmedabad for the year ended March 31, 2023, 2022 and 2021 dated June 23, 2023 included in the Red Herring Prospectus.
5. Copy of Audited Financial Statement for the year ended on March 31, 2023, 2022 and 2021.
6. Certificate from M/s. A S R V & Co., Chartered Accountants Ahmedabad dated July 12, 2023 regarding the source and deployment of funds towards the objects of the Issue.
7. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Advisor to the Company, Legal Advisor to the Issue, BRLM to the Issue, Registrar to the Issue, Banker to the Issue, Market Maker and Underwriter to the Issue to act in their respective capacities.
8. Due Diligence Certificate from Book Running Lead Manager dated July 19, 2023 addressing SEBI.
9. Copy of In-principle approval letter dated June 22, 2023 from the NSE.



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10. Exemption letter under regulation 300(1) (c) of the SEBI ICDR Regulations, 2018 from strict enforcement of Regulation 2(1) (pp) of the ICDR Regulations, 2018 to Shri Tectex Limited with respect to- (i) Anjali Ashutosh Tiijlaria; (ii) Madhusndan Sundannal Sonthalia (iii) Sheela Devi Sonthalia; (iv) Parag Kumar Sonthalia; (v) Dheeraj Kumar Sonthalia along with trail of related communications.

Any of the contracts or documents mentioned in the Red Herring 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 shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



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### **DECLARATION**

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the 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 and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

**Shradha Hanskumar Agarwal**  
**Chairman and Managing Director**  
**DIN: 02195281**

**Date: July 19, 2023**  
**Place: Ahmedabad**



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### **DECLARATION**

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the 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 and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

**Hanskumar Ramakant Agarwal**  
**Executive Director**  
**DIN: 00013290**

**Date: July 19, 2023**  
**Place: Ahmedabad**





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### **DECLARATION**

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the 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 and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Vikas Srikishan Agarwal**  
**Non Executive Director**  
**DIN: 03585140**

**Date: July 19, 2023**  
**Place: Ahmedabad**



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### **DECLARATION**

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the 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 and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

**Vimalkumar Mishralal Shah**  
**Independent Director**  
**DIN: 03011067**

**Date: July 19, 2023**  
**Place: Ahmedabad**



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### **DECLARATION**

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the 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 and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Anup Mahendra Gopalka**  
**Independent Director**  
**DIN: 01114195**

**Date: July 19, 2023**  
**Place: Ahmedabad**



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### **DECLARATION**

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the 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 and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Red Herring Prospectus are true and correct.

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**Aashish Ashok Bhaiya**  
**Chief Financial officer**

**Date: July 19, 2023**  
**Place: Ahmedabad**



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### **DECLARATION**

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the 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 and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Red Herring Prospectus are true and correct.

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**Akanksha Aswani**  
**Company Secretary and Compliance Officer**

**Date: July 19, 2023**  
**Place: Ahmedabad**