



WOL 3D INDIA LIMITED  
CIN: U74110MH1988PLC049454

| Registered Office  | Contact Person   | Email and Telephone   | Website  |
|--|--|---|--|
| 18, Ground Floor, Bombay Cotton Mill Estate, Dattaram Lad Marg, Kalachowky, Mumbai, Maharashtra, India, 400033 | Nayna Pratik Lunker<br>Company Secretary & Compliance Officer  | <b>E-mail:</b><br><a href="mailto:investor.relations@wol3d.com">investor.relations@wol3d.com</a><br><b>Tel No:</b> 022 – 23727396 | <b>Website:</b> <a href="http://www.wol3d.com">www.wol3d.com</a> |
| <b>Promoters of the Company</b>  | <b>Rahul Virendra Chandalia, Saloni Rahul Chandalia, Pradeep Shripal Jain and Swati Pradeep Jain</b> |   |  |

| DETAILS OF THE OFFER |  |   |   |  |
|----------------------|--|---|---|--|
| Type                 | Fresh Issue Size (in ₹ lakhs)                      | OFS Size (by no. of Shares or by amount in ₹)       | Total Offer Size (in ₹ lakhs)                         | Eligibility  |
| Fresh Issue          | 14,52,000 Equity Shares aggregating to ₹ [●] Lakhs | 2,52,000 Equity Shares aggregating upto ₹ [●] Lakhs | 17,04,000 Equity Shares aggregating up to ₹ [●] lakhs | This Offer is being made in terms of regulation 229(1) and 253(1) of chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. |

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION** - For further details see “Other Regulatory and Statutory Disclosures” on page 221 of this Red Herring Prospectus.


| Name of Selling Shareholder | Type     | No. of Shares Offered | Weighted average cost of Acquisition (in ₹ per Equity Share) |
|-----------------------------|----------|-----------------------|--|
| Rahul Virendra Chandalia    | Promoter | 70,000                | 1.74   |
| Saloni Rahul Chandalia      | Promoter | 1,00,000              | Nil  |
| Pradeep Shripal Jain        | Promoter | 47,000                | 1.05   |
| Swati Pradeep Jain          | Promoter | 35,000                | Nil  |

**RISK IN RELATION TO THE FIRST OFFER**  
The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Offer Price determined by our Company and selling shareholders, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Offer Price” on page 87 should not be considered 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 nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**  
Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Offer 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 the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares issued in the Offer 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 Red Herring Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 29 of this Red Herring Prospectus.

**ISSUER & SELLING SHAREHOLDERS ABSOLUTE RESPONSIBILITY**  
The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to the Company and the Offer, which is material in the context of the Offer, 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. Further, each of the Selling Shareholders, severally and not jointly, accepts responsibility for only such statements specifically confirmed or specifically undertaken by such Selling Shareholder in this Red Herring Prospectus to the extent such statements specifically pertain to itself and/or its Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, none of the Selling Shareholders assume any responsibility for any other statements, disclosures or undertakings, including without limitation, any and all of the statements, disclosures or undertakings made by or in relation to our Company, its business, or any other Selling Shareholder, in this Red Herring Prospectus.

**LISTING**  
The Equity Shares Issued through Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (“NSE Emerge”). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For the purpose of this Offer, the Designated Stock Exchange will be the National Stock Exchange of India Limited (“NSE”).

| BOOK RUNNING LEAD MANAGER TO THE OFFER   |                |   |
|--|----------------|---|
| Name and Logo  | Contact Person | Email & Telephone   |
|  <b>HEM SECURITIES LIMITED</b> | Roshni Lahoti  | <b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> ;<br><b>Tel. No.:</b> +91-022-49060000 |

| REGISTRAR TO THE OFFER  |                |  |
|---|----------------|--|
| Name and Logo   | Contact Person | Email & Telephone  |
|  <b>Bigshare Services Pvt. Ltd.</b><br><b>Bigshare Services Private Limited</b> | Ganesh Shinde  | <b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a><br><b>Tel No.:</b> +91-22-6263 8200 |

| BID/OFFERPERIOD  |   |  |
|--|---|--|
| <b>ANCHOR PORTION OFFER OPENS/CLOSES ON:</b><br><b>FRIDAY, SEPTEMBER 20, 2024*</b> | <b>BID/OFFER OPENS ON:</b><br><b>MONDAY, SEPTEMBER 23, 2024**</b> | <b>BID/OFFER CLOSES ON:</b><br><b>WEDNESDAY, SEPTEMBER 25, 2024***</b> |

\*Our Company and the Selling shareholders in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

\*\*Our Company and the Selling shareholders, in consultation with the BRLM, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI (ICDR) Regulations.

\*\*\*The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Day.



WOL 3D INDIA LIMITED  
CIN: U74110MH1988PLC049454

Our Company was originally incorporated as a private limited Company under the name of “Parekh Polyester Private Limited” on November 01, 1988 bearing registration number as 11-49454. Subsequently, Ratan Mohanraj Chandalia, Virendra Mohanraj Chandalia, Sumitra Virendra Chandalia, Shweta Virendra Chandalia and Swati Virendra Chandalia, purchased the entire shareholding in the year 2003. Thereafter, the name of the company was changed from “Parekh Polyester Private Limited” to “Wol 3D India Private Limited” vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on April 30, 2018 and consequent to name change a fresh Certificate of Incorporation was granted to our Company on June 20, 2018 by the Registrar of Companies, Mumbai. Subsequently, our Company was converted into a public limited company vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on December 12, 2022 and consequently the name of our Company was changed from “WOL 3D India Private Limited” to “WOL 3D India Limited” vide fresh Certificate of Incorporation granted to our Company consequent upon conversion into public limited company dated January 02, 2023 by the Registrar of Companies, Mumbai bearing Corporate Identification Number U74110MH1988PLC049454.

**Registered Office:** 18, Ground Floor, Bombay Cotton Mill Estate, Dattaram Lad Marg, Kalachowky, Mumbai, Maharashtra, India, 400033.

**Contact Person:** Nayna Pratik Lunker, Company Secretary & Compliance Officer

**Tel No:** 022 – 23727396; **E-mail:** investor.relations@wol3d.com; **Website:** www.wol3d.com;

**Promoters of our Company:** Rahul Virendra Chandalia, Saloni Rahul Chandalia, Pradeep Shripal Jain and Swati Pradeep Jain

| DETAILS OF THE OFFER  |   |  |
|---|---|--|
| <b>INITIAL PUBLIC OFFER OF 17,04,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE "EQUITY SHARES") OF WOL 3D INDIA LIMITED ("OUR COMPANY" OR "WOL 3D" OR "THE ISSUER") AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹[●] LAKHS("PUBLIC OFFER") COMPRISING OF A FRESH ISSUE OF 14,52,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF 2,52,000 EQUITY SHARES BY THE SELLING SHAREHOLDERS ("OFFER FOR SALE") AGGREGATING TO ₹ [●] LAKHS COMPRISING; 70,000 EQUITY SHARES AGGREGATING UP TO ₹[●] LAKHS BY RAHUL VIRENDRA CHANDALIA; 1,00,000 EQUITY SHARES AGGREGATING ₹ [●] LAKHS BY SALONI RAHUL CHANDALIA, 47,000 EQUITY SHARES AGGREGATING UP TO ₹[●] LAKHS BY PRADEEP SHRIPAL JAIN AND 35,000 EQUITY SHARES AGGREGATING UP TO ₹[●] LAKHS BY SWATI PRADEEP JAIN (COLLECTIVELY REFERRED AS "SELLING SHAREHOLDERS") OUT OF WHICH 88,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF 16,16,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET OFFER". THE PUBLIC OFFER AND NET OFFER WILL CONSTITUTE 26.41% AND 25.05% RESPECTIVELY OF THE POST- OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.</b>   |   |  |
| <b>THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND SELLING SHAREHOLDERS IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL EDITION OF BUSINESS STANDARD (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITION OF BUSINESS STANDARD (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND MUMBAI EDITION OF PRATAHKAL, A REGIONAL NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE OF MUMBAI WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF NSE ("NSE EMERGE") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.</b>   |   |  |
| In case of any revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Offer 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 website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.   |   |  |
| The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company and Selling Shareholders, may in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net 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 Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% 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% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer 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 Offer Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank 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 Offer through the ASBA process. For details, see <b>"Offer Procedure"</b> beginning on page 249 of this Red Herring Prospectus. |   |  |
| RISK IN RELATION TO THE FIRST OFFER   |   |  |
| The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Offer Price determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under <b>"Basis for Offer Price"</b> on page 89 should not be considered 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 nor regarding the price at which the Equity Shares will be traded after listing.   |   |  |
| GENERAL RISKS   |   |  |
| Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Offer 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 the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares Offered in the Offer 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 Red Herring Prospectus. Specific attention of the investors is invited to the section <b>"Risk Factors"</b> beginning on page 29 of this Red Herring Prospectus.  |   |  |
| ISSUER & SELLING SHAREHOLDERS ABSOLUTE RESPONSIBILITY   |   |  |
| The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to the Company and the Offer, which is material in the context of the Offer, 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. Further, each of the Selling Shareholders, severally and not jointly, accepts responsibility for only such statements specifically confirmed or specifically undertaken by such Selling Shareholder in this Red Herring Prospectus to the extent such statements specifically pertain to itself and/or its Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, none of the Selling Shareholders assume any responsibility for any other statements, disclosures or undertakings, including without limitation, any and all of the statements, disclosures or undertakings made by or in relation to our Company, its business, or any other Selling Shareholder, in this Red Herring Prospectus.  |   |  |
| LISTING   |   |  |
| The Equity Shares Offered through this Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For the purpose of this Offer, the Designated Stock Exchange will be the National Stock Exchange of India Ltd. ("NSE")  |   |  |
| BOOK RUNNING LEAD MANAGER TO THE OFFER  |   | REGISTRAR TO THE OFFER   |
|   |   |   |
| <b>HEM SECURITIES LIMITED</b><br>904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, India<br><b>Tel. No.:</b> +91- 022- 49060000; <b>Fax No.:</b> +91- 022- 22625991<br><b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a><br><b>Investor Grievance Email:</b> <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a><br><b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a><br><b>Contact Person:</b> Roshni Lahoti<br><b>SEBI Regn. No.</b> INM000010981   |   | <b>Bigshare Services Private Limited</b><br><b>Address:</b> S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, India.<br><b>Telephone:</b> +91 22 6263 8200<br><b>Facsimile:</b> +91 22 6263 8299<br><b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a><br><b>Investor Grievance Email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a><br><b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a><br><b>Contact Person:</b> Ganesh Shinde<br><b>SEBI Registration Number:</b> INR000001385 |
| OFFER PROGRAMME   |   |  |
| <b>ANCHOR PORTION OFFER OPENS/CLOSES ON:</b><br><b>FRIDAY, SEPTEMBER 20, 2024 *</b>   | <b>BID/OFFER OPENS ON:</b><br><b>MONDAY, SEPTEMBER 23, 2024**</b> | <b>BID/OFFER CLOSES ON:</b><br><b>WEDNESDAY, SEPTEMBER 25, 2024***</b>   |

\*The Company and Selling shareholder may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

\*\*Our Company and Selling shareholder may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

\*\*\* The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Day.

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## **SECTION I – GENERAL**

### **DEFINITIONS 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, 2013, the SEBI (ICDR) Regulations, 2018, the Securities Contracts Regulation Act, 1956 (“SCRA”), the Depositories Act or the rules and regulations made there under.*

*Notwithstanding the foregoing, terms used in of the sections “Statement of Special Tax Benefits”, “Financial Information of the Company” and “Main Provisions of the Articles of Association” on page 94, 165 and 283 respectively, shall have the meaning ascribed to such terms in such sections.*

#### **General Terms**

| <b>Terms</b>  | <b>Description</b>  |
|---|---|
| “Wol 3D”, “the Company”, “our Company”, “Issuer” and “Wol 3D India Limited” | Wol 3D India Limited, a Company incorporated in India under the Companies Act, 1956, having its Registered office at 18, Ground Floor, Bombay Cotton Mill Estate, Dattaram Lad Marg, Kalachowky, Mumbai, Maharashtra, India, 400033 |
| “we”, “us” and “our”  | Unless the context otherwise indicates or implies refers to our Company.  |
| “you”, “your” or “yours”  | Prospective investors in this Offer.  |

#### **Company related and Conventional terms**

| <b>Term</b>                              | <b>Description</b>   |
|--|--|
| AOA/ Articles/ Articles of Association   | Articles of Association of our Company, as amended from time to time   |
| Audit Committee                          | The Audit Committee of our Board constituted in accordance with Section 177 of the Companies Act and as described in the chapter titled “ <b><i>Our Management</i></b> ” beginning on page 143 of this Red Herring Prospectus  |
| Auditors/ Statutory Auditors             | The Statutory Auditors of our Company being M/s A D V & Associates Chartered Accountants (FRN: 128045W)  |
| Bankers to our Company                   | HDFC Bank  |
| Board of Directors/ the Board/ our Board | The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “ <b><i>Our Management</i></b> ” beginning on page 143 of this Red Herring Prospectus                           |
| Chief Financial Officer/ CFO             | The Chief Financial Officer of our Company being Saloni Rahul Chandalia.   |
| CIN                                      | Corporate Identification Number being U74110MH1988PLC049454  |
| Companies Act/ Act                       | The Companies Act, 2013 and amendments thereto and erstwhile Companies Act 1956 as applicable  |
| Company Secretary and Compliance Officer | The Company Secretary & Compliance Officer of our Company being Nayna Pratik Lunker (M. No. 32833)   |
| Depository/ Depositories                 | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time, being National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). |
| Depositories Act                         | The Depositories Act, 1996, as amended from time to time.  |
| DIN                                      | Directors Identification Number.   |
| Director(s)/ our Directors               | The Director(s) of our Company, unless otherwise specified. For details of our directors, see “ <b><i>Our Management</i></b> ” on page 143 of this Red Herring Prospectus.   |
| DP/ Depository Participant               | A depository participant as defined under the Depositories Act, 1996.  |
| DP ID                                    | Depository’s Participant’s Identity Number   |
| Equity Shareholders/ Shareholders        | Persons/ Entities holding Equity Shares of our Company.  |

| Term                                       | Description   |
|--|---|
| Equity Shares                              | Equity Shares of the Company of face value of ₹ 10/- each unless otherwise specified in the context thereof.  |
| Factory                                    | The Factory of Our Company situated at Gala No. 110/ Bldg No. B-5 Floor 1, Radhe Krishna Industrial Park, House no. 764, Village Pimplas, Bhiwandi Thane  |
| Fugitive economic offender                 | Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)  |
| GIR Number                                 | General Index Registry Number.  |
| HNI  | High Net worth Individual   |
| HUF  | Hindu Undivided Family  |
| IBC  | The Insolvency and Bankruptcy Code, 2016  |
| Independent Director                       | An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations. For details, see section titled <b><i>“Our Management”</i></b> on page 143 of this Red Herring Prospectus.  |
| Ind AS or Indian Accounting Standards      | Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended.  |
| ISIN                                       | International Securities Identification Number. In this case being INE000201011   |
| IT Act                                     | The Income Tax Act, 1961 as amended till date.  |
| JV/ Joint Venture                          | A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.   |
| Key Management Personnel/ KMP              | Key Management Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI Regulations, Section 2(51) of the Companies Act, 2013. For details, see section titled <b><i>“Our Management”</i></b> on page 143 of this Red Herring Prospectus.   |
| MOA/ Memorandum/ Memorandum of Association | Memorandum of Association of Wol 3D India Limited as amended from time to time.   |
| MD or Managing Director                    | The Managing Director of our Company is Rahul Virendra Chandalia.   |
| Materiality Policy                         | The policy adopted by our Board on April 26, 2024 for identification of Group Companies, material outstanding litigation and material outstanding dues to creditors, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations, 2018 as amended from time to time.  |
| Nomination and Remuneration Committee      | The nomination and remuneration committee of our Board constituted in accordance with Section 178 of the Companies Act, 2013 as described in the chapter titled <b><i>“Our Management”</i></b> beginning on page 143 of this Red Herring Prospectus.  |
| Non-Executive Director                     | The non-executive directors (other than the Independent Directors) of our Company in terms of the Companies Act, and the rules thereunder. For details, see section titled <b><i>“Our Management”</i></b> on page 143 of this Red Herring Prospectus.   |
| NRI/ Non-Resident Indians                  | Person of Indian origin as defined under Consolidated Foreign Direct Investment Policy, 2020  |
| Person or Persons                          | Any Individual, Sole Proprietorship, Unincorporated Association, Unincorporated Organization, Body Corporate, Corporation, Company, Partnership, Limited Liability Company, Joint Venture, or Trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires. |
| Promoter(s)                                | Shall mean promoters of our Company i.e. Rahul Virendra Chandalia, Saloni Rahul Chandalia, Pradeep Shripal Jain and Swati Pradeep Jain. For further details, please refer to section titled <b><i>“Our Promoters &amp; Promoter Group”</i></b> beginning on page 158 of this Red Herring Prospectus.  |
| Promoter Group                             | Includes such Persons and companies constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section <b><i>“Our Promoters and Promoter Group”</i></b> beginning on page 158 of this Red Herring Prospectus.  |
| RBI Act                                    | The Reserve Bank of India Act, 1934 as amended from time to time.   |
| Registered Office of our Company           | The Registered Office of our Company situated at 18, Ground Floor, Bombay Cotton Mill Estate, Dattaram Lad Marg, Kalachowky, Mumbai, Maharashtra, India, 400033   |
| Reserve Bank of India/ RBI                 | Reserve Bank of India constituted under the RBI Act, 1934.  |
| Restated Financial Information             | The Restated Financial statements of our Company comprising of the Restated Financial Statement of Assets and Liabilities as at March 31, 2024 and March 31, 2023 and March 31, 2022, the Restated Financial Statement of Profit & Loss for the   |

| Term                                 | Description   |
|--------------------------------------|---|
|                                      | period ended on March 31, 2024 and March 31, 2023 and March 31, 2022 and the Restated Cash Flows Statements for the period ended March 31, 2024 and March 31, 2023 and March 31, 2022 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto. |
| RoC/ Registrar of Companies          | Registrar of Companies, Mumbai, Everest, 100 Marine Drive, Mumbai, Maharashtra, India, 400002.  |
| Selling Shareholder (s)              | Shall mean Selling shareholders of our Company i.e. Rahul Virendra Chandalia, Saloni Rahul Chandalia, Pradeep Shripal Jain and Swati Pradeep Jain. For further details, please refer to section titled " <b><i>Our Promoters &amp; Promoter Group</i></b> " beginning on page 158 of this Red Herring Prospectus.   |
| Stakeholders' Relationship Committee | Stakeholders' relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and regulation 20 of SEBI (Listing obligations and disclosure requirements) regulations 2015 as described in the chapter titled " <b><i>Our Management</i></b> " beginning on page 143 of this Red Herring Prospectus   |
| Stock Exchange                       | Unless the context requires otherwise, refers to, NSE EmERGE.   |
| Shareholders                         | Shareholders of our Company from time to time.  |
| Sub- Account                         | Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.   |
| Subscriber to MOA                    | Initial Subscribers to MOA & AOA being Ghevarchand M Parekh and Hasmukh M. Parekh.  |

#### **Offer 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 a bidder as proof of registration of the Application.  |
| Allotment/ Allot/ Allotted        | Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale to successful Bidders   |
| Allotment Advice                  | A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.  |
| Allottee (s)                      | A successful bidder to whom the Equity Shares are allotted.  |
| Anchor Investor(s)                | 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.   |
| Anchor Investor Allocation Price  | The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Managers during the Anchor Investor Bid/ Offer Period  |
| Anchor Investor Application Form  | The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus  |
| Anchor Investor Bid/ Offer Period | One Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed   |
| Anchor Investor Offer Price       | The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price.<br>The Anchor Investor Offer Price will be decided by our Company, in consultation with the Book Running Lead Managers |



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| Anchor Investor Portion                               | Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations   |
| Application Supported by Block Amount (ASBA)          | An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and will include amounts blocked by the SCSB upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism   |
| ASBA Account  | A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a Retail Individual Investor linked to a UPI ID, which will be blocked in relation to a Bid by a Retail Individual Investor Bidding through the UPI Mechanism.   |
| ASBA Application Location(s)/ Specified Cities        | Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad  |
| ASBA Bidder   | Any prospective investor(s) / Bidder (s) in this Offer who apply(ies) through the ASBA process except Anchor Investor  |
| ASBA Form/ Bid cum Application                        | An application form (with or without UPI ID, as applicable), whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus or the Prospectus.   |
| Banker to the Offer Agreement                         | Agreement dated September 10, 2024 entered into amongst the Company, Selling Shareholders, Book Running Lead Manager, the Registrar, Sponsor Bank and the Banker to the Offer.   |
| Bankers to the Offer/ Public Offer Bank/ Sponsor Bank | Banks which are clearing members and registered with SEBI as Bankers to an Offer and with whom the Public Offer Account will be opened, in this case being Axis Bank Limited*  |
| Basis of Allotment                                    | The basis on which the Equity Shares will be Allotted to successful bidders under the offer and which is described in the chapter titled <b><i>“Offer Procedure”</i></b> beginning on page 249 of this Red Herring Prospectus.   |
| Bid   | An indication to make an offer during the Bid/ Offer Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Offer Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application 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 Bid cum Application Form. The term “Bidding” shall be construed accordingly.   |
| Bid Amount  | The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Offer.   |
| Bid Lot   | [●] equity shares and in multiples of [●] equity shares thereafter.  |
| Bid/ Offer Closing Date                               | Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids being September 25, 2024, which shall be notified in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Marathi Edition of Regional newspaper Pratahkal where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Offer closing Date also to be notified on the website and terminals of the Syndicate, SCSB’s and Sponsor Bank, as required under the SEBI ICDR Regulations. |
| Bid/ Offer Opening Date                               | Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids being September 23, 2024, which shall be notified in all editions of the English national newspaper Business Standard, all editions of Hindi national  |

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|   | newspaper Business Standard and Marathi Edition of Regional newspaper Pratahkal where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Offer Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.  |
| Bid/ Offer Period                             | Except in relation to any Bids received from the Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date or the QIB Bid/ Offer Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Offer Period shall be kept open for a minimum of three Working Days for all categories of Bidders. |
| Bidder/ First Bidder/ Applicant               | Any prospective investor who makes a bid pursuant to the terms of the Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor   |
| Bidding                                       | The process of making a Bid.   |
| Bidding/ Collection Centres                   | Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centres for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.  |
| Book Building Process/ Book Building Method   | Book Building Process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made  |
| BRLM / Book Running Lead Manager              | Book Running Lead Manager to the Offer in this case being Hem Securities Limited, SEBI Registered Category I Merchant Banker.  |
| Broker Centres                                | Broker Centres notified by the Stock Exchanges, where the investors can submit the Application Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.   |
| Business Day                                  | Monday to Friday (except public holidays).   |
| CAN or Confirmation of Allocation Note        | The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.  |
| Cap Price                                     | The higher end of the price band above which the Offer Price will not be finalized and above which no Bids (or a revision thereof) 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 Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI  |
| Collecting Registrar and Share Transfer Agent | Registrar to an Offer and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.  |
| Controlling Branches of the SCSBs             | Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Offer and the Stock Exchange.  |
| Cut Off Price                                 | The Offer Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.   |
| Demographic Details                           | The demographic details of the Bidders such as their Address, PAN, name of the Bidders father/husband, investor status, Occupation and Bank Account details.   |
| Designated CDP Locations                      | Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants.<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 website of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>                                       |
| Designated Date                               | The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as applicable, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of   |



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|  | Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Offer.   |
| Designated Intermediaries/<br>Collecting Agent | An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an offer and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).  |
| Designated Market Maker                        | Member Brokers of NSE who are specifically registered as Market Makers with the NSE SME Platform. In our case, Hem Finlease Private Limited is the sole Market Marker.  |
| 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="https://www.nseindia.com/">https://www.nseindia.com/</a> .  |
| Designated SCSB Branches                       | Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.   |
| Designated Stock Exchange                      | NSE ("SME Exchange") ("NSE Emerge")   |
| Draft Red Herring Prospectus                   | Draft Red Herring Prospectus dated May 09, 2024 filed with NSE Emerge.  |
| Electronic Transfer of Funds                   | Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.  |
| Eligible NRI                                   | A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the offer and in relation to whom this Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.   |
| Eligible QFIs                                  | QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer 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(s)                              | The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.   |
| First Bidder/ Applicant/ Bidders               | Bidder(s) whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.  |
| Floor Price                                    | The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer 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 provision of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, 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, 2019, as amended |
| Fugitive Economic Offender                     | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.   |
| General Corporate Purposes                     | Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any Offer related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.   |
| General Information Document (GID)             | The General Information Document for investing in public issues, prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 and the UPI Circulars. The General Information Document shall be available on the websites of the Stock Exchanges, and the Book Running Lead Managers.  |

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| Listing Agreement   | The Equity Listing Agreement to be signed between our Company and the Stock Exchange.  |
| Lot Size  | [●]  |
| Mandate Request   | Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.   |
| Market Maker Reservation Portion  | The reserved portion of 88,000 Equity Shares of ₹10 each at an Offer price of ₹ [●] each is aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this offer.   |
| Market Making Agreement   | The Market Making Agreement dated September 10, 2024 between our Company, Book Running Lead Manager and Market Maker Hem Finlease Private Limited.   |
| Mutual Fund Portion   | 5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.  |
| Mutual Funds  | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.  |
| Net Offer   | The Offer (excluding the Market Maker Reservation Portion) of 16,16,000 equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share (the “Offer Price”), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs.  |
| Net Proceeds  | The Offer Proceeds received from the fresh Issue excluding Offer related expenses. For further information on the use of Offer Proceeds and Offer expenses, please refer to the section titled “ <i>Objects of the Offer</i> ” beginning on page 80 of this Red Herring Prospectus.  |
| Net QIB Portion   | The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors  |
| Non- Resident   | A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs   |
| Non-Institutional Bidders   | All Bidders that are not QIBs, RIBs or Eligible Employees Bidding in the Employee Reservation Portion and who have Bid for Equity Shares, for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)   |
| Non-Institutional Portion   | The portion of the Offer being not less than 15% of the Offer, consisting of 2,43,000 Equity Shares, which shall be available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price.  |
| Offer Agreement   | The Offer Agreement dated May 03, 2024 between our Company, Selling Shareholders and Book Running Lead Manager, Hem Securities Limited.  |
| Offer Price   | The Price at which the Equity Shares are being issued by our Company under this Red Herring Prospectus being ₹ [●] per Equity share, as determined by our Company and the Selling Shareholders, in consultation with the BRLM.   |
| Offer Proceeds  | Proceeds to be raised by our Company through this Offer, for further details please refer chapter titled “ <i>Objects of the Offer</i> ” beginning on page 80 of this Red Herring Prospectus   |
| Offer/ Public Offer/ Offer size/ Initial Public Offer/ Initial Public Offering/ IPO | The Initial Public Offer of 17,04,000 Equity shares of Rs. 10/- each at Offer price of Rs. [●]/- per Equity share, including a premium of Rs. [●]/- per equity share aggregating to Rs. [●] lakhs comprising of a Fresh Issue of 14,52,000 Equity Shares and the Offer for Sale of 2,52,000 Equity Shares by Selling Shareholders.   |
| Offer for Sale  | The offer for sale component of the Offer, comprising of an offer for sale of 2,52,000 Equity Shares at ₹ [●] per Equity Share aggregating up to ₹ [●] lakhs by Selling Shareholders.  |
| Offered Shares  | Offer of 2,52,000 Equity shares aggregating to Rs [●] lakhs being offered for sale by the selling shareholders in the offer  |
| Other Investor  | Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.  |
| Overseas Corporate Body/ OCB  | Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the |

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|   | general permission granted under the Regulations. OCBs are not allowed to invest in this Offer.  |
| Pay-in-Period                                     | The period commencing on the Bid/Offer Opening date and extended till the closure of the Anchor Investor Pay-in-Date.  |
| Payment through electronic transfer of funds      | Payment through NECS, NEFT or Direct Credit, as applicable.  |
| 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 ₹ [●] and includes revisions thereof. 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/ Offer Opening Date.  |
| Pricing Date                                      | The date on which our Company in consultation with the BRLM, will finalize the Offer Price.  |
| Prospectus  | The Prospectus, to be filed with the Registrar of Companies in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013, containing, inter alia, the Offer Price, size of the Offer and certain other information.   |
| Public Offer Account                              | Account to be opened with the Bankers to the Offer to receive monies from the SCSBs from the bank account of the Applicant, on the Designated Date.  |
| QIB Category/ QIB Portion                         | The portion of the Net Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer, consisting of 8,07,000 Equity Shares aggregating to ₹[●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors). |
| Qualified Institutional Buyers/ QIBs/ QIB Bidders | Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.  |
| Red Herring Prospectus / RHP                      | This red herring prospectus dated September 13, 2024 issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer.<br>The Bid/Issue Opening Date shall be at least three Working Days after the registration of Red Herring Prospectus with the RoC. The Red Herring Prospectus will become the Prospectus upon filing with the RoC after the Pricing Date.               |
| Refund Account                                    | The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.   |
| Refund Bank/ Refund Banker                        | Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Offer at which the Refund Account will be opened, in this case being Axis Bank Limited   |
| Refund through electronic transfer of funds       | Refunds through NECS, direct credit, RTGS or NEFT, as applicable.  |
| Registered Broker                                 | The stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids   |
| Registrar Agreement                               | The agreement dated May 07, 2024 entered into between our Company, Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.  |
| Registrar and Share Transfer Agents or RTAs       | Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 DATED November 10, 2015 issued by SEBI.  |
| Registrar/ Registrar to the Offer/ RTA/ RTI       | Registrar to the Offer, in this case being Bigshare Services Private Limited.  |
| Regulation S                                      | Regulation S under the U.S. Securities Act of 1933, as amended from time to time.  |

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| Reservation Portion  | The portion of the Offer reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018.   |
| Reserved Category/ Categories  | Categories of persons eligible for making application under reservation portion.   |
| Retail Individual Bidders/ RIBs/ Retail Individual Investors/ RIIs                         | Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than ₹ 2,00,000/- in any of the bidding options in the Net offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).  |
| Retail Portion   | The portion of the Offer being not less than 35% of the Net Offer, consisting of 5,66,000 Equity Shares, available for allocation to Retail Individual Bidders.  |
| 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), as applicable. QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.   |
| Securities laws  | Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.   |
| SEBI (ICDR) Regulations/ ICDR Regulation/ Regulation                                       | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.  |
| SEBI (Venture Capital Fund) Regulations  | The erstwhile Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations   |
| SEBI Act/ SEBI   | Securities and Exchange Board of India Act, 1992, as amended from time to time.  |
| SEBI Insider Trading Regulations   | The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.  |
| SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR) | The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.  |
| SEBI Takeover Regulations or SEBI (SAST) Regulations                                       | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.   |
| Self-Certified Syndicate Bank(s) / SCSB(s)   | Shall mean a Banker to an Offer registered under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time. |
| Selling Shareholders   | Selling Shareholders being Rahul Virendra Chandalia, Saloni Rahul Chandalia, Pradeep Shripal Jain and Swati Pradeep Jain.  |
| SME Exchange   | NSE ("SME Exchange") ("NSE Emerge")  |
| Specified Locations  | Collection centres where the SCSBs shall accept application form, a list of which is available on the website of SEBI ( <a href="https://www.sebi.gov.in/">https://www.sebi.gov.in/</a> ) and updated from time to time.   |
| Specified Securities   | Equity shares offered through this Red Herring Prospectus.   |
| Sponsor Bank   | Sponsor Bank means a Banker to the Offer registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National Payments Corporation of India) in order to push the mandate, collect requests and / or payment instructions of the Retail Investors into the UPI.   |
| Sub Syndicate Member   | A SEBI Registered member of NSE appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Offer.  |
| Syndicate  | Includes the BRLM, Syndicate Members and Sub Syndicate Members.  |
| Syndicate Agreement  | The agreement dated September 10, 2024 entered into amongst our Company, the BRLM, Syndicate Member and the Selling Shareholders, in relation to the collection of Bids in this Offer.   |

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| Syndicate ASBA Bidding Locations                     | Bidding Centres where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi   |
| Syndicate Members/ Members of the Syndicate          | Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being Hem Finlease Private Limited.   |
| Systemically Important Non-Banking Financial Company | Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.  |
| Transaction Registration Slip/ TRS                   | The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.   |
| U.S. Securities Act                                  | U.S. Securities Act of 1933, as amended   |
| Underwriter  | The BRLM who has underwritten this Offer pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, (Repeal) 2021, as amended from time to time.  |
| Underwriting Agreement                               | The Agreement dated September 10, 2024 entered between the Underwriter, BRLM, Selling Shareholders and our Company.   |
| UPI  | UPI is an instant payment system developed by the NPCI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account  |
| UPI Circulars  | SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI Circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, along with (i) the circulars issued by the National Stock Exchange of India Limited having reference no. 23/2022 dated July 22, 2022 and reference no. 25/2022 dated August 3, 2022; and (ii) the circulars issued by BSE having reference no. 20220722-30 dated July 22, 2022 and reference no. 20220803-40 dated August 3, 2022; and any subsequent circulars or notifications issued by SEBI, BSE or National Stock Exchange of India Limited in this regard |
| UPI ID   | ID created on the UPI for single-window mobile payment system developed by the NPCI   |
| UPI Mandate Request/ Mandate Request                 | A request (intimating the RII by way of notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.   |
| UPI Mechanism  | The mechanism that was used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars on Streamlining of Public Issues  |
| UPI PIN  | Password to authenticate UPI transaction  |
| Venture Capital Fund/ VCF                            | Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations   |
| Wilful Defaulter(s)                                  | Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, 2018.  |
| Working Day  | In accordance with Regulation 2(1) (mmm) of SEBI (ICDR) Regulations, 2018, working days means, all days on which commercial banks in Mumbai are open for business.<br>However, in respect of–<br>(a) announcement of Price Band; and  |

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|  | (b) Offer period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business;<br>(c) the time period between the Offer Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI. |
|--|---|

### **Technical and Industry Related Terms**

| <b>Term</b> | <b>Description</b>                                    |
|-------------|---|
| ABS         | Acrylonitrile butadiene styrene                       |
| Addwize     | Additive technology Adoption & Acceleration programme |
| AIM         | Atal Innovation Mission                               |
| AM          | Additive Manufacturing                                |
| ARC         | Advanced Research Centre                              |
| ASTM        | American Society for Testing and Materials            |
| ATL         | Atal Tinkering Labs                                   |
| CAD         | Computer-aided-design                                 |
| CAM         | Computer Aided Manufacturing                          |
| CECRI       | Central Electrochemical Research Centre               |
| CGCRI       | Central Glass and Ceramic Research Institute          |
| CMERI       | Central Mechanical Engineering Research Institute     |
| CMTI        | Central Manufacturing Technology Institute            |
| CPAM        | Centre for Promotion of Additive Manufacturing        |
| DfAM        | Design for Additive Manufacturing                     |
| DIY         | Do-It-Yourself  |
| DMLS        | Direct Metal Laser Sintering                          |
| DMRL        | Defence Metallurgical Research Laboratory             |
| EBM         | Electron Beam Melting                                 |
| ECLGS       | Emergency Credit Line Guarantee Scheme                |
| EMDE        | Emerging And Developing Economies                     |
| EMDEs       | Emerging Market and Developing Economies              |
| FDM         | Fused Deposition Modelling                            |
| GVA         | Gross Value Addition                                  |
| HIP         | Hot Isostatic Pressing                                |
| IDC         | International Development Corporation                 |
| IIT         | Indian Institute of Technology                        |
| LMD         | Laser Metal Deposition                                |
| LOM         | Laminated Object Manufacturing                        |
| MeitY       | Ministry Of Electronics and Information Technology    |
| MJM         | Multi-Jet Modelling                                   |
| NAMC        | National Additive Manufacturing Centre                |
| NC          | Numerical Control                                     |
| NTTF        | Nettur Technical Training Foundation                  |
| OFS         | Offer for Sale  |
| PBIH        | Powder Bed And Inkjet Head                            |
| PC          | Polycarbonate   |
| PCBs        | Printed Circuit Boards                                |
| PLA         | Polylactic Acid                                       |
| PLI         | Production Linked Incentive                           |
| PPP         | Purchasing Power Parity                               |
| PPP         | Public-Private Partnership                            |
| PVA         | Polyvinyl Alcohol                                     |
| RRCAT       | Raja Ramana Centre for Advanced Technology            |
| SHS         | Selective Heat Sintering                              |
| SLA         | Stereo Lithography                                    |
| SLS         | Selective Laser Sintering                             |

|       |   |
|-------|---|
| SPECS | Scheme For Promotion of Manufacturing Of Electronic Components And Semiconductors |
| STEM  | Science, Technology, Engineering and Math   |
| STL   | Stereolithography   |
| UC    | Ultrasonic Consolidation  |

### **Conventional terms and Abbreviations**

| <b>Abbreviation</b>     | <b>Full Form</b>   |
|-------------------------|--|
| Rs./ Rupees/ INR/ ₹     | Indian Rupees, the legal currency of the Republic of India   |
| AS/ Accounting Standard | Accounting Standards as issued by the Institute of Chartered Accountants of India  |
| A/c                     | Account  |
| ACS                     | Associate Company Secretary  |
| AGM                     | Annual General Meeting   |
| ASBA                    | Applications Supported by Blocked Amount   |
| AMT                     | Amount   |
| AIF                     | Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.                   |
| AY                      | Assessment Year  |
| AOA                     | Articles of Association  |
| Approx                  | Approximately  |
| B.Com                   | Bachelor of Commerce   |
| B.E                     | Bachelor of Engineering  |
| Bn                      | Billion  |
| BG/LC                   | Bank Guarantee/ Letter of Credit   |
| BIFR                    | Board for Industrial and Financial Reconstruction  |
| BRLM                    | Book Running Lead Manager  |
| BSE                     | BSE Limited  |
| CDSL                    | Central Depository Services (India) Limited  |
| CAGR                    | Compounded Annual Growth Rate  |
| CAN                     | Confirmation of Allocation Note  |
| Companies Act, 2013     | Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, 2013 along with the relevant rules made thereunder as amended. |
| Companies Act, 1956     | Companies Act, 1956 (without reference to the provisions that have ceased upon notification of the Companies Act, 2013) along with the relevant rules made thereunder    |
| CA                      | Chartered Accountant   |
| CAIIB                   | Certified Associate of Indian Institute of Bankers   |
| CB                      | Controlling Branch   |
| CC                      | Cash Credit  |
| CIN                     | Corporate Identification Number  |
| CIT                     | Commissioner of Income Tax   |
| CS                      | Company Secretary  |
| CS & CO                 | Company Secretary & Compliance Officer   |
| CFO                     | Chief Financial Officer  |
| CSR                     | Corporate Social Responsibility  |
| C.P.C.                  | Code of Civil Procedure, 1908  |
| CrPC                    | Code of Criminal Procedure, 1973   |
| CENVAT                  | Central Value Added Tax  |
| CST                     | Central Sales Tax  |
| CWA/ ICWA               | Cost and Works Accountant  |
| CPA                     | Certified Public Accountant  |
| DG Set                  | Diesel Generator Set   |
| MD                      | Managing Director  |
| DIN                     | Director Identification Number   |



|                            |   |
|----------------------------|---|
| DIPP                       | Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India  |
| EBITDA                     | Earnings Before Interest, Taxes, Depreciation & Amortization  |
| ECS                        | Electronic Clearing System  |
| ESIC                       | Employee's State Insurance Corporation  |
| EPFA                       | Employee's Provident Funds and Miscellaneous Provisions Act, 1952   |
| EMI                        | Equated Monthly Instalments   |
| EPS                        | Earnings Per Share  |
| EGM/ EOGM                  | Extraordinary General Meeting   |
| ESOP                       | Employee Stock Option Plan  |
| EXIM/ EXIM Policy          | Export – Import Policy  |
| FCNR Account               | Foreign Currency Non-Resident Account   |
| FIPB                       | Foreign Investment Promotion Board  |
| FY/ Fiscal/ Financial Year | Period of twelve months ended March 31 of that particular year, unless otherwise stated   |
| FEMA                       | Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.   |
| FCNR Account               | Foreign Currency Non-Resident Account   |
| FBT                        | Fringe Benefit Tax  |
| FDI                        | Foreign Direct Investment   |
| FIs                        | Financial Institutions  |
| FIIs                       | Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India   |
| FPIs                       | “Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992 |
| FTA                        | Foreign Trade Agreement   |
| FVCI                       | Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.  |
| FEMA                       | Foreign Exchange Management Act, 1999, including the rules and regulations thereunder   |
| FEMA Rules                 | Foreign Exchange Management (Non-debt Instruments) Rules, 2019  |
| Finance Act                | Finance Act, 1994   |
| Fraudulent Borrower        | A fraudulent borrower as defined in Regulation 2(1)(III) of the SEBI ICDR Regulations.  |
| FV                         | Face Value  |
| GoI/ Government            | Government of India   |
| GDP                        | Gross Domestic Product  |
| GST                        | Goods and Services Tax  |
| GVA                        | Gross Value Added   |
| HUF                        | Hindu Undivided Family  |
| HNI                        | High Net Worth Individual   |
| HSL                        | Hem Securities Limited  |
| IBC                        | The Insolvency and Bankruptcy Code, 2016  |
| ICAI                       | The Institute of Chartered Accountants of India   |
| ISIN                       | International Securities Identification Number  |
| IST                        | Indian Standard Time  |
| ICWAI                      | The Institute of Cost Accountants of India  |
| IMF                        | International Monetary Fund   |
| IIP                        | Index of Industrial Production  |
| IPO                        | Initial Public Offer  |
| ICSI                       | The Institute of Company Secretaries of India   |
| IT                         | Information Technology  |
| IT Act                     | Information Technology Act, 2000  |

|                                |   |
|--------------------------------|---|
| IFRS                           | International Financial Reporting Standards   |
| I.T. Act                       | Income Tax Act, 1961, as amended from time to time  |
| IT Authorities                 | Income Tax Authorities  |
| IT Rules                       | Income Tax Rules, 1962, as amended, except as stated otherwise  |
| Indian GAAP                    | Generally Accepted Accounting Principles in India   |
| Ind AS Rules                   | The Companies (Indian Accounting Standard) Rules, 2015  |
| IRDA                           | Insurance Regulatory and Development Authority  |
| KMP                            | Key Managerial Personnel  |
| LLB                            | Bachelor of Law   |
| Ltd.                           | Limited   |
| MAT                            | Minimum Alternate Tax   |
| MoF                            | Ministry of Finance, Government of India  |
| MoU                            | Memorandum of Understanding   |
| MCA                            | Ministry of Corporate Affairs, Government of India  |
| MBA                            | Master of Business Administration   |
| MAT                            | Minimum Alternate Tax   |
| Mn                             | Million   |
| Merchant Banker                | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992  |
| MSME                           | Micro, Small and Medium Enterprises   |
| MAPIN                          | Market Participants and Investors Database  |
| MMS                            | Master of Management Studies  |
| NA                             | Not Applicable  |
| NCLT                           | National Company Law Tribunal   |
| Net worth                      | The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account  |
| NACH                           | National Automated Clearing House   |
| NEFT                           | National Electronic Funds Transfer  |
| NECS                           | National Electronic Clearing System   |
| NAV                            | Net Asset Value   |
| NCT                            | National Capital Territory  |
| NPV                            | Net Present Value   |
| NRI                            | Non-Resident Indians  |
| NRE Account                    | Non-Resident External Account   |
| NRO Account                    | Non-Resident Ordinary Account   |
| NSE                            | National Stock Exchange of India Limited  |
| NOC                            | No Objection Certificate  |
| NSDL                           | National Securities Depository Limited  |
| OCB or Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Offer. |
| OEM                            | Original equipment manufacturer   |
| P.A.                           | Per Annum   |
| PF                             | Provident Fund  |
| PG                             | Post Graduate   |
| PGDM                           | Post Graduate Diploma in Management   |
| PLR                            | Prime Lending Rate  |
| PAC                            | Persons Acting in Concert   |
| P/E Ratio                      | Price/ Earnings Ratio   |
| PAN                            | Permanent Account Number  |
| PAT                            | Profit After Tax  |
| P.O.                           | Purchase Order  |

|   |  |
|---|--|
| PBT   | Profit Before Tax  |
| PLI   | Postal Life Insurance  |
| POA   | Power of Attorney  |
| PSU   | Public Sector Undertaking(s)   |
| Pvt.  | Private  |
| Q.C.  | Quality Control  |
| RoC   | Registrar of Companies   |
| RBI   | The Reserve Bank of India  |
| Registration Act                            | Registration Act, 1908   |
| ROE   | Return on Equity   |
| R&D   | Research & Development   |
| RONW  | Return on Net Worth  |
| RTGS  | Real Time Gross Settlement   |
| SCRA  | Securities Contracts (Regulation) Act, 1956, as amended from time to time  |
| SCRR  | Securities Contracts (Regulation) Rules, 1957, as amended from time to time  |
| SME   | Small and Medium Enterprises   |
| SCSB  | Self-Certified syndicate Banks   |
| SEBI Act                                    | Securities and Exchange Board of India Act, 1992, as amended   |
| SEBI AIF Regulations                        | Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended.  |
| SEBI FII Regulations                        | Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.  |
| SEBI FPI Regulations                        | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time.  |
| SEBI FVCI Regulations                       | Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.   |
| SEBI Insider Trading Regulations            | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended  |
| SEBI (PFUTP) Regulations/ PFUTP Regulations | Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003   |
| SEBI Regulations/ SEBI ICDR Regulations     | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.   |
| SEBI SBEB Regulations                       | Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.   |
| SEBI  | Securities and Exchange Board of India   |
| STT   | Securities Transaction Tax   |
| Sec.  | Section  |
| SENSEX                                      | Bombay Stock Exchange Sensitive Index  |
| SICA  | Sick Industrial Companies (Special Provisions) Act, 1985   |
| SSI   | Small Scale Industry   |
| SPV   | Special Purpose Vehicle  |
| TAN   | Tax Deduction Account Number   |
| TRS   | Transaction Registration Slip  |
| Trade Marks Act                             | Trade Marks Act, 1999  |
| TIN   | Taxpayers Identification Number  |
| UIN   | Unique identification number   |
| U.N.  | United Nations   |
| USA/ United States                          | United States of America   |
| U.S. Securities Act                         | The United States Securities Act, 1933   |
| USD/ US\$/ \$                               | United States Dollar, the official currency of the United States of America  |
| U.S. GAAP                                   | Generally Accepted Accounting Principles in the United States of America   |
| VAT   | Value Added Tax  |
| VCF   | Venture Capital Funds  |
| VCFs  | Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may Be. |

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|---------------------|--|
| Wilful Defaulter(s) | Company or person categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose directors or promoters is categorised as such and as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, 2018. |
| WDV                 | Written Down Value   |
| WTD                 | Whole Time Director  |
| w.e.f.              | With effect from   |
| -, (₹)              | Represent Outflow  |

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

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

## **CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF FINANCIAL PRESENTATION**

### **Certain Conventions**

In this Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, unless the context otherwise indicates or implies, refers to Wol 3D India Limited. 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, 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 Lakh. Unless stated otherwise, the financial data in the Red Herring Prospectus is derived from our restated financial information prepared for the financial year ended March 31, 2024 and March 31, 2023 and March 31, 2022 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “*Financial Information of the Company*” beginning on page 165 of this Red Herring Prospectus.

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*”, “*Our Business*”, “*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 statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2018, as stated in the report of our Statutory Auditor, set out in section titled “*Financial Information of the Company*” beginning on page 165 of this Red Herring Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31 of every next year.

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 “*Main Provisions of the Articles of Association*”, on page 283 of the Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

### **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.

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 and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, 2018 the section titled ***“Basis for Offer Price”*** on page 89 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.

### **Currency of Financial Presentation**

All references to “Rupees” or “INR” or “Rs.” or “₹” are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled ***“Industry Overview”*** throughout the Red Herring Prospectus all figures have been expressed in Lakhs.

Any percentage amounts, as set forth in ***“Risk Factors”***, ***“Our Business”***, ***“Management's Discussion and Analysis of Financial Conditions and Results of Operations”*** on page 29, 113 and 203 respectively of this Red Herring Prospectus, unless otherwise indicated, have been calculated based on our restated financial statements prepared in accordance with Indian GAAP.

The Red Herring Prospectus contains conversion of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations, 2018. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

## **FORWARD LOOKING STATEMENTS**

This Red Herring Prospectus includes certain “forward-looking statements”. 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. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Inability to promptly identify and respond to changing customer preferences or evolving trends.
3. If one or more of our major customers choose not to source their requirements from us or to terminate our long-term contracts;
4. Our ability to effectively manage the operations of and costs associated with our manufacturing facilities;
5. Any slowdown or shutdown in our manufacturing operations or strikes, work stoppages or increased wage demands by our employees that could interfere with our operations;
6. Our reliance on a combination of trade mark, Patent, trade secret, copyright law and contractual restrictions and our inability to protect our intellectual property rights;
7. Exchange rate fluctuations that may adversely affect our results of operations, due to our significant Imports.
8. We may not be able to sustain our historical growth rates, and our historical performance may not be indicative of our future growth or financial results;
9. Failure to successfully upgrade our product portfolio, from time to time;
10. Any change in government policies resulting in increases in taxes payable by us;
11. Our ability to retain our key managements persons and other employees;
12. Changes in laws and regulations that apply to the industries in which we operate;
13. Our ability to grow our business;
14. Restrictions on the import of our raw materials and/or an increase in shipment costs;
15. Reduction in the demand of our products;
16. Our Inability to import goods from different countries.
17. Failure to comply with the quality standards and requirements of our customers;
18. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
19. Company’s ability to successfully implement its growth strategy and expansion plans;
20. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
21. Inability to successfully obtain registrations in a timely manner or at all;
22. Occurrence of Environmental Problems & Uninsured Losses;
23. Conflicts of interest with affiliated companies, the promoter group and other related parties;
24. Any adverse outcome in the legal proceedings in which we are involved;
25. Concentration of ownership among our Promoters;
26. Other factors beyond our control.

For further discussion of factors that could cause our actual results to differ, see the Section titled ***“Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations”*** beginning on page 29, 113 and 203 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 or our Directors or the Selling shareholders or our Officers or Book Running Lead Manager or 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 BRLM 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 Offer.

## **SECTION II – SUMMARY OF RED HERRING PROSPECTUS**

### **A. OVERVIEW OF BUSINESS**

We are engaged in the business of providing 3D Printing solutions enabling easier prototyping finding its application in various sectors like manufacturing, education, engineering, architecture, interior designing, fashion designing, product designing, medical, dental etc. We are a 3D Printing Company aimed at bridging gap between ideation and manufacturing by providing high quality and cost-effective 3D Printing solutions with cutting edge technology. Our portfolio of offerings includes (i) Hardware like: 3D printers, 3D Scanners, Laser Engravers and 3D pens (ii) Consumables like: 3D Filaments, 3D Resins, (iii) 3D Prototyping services and (iv) Other services. 3D Printing is used for additive manufacturing (AM) which is a computer-controlled process that creates three dimensional objects by depositing materials, usually in layers.

### **B. OVERVIEW OF THE INDUSTRY**

Additive Manufacturing (AM), also known as 3D printing, is the process of manufacturing an object, layer by layer. It differs from the traditional subtractive manufacturing techniques involving cutting large blocks of material to form the desired object.

India has an excellent opportunity as the world begins to adopt AM techniques. Additive manufacturing development and adoption can help India in become a leading manufacturing hub. To achieve this, the Ministry of Electronics and Information Technology (MeitY) formulated the ‘National Strategy on Additive Manufacturing’. The strategy aims to increase India’s share in global AM to 5% in the next three years. Meity estimates that AM can add US\$ 1 billion to India’s GDP by that time.

### **C. PROMOTERS**

Rahul Virendra Chandalia, Saloni Rahul Chandalia, Pradeep Shripal Jain and Swati Pradeep Jain.

### **D. DETAILS OF THE OFFER**

Initial public offer consisting of 17,04,000 Equity shares comprising of fresh issue of 14,52,000 equity shares and offer for sale of 2,52,000 equity shares of face value of ₹10.00 each (“equity shares”) by Selling Shareholders of WOL 3D India Limited (the “Company” or the “Issuer”) for cash at a price of ₹ [●] per equity share including a share premium of ₹ [●] per equity share (the “Offer Price”) aggregating to ₹[●] Lakh (“The Offer”), of which 88,000 equity shares of face value of ₹ 10.00 each for cash at a price of ₹[●] per equity share including a share premium of ₹[●] per equity share aggregating to ₹[●] Lakh will be reserved for subscription by market maker to the offer (the “Market Maker Reservation Portion”). The Offer less the Market Maker Reservation Portion i.e. Net offer of 16,16,000 equity shares of face value of ₹10.00 each at a price of ₹[●] per equity share aggregating to ₹[●] Lakh are herein after referred to as the “Net Offer”. The Offer and the Net Offer will constitute 26.41% and 25.05% respectively of the post offer paid up equity share capital of the company.

### **E. DETAILS OF THE SELLING SHAREHOLDERS**

The Selling Shareholders have consented to participate in the Offer for Sale in the following manner:

| <b>Name of selling shareholders</b> | <b>Authorization letter date</b> | <b>No. of equity shares held</b> | <b>No. of equity shares offered</b> |
|-------------------------------------|----------------------------------|----------------------------------|-------------------------------------|
| Rahul Virendra Chandalia            | April 22, 2024                   | 14,50,000                        | 70,000                              |
| Saloni Rahul Chandalia              | April 22, 2024                   | 10,00,790                        | 1,00,000                            |
| Pradeep Shripal Jain                | April 22, 2024                   | 7,73,670                         | 47,000                              |
| Swati Pradeep Jain                  | April 22, 2024                   | 11,73,500                        | 35,000                              |
| <b>Total</b>                        |                                  | <b>43,97,960</b>                 | <b>2,52,000</b>                     |

*The Selling Shareholders have confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations, 2018 and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third-party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.*

## **F. OBJECTS OF THE OFFER**

Our Company intends to utilize the proceeds of the Offer to meet the following objects:-

| Sr. No | Particulars  | Amt (Rs. in Lacs) |
|--------|--|-------------------|
| 1.     | Repayment in full or in part, of certain of our outstanding borrowings | 300.00            |
| 2.     | Funding to meet working capital requirements                           | 1450.00           |
| 3.     | General Corporate Purpose.   | [●]               |
|        | <b>Total</b>   | <b>[●]</b>        |

For further details please refer to the chapter titled “*Object of the Offer*” beginning on page 80 of this Red Herring Prospectus

## **G. PRE-OFFER SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP**

Our Promoters and Promoter Group collectively holds 44,76,630 Equity shares of our Company aggregating to 89.53% of the pre-Offer paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and Promoter Group, as on date of this Red Herring Prospectus:-

| Sr. No. | Names                    | Pre IPO          |              | Post IPO         |              |
|---------|--------------------------|------------------|--------------|------------------|--------------|
|         |                          | Shares Held      | %            | Shares Held      | %            |
|         | <b>Promoters</b>         |                  |              |                  |              |
| 1       | Rahul Virendra Chandalia | 14,50,000        | 29.00        | 13,80,000        | 21.39        |
| 2       | Saloni Rahul Chandalia   | 10,00,790        | 20.02        | 9,00,790         | 13.96        |
| 3       | Pradeep Shripal Jain     | 7,73,670         | 15.47        | 7,26,670         | 11.26        |
| 4       | Swati Pradeep Jain       | 11,73,500        | 23.47        | 11,38,500        | 17.65        |
|         | <b>Sub Total (A)</b>     | <b>43,97,960</b> | <b>87.96</b> | <b>41,45,960</b> | <b>64.26</b> |
|         | <b>Promoter Group</b>    |                  |              |                  |              |
| 5       | Ravi Shripal Jain        | 12,000           | 0.24         | 12,000           | 0.19         |
| 6       | Shweta Ravi Jain         | 8,000            | 0.16         | 8,000            | 0.12         |
| 7       | Payal Nirav Shah         | 12,000           | 0.24         | 12,000           | 0.19         |
| 8       | Rita Hiten Parekh        | 40,000           | 0.80         | 40,000           | 0.62         |
| 9       | Shripal Laxmichand Jain  | 6,670            | 0.13         | 6,670            | 1.10         |
|         | <b>Sub Total (B)</b>     | <b>78,670</b>    | <b>1.57</b>  | <b>78,670</b>    | <b>1.22</b>  |
|         | <b>Grand Total (A+B)</b> | <b>44,76,630</b> | <b>89.53</b> | <b>42,24,630</b> | <b>65.48</b> |

## **SUMMARY OF FINANCIAL INFORMATION**

Following are the details as per the restated financial statements for the financial year ended March 31, 2024 and March 31, 2023 and March 31, 2022:

| Particulars   | (₹ in Lakhs)   |                |                |
|---|----------------|----------------|----------------|
|   | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Equity Share Capital  | 300.00         | 300.00         | 100.00         |
| Net worth   | 1061.22        | 566.80         | 326.25         |
| Total Income  | 4,001.43       | 2,371.32       | 2,037.03       |
| Profit after tax  | 503.30         | 240.56         | 84.42          |
| Earnings per Share  | 10.07          | 4.81           | 1.69           |
| Net Asset Value per Share<br>(Based on Weighted Average Number of Shares) | 21.22          | 11.34          | 6.52           |
| Total Borrowings  | 572.60         | 678.98         | 509.78         |

## **H. AUDITOR QUALIFICATIONS**

There are no audit qualifications which have not been given effect in the restated financial statements.

## **I. SUMMARY OF OUTSTANDING LITIGATIONS**

*Litigations/ Matters involving our Company:*

| Nature of Litigation               | Number of Cases Outstanding | Amount in dispute/demanded to the extent ascertainable (Amount in lakhs) |
|------------------------------------|-----------------------------|--|
| <b><i>Filed by the Company</i></b> |                             |  |
| Other pending material litigations | Nil                         | Nil  |
| <b><i>Against the Company</i></b>  |                             |  |
| Tax Proceedings (Direct Tax)       | 7                           | 1.40   |
| Tax Proceedings (Indirect Tax)     | 2                           | 156.32   |

*Litigations/ Matters involving our Promoters:*

| Nature of Litigation                | Number of Cases Outstanding | Amount in dispute/demanded to the extent ascertainable (Amount in lakhs) |
|-------------------------------------|-----------------------------|--|
| <b><i>Against the Promoters</i></b> |                             |  |
| Tax Proceedings (Direct tax)        | 4                           | 12.23  |

*Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Prospectus*

For further details, see “**Outstanding Litigation and Material Developments**” beginning on page 214 of this Red Herring Prospectus. Any adverse decisions in the aforesaid proceedings may have a material effect on our business, future financial performance and results of operations

## **J. RISK FACTORS**

For details on the risks involved in our business, please see the Chapter titled “**Risk Factors**” beginning on page 29 of this Red Herring Prospectus.

## **K. SUMMARY OF CONTINGENT LIABILITIES**

*(₹ In lakhs)*

| Particulars       | As at      |            |            |
|-------------------|------------|------------|------------|
|                   | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| In Respect of TDS | 1.41       | 1.46       | 0.58       |
| In Respect of GST | 156.32     | -          | -          |
| <b>Total</b>      | 157.73     | 1.46       | 0.58       |

For further details, please refer to **Annexure XXIX – Contingent Liabilities** of the chapter titled “**Financial Information of the Company**” on page 190 of this Red Herring Prospectus.

## **L. SUMMARY OF RELATED PARTY TRANSACTIONS**

Following is the summary of the related party transactions entered by the Company (based on Restated Financial Statements) for the financial year ended March 31, 2024 and March 31, 2023 and March 31, 2022:

### **Related party disclosures**

(i) Names of the related party and nature of relationship where control/significant influence exists

'Key management personnel (KMP) and their close members of family

#### **Name of the related party**

##### **Key Management Personnel**

Rahul Virendra Chandalia  
Saloni Rahul Chandalia  
Pradeep Shripal Jain  
Swati Pradeep Jain  
Nayna Pratik Lunkar

Chairman & Managing Director  
Whole Time Director & CFO  
Whole Time Director  
Non-Executive Director  
Company Secretary

##### **Relatives of KMP**

Virendra Chandalia  
Sumitra Chandalia  
Hiten K Parekh  
Rita H Parekh

Relatives of KMP  
Relatives of KMP  
Relatives of KMP  
Relatives of KMP

(ii) Entity controlled or jointly controlled by a person identified in (i) & (ii) above

Rahul Chandalia HUF  
Virendra Chandalia HUF  
Pradeep Jain HUF  
Paras Enterprises

### **DETAILS OF RELATED PARTY TRANSACTIONS**

| Name                     | Relationship                 | Nature of Transaction      | Amount of Transaction upto 31.03.2024 | Amount Outstanding as on 31.03.2024 Receivable / (Payable) | Amount of Transaction upto 31.03.2023 | Amount Outstanding as on 31.03.2023 Receivable/ (Payable) | Amount of Transaction upto 31.03.2022 | Amount Outstanding as on 31.03.2022 Receivable/ (Payable) |
|--------------------------|------------------------------|----------------------------|---------------------------------------|--|---------------------------------------|---|---------------------------------------|---|
| Rahul Virendra Chandalia | Chairman & Managing Director | Remuneration               | 6.00                                  | -  | 6.50                                  | -54.70  | 13.00                                 | -21.49  |
|                          |                              | Interest on unsecured loan | -                                     | (122.64)   | -                                     |   | 11.92                                 |   |
|                          |                              | Loan Received              | 345.10                                |  | 308.20                                |   | 440.29                                |   |
|                          |                              | Loan Repaid                | 277.16                                |  | 273.80                                |   | 459.47                                |   |

|                        |   |                            |        |         |        |         |        |        |
|------------------------|---|----------------------------|--------|---------|--------|---------|--------|--------|
| Saloni Rahul Chandalia | Whole Time Director & CFO                                     | Purchase                   | -      | -       | 1.41   | -1.67   | 5.80   | -      |
|                        |   | Sales                      | -      | -       | 0.19   | -       | 5.58   | -      |
|                        |   | Remuneration               | 10.50  | -       | 10.00  | -       | 20.00  | -2.32  |
|                        |   | Interest on unsecured loan | -      | (16.01) | -      | -177.90 | 19.60  | -      |
|                        |   | Loan Received              | 38.71  |         | 490.74 |         | 390.60 |        |
|                        |   | Loan Repaid                | 200.59 |         | 327.31 |         | 538.56 |        |
| Pradeep Shripal Jain   | Whole Time Director   | Remuneration               | 6.00   |         | 7.00   | -3.45   | 14.00  | -14.99 |
|                        |   | Interest on unsecured loan | -      | -       | -      | -       | 3.71   | -      |
|                        |   | Loan Received              | 75.37  | (20.82) | 37.88  | -       | 72.63  | -      |
|                        |   | Loan Repaid                | 58.00  |         | 49.42  | -       | 64.37  | -      |
| Swati Pradeep Jain     | Non-Executive Director  | Remuneration               | 7.50   | -       | 6.50   | -67.99  | 13.00  | -30.16 |
|                        |   | Interest on unsecured loan | -      | -       | -      | -       | 7.30   | -      |
|                        |   | Loan Received              | 1.00   | (51.99) | 39.83  | -       | 25.59  | -      |
|                        |   | Loan Repaid                | 17.00  |         | 2.00   | -       | 51.78  | -      |
| Nayna Pratik Lunkar    | Company Secretary   | Salary                     | 1.92   | -       | 0.16   | -       | -      | -      |
| Sumitra Chandalia      | Relative of Director  | Salary                     | -      | -       | -      | -1.65   | 1.80   | -1.65  |
|                        |   | Bonus                      | -      | -       | -      | -       | -      | -      |
|                        |   | Loan Received              | -      | -       | -      | -       | -      | -      |
|                        |   | Loan Repaid                | -      | -       | -      | -       | -      | -      |
|                        |   | Rent                       | 10.93  |         |        |         |        |        |
| Pradeep Jain HUF       | Relative of Director  | Loan Received              | -      | -       | 6.70   | -10.70  | 8.00   | -10.00 |
|                        |   | Loan Repaid                | 10.70  |         | 6.00   |         | 5.09   | -      |
|                        |   | Interest on unsecured loan | -      |         | -      |         | 1.22   | -      |
| Rahul Chandalia HUF    | Entity controlled or jointly controlled by Director/Directors | Loan Received              | -      | -       | -      | -       | 20.03  | -      |
|                        |   | Loan Repaid                | -      | -       | -      | -       | 46.22  | -      |
|                        |   | Interest on unsecured loan | -      | -       | -      | -       | 2.99   | -      |
| Rita H Parekh          | Relative of Director  | Loan Received              | 12.00  | -       | 10.00  | -       | -      | -      |
|                        |   | Loan Repaid                | 12.00  | -       | 10.00  | -       | -      | -      |
|                        |   | Interest on unsecured loan | -      | -       | -      | -       | -      | -      |
| Virendra M Chandalia   | Relative of Director  | Loan Received              | 30.00  | -       |        |         |        |        |
|                        |   | Loan Repaid                | 30.00  | -       |        |         |        |        |
|                        |   | Interest on unsecured loan | 0.56   | -       |        |         |        |        |

|                        |   |                            |       |   |       |   |      |        |
|------------------------|---|----------------------------|-------|---|-------|---|------|--------|
| Paras Enterprises      | Entity controlled or jointly controlled by Director/Directors | Loan Received              | 12.00 | - | -     | - | -    | -34.84 |
|                        |   | Loan Repaid                | 12.00 |   | 34.84 | - | -    | -      |
|                        |   | Interest on unsecured loan | 0.65  |   | -     | - | -    | -      |
| Virendra Chandalia HUF | Entity controlled or jointly controlled by Director/Directors | Loan Received              | -     | - | -     | - | 8.50 | -      |
|                        |   | Loan Repaid                | -     |   | -     | - | 8.50 | -      |
|                        |   | Interest on unsecured loan | -     |   | -     | - | -    | -      |

For further details, please refer to the *Annexure XXX – Related Party Disclosures* of chapter titled “*Financial Information of the Company*” on page 191 of this Red Herring Prospectus.



## M. DETAILS OF FINANCING ARRANGEMENTS

There are no financing arrangements whereby the promoters, members of the promoter group, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Red Herring Prospectus.

## N. WEIGHTED AVERAGE PRICE OF THE SHARES ACQUIRED BY PROMOTERS/SELLING SHAREHOLDERS IN LAST ONE YEAR

Weighted average price at which the Equity Shares were acquired by our Promoters and Selling Shareholders in Last one year preceding the date of this Red Herring Prospectus:

| Sr. No. | Name of Promoters & Selling Shareholders | Total No. of Equity Shares | Weighted Average Price (in ₹ per equity share) |
|---------|--|----------------------------|--|
| 1.      | Rahul Virendra Chandalia                 | 7,00,000                   | 3.60   |
| 2.      | Saloni Rahul Chandalia                   | 4,00,316                   | Nil  |
| 3.      | Pradeep Shripal Jain                     | 4,09,470                   | 5.13   |
| 4.      | Swati Pradeep Jain                       | 4,69,400                   | Nil  |

## O. AVERAGE COST OF ACQUISITION OF SHARES FOR PROMOTERS AND SELLING SHAREHOLDERS

The average cost of acquisition of Equity Shares by our Promoters and selling shareholders are set forth in the table below:

| Sr. No. | Name of Promoters and Selling Shareholder | No. of Shares held | Average cost of Acquisition (in ₹) |
|---------|---|--------------------|------------------------------------|
| 1.      | Rahul Virendra Chandalia                  | 14,50,000          | 1.74                               |
| 2.      | Saloni Rahul Chandalia                    | 10,00,790          | Nil                                |
| 3.      | Pradeep Shripal Jain                      | 7,73,670           | 1.05                               |
| 4.      | Swati Pradeep Jain                        | 11,73,500          | Nil                                |

*\*The average cost of acquisition of Equity Shares by our Promoter has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date.*

## P. EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH

Except as set out below, we have not issued Equity Shares for consideration other than cash in the last one year.

| Date of Allotment | Number of Equity Shares | Face Value (₹) | Issue Price (₹) | Reason for Allotment  | Benefits Accrued to our Company          | Name of Allottees           | No. of Shares Allotted |
|-------------------|-------------------------|----------------|-----------------|---|--|-----------------------------|------------------------|
| April 26, 2024    | 20,00,000               | 10             | Nil             | Bonus in the ratio of 2:3 i.e.2 Equity Share for every 3 Equity Shares held | Capitalization on of Reserves & Surplus* | Swati Pradeep Jain          | 4,69,400               |
|                   |                         |                |                 |   |  | Rahul Virendra Chandalia    | 5,80,000               |
|                   |                         |                |                 |   |  | Pradeep Shripal Jain        | 3,09,468               |
|                   |                         |                |                 |   |  | Saloni Rahul Chandalia      | 4,00,316               |
|                   |                         |                |                 |   |  | Kaushal Vinodkumar Kothari  | 3,200                  |
|                   |                         |                |                 |   |  | Ravi Shripal Jain           | 4,800                  |
|                   |                         |                |                 |   |  | Shweta Ravi Jain            | 3,200                  |
|                   |                         |                |                 |   |  | S R I Impex Private Limited | 16,000                 |
|                   |                         |                |                 |   |  | Paras Jadavjee Satra        | 4,800                  |
|                   |                         |                |                 |   |  | Rahul Anantrai Mehta        | 9,600                  |
|                   |                         |                |                 |   |  | Shwet Pravin Savla          | 6,400                  |

|  |  |  |  |  |  |                               |        |
|--|--|--|--|--|--|-------------------------------|--------|
|  |  |  |  |  |  | Aditya Pankaj Doshi           | 6,400  |
|  |  |  |  |  |  | Alka Vinod Kothari            | 3,200  |
|  |  |  |  |  |  | Apurva Jayesh Porwal          | 1,600  |
|  |  |  |  |  |  | Ashwi Paresh Jain             | 1,600  |
|  |  |  |  |  |  | Chenraj M Chandalia           | 3,200  |
|  |  |  |  |  |  | Payal Nirav Shah              | 4,800  |
|  |  |  |  |  |  | Rita Hiten Parekh             | 16,000 |
|  |  |  |  |  |  | Sushila Chenraj Chandalia     | 3,200  |
|  |  |  |  |  |  | Vinodkumar Prithviraj Kothari | 8,000  |
|  |  |  |  |  |  | Rajvi Kamlesh Shah            | 3,334  |
|  |  |  |  |  |  | Priyal Piyush Shah            | 3,334  |
|  |  |  |  |  |  | Bhavesht Popatlal Shah        | 2      |
|  |  |  |  |  |  | Kamlesh Popatlal Shah HUF     | 6,668  |
|  |  |  |  |  |  | Rutvi Kamlesh Shah            | 6,400  |
|  |  |  |  |  |  | Hetvi Kirit Nagda             | 3,734  |
|  |  |  |  |  |  | Lata Ajit Parekh              | 16,668 |
|  |  |  |  |  |  | Usha Naresh Parekh            | 16,668 |
|  |  |  |  |  |  | Neena Dhanpal Parekh          | 16,668 |
|  |  |  |  |  |  | Seema Pankaj Parekh           | 16,668 |
|  |  |  |  |  |  | Varun Praveen Rathod          | 16,668 |
|  |  |  |  |  |  | Tarang Praveen Rathod         | 16,668 |
|  |  |  |  |  |  | Praveenchandra Rathod         | 18,668 |
|  |  |  |  |  |  | Shripal Laxmichand Jain       | 2,668  |

*\*Above allotment of shares has been made out of Reserve & Surplus available for distribution to shareholders and no part of revaluation reserve has been utilized for the purpose*

#### **Q. SPLIT/ CONSOLIDATION OF EQUITY SHARES**

Our company has not undertaken split or consolidation of its equity shares in the one year preceding the date of this Red Herring prospectus

#### **R. EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

As on date of the Red Herring Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

### **SECTION III: RISK FACTORS**

*An investment in our Equity Shares involves financial risk. Prospective investors should carefully consider all the information in the Red Herring Prospectus, particularly the “**Financial Information of the Company**” and the related notes, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on page 165, 113 and 203 respectively of this Red Herring Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.*

*The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition 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 as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Offer, including the merits and the risks involved. You should not invest in this Offer unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

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

#### **Note:**

*The risk factors 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**” on page 29 and “**Management Discussion and Analysis of Financial Condition and Results of Operations**” on page 203 of this Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “**Restated Financial Statements**”.*

#### **INTERNAL RISK**

- 1. Our future success depends on our ability to promote our brand and protect our reputation. Our failure to establish and promote our brand and any damage to our reputation will hinder our growth.**

We believe that the market perception of our brands is one of the key factors for the sustained demand of our products amongst consumers. We engage in a wide range of marketing and advertising activities, including exhibitions like: “INSIDE 3D PRINTING CONFERENCE EXPO”, “PLAST INDIA 2018”, “RAJKOT MACHINE TOOLS SHOW”, “AMTECH EXPO”, “JAMNAGAR TECH FEST”, “IAMP MEET UP 2021”, “DIDAC INDIA 2023”, “GIFTEX 2023” and in-store branding like: we have set up a kiosk at one of the stores of Crossword, Mumbai, marketing at platforms of Indiamart, Justdial, Google Adwords etc, social media branding at Facebook, Instagram and by way of unboxing videos on Youtube etc. which enable us to maintain the popularity and recall the brand value. We were aired at the live TV Show

Shark tank Season 2 which gathered recognition and awareness of our products and its application. We believe our strategy to enhance our brand recognition is crucial to our future success. We have invested, and will need to continue to dedicate, significant time, efforts and resources to advertising and market promotion initiatives. We may need to devote an even greater portion of our resources to continue to strengthen our brand recognition and build our user base, which may impact our profitability. We cannot guarantee that our marketing efforts will ultimately be successful, as it is affected by numerous factors, including the effectiveness of our marketing initiatives, our ability to provide consistent, high-quality products and services, consumers' satisfaction with our products, as well as supports and services we provide, among others.

We list our products on various e-commerce websites and our customers are increasingly using such platforms to provide feedback and information about products, in a manner that can be quickly and broadly disseminated. Our brands could be damaged by any negative publicity on social media platforms or by claims or perceptions about the quality or durability of the products sold, regardless of whether such claims or perceptions are true. Any such negative publicity related to our brand, products, suppliers, distributors could have an adverse impact on our brand, which may negatively affect our business and can significantly reduce our brand value and consumer trust.

We believe that a large part of the success of our brands is attributable to the after sales services and any deficiency in such after sales services may adversely impact the reputation of our brands. Further, we may not be able to collect customer feedback in an adequate or frequent manner, or implement it effectively to improve our products and services.

***2. Our business may be adversely impacted by product defects and liability issues which may adversely affect our business, reputation and results of operations***

Defects in the imported hardware as a result of our reliance on third party suppliers or defects in the filaments manufactured due to flaw in our manufacturing process can occur. Any product defects or any other failure of our products or substandard product quality could harm our reputation and result in adverse publicity, lost revenues, delivery delays, product recalls, adverse relationships with our suppliers or distributors, product liability claims, harm to our brand and reputation, significant warranty and other expenses, and could have a material adverse impact on our business, financial condition, operating results and prospects. While the warranty cost fluctuates every year, which is based on current events and actions, our warranty costs may exceed our estimates, resulting in increase of current period expenses.

Such quality issues may result in customers returning defective products to us for a cash refund or a replacement of their products during the warranty period of the products. We cannot assure you that the rate and cost of us providing refunds or replacements will not increase in the future. Increases in the rate of product returns may lead to customer dissatisfaction, which may adversely affect our reputation, brand image, business and financial condition. Disputes over warranties of our products can arise in the ordinary course of our business. We may experience material product liability losses, and we may be unable to defend these claims at a contained level of cost or at all. The cost of product replacements or product returns in the future may be substantial, particularly given our increasing product categories and models, and we could incur substantial costs to implement modifications or to fix defects in our products.

***3. If we fail to capitalize industry trends or partner with new brand or suppliers and commercialize new products, services and technologies that are well received by consumers in a timely manner, our operating results may be materially and adversely affected.***

The Indian Government has taken several initiatives to augment the growth of the 3D Printing industry. Some of these initiatives are Atal Innovation Mission (AIM) and the State Government Initiatives: The Gujarat government signed an MoU with US Institute of 3D Technology and OEM 3D Systems to set up seven 3D printing Centres of Excellence in technical institutes and engineering colleges. Additionally, the Andhra Pradesh MedTech Zone collaborated with the University of Wollongong to establish a 3D bioprinting lab. The Department of Heavy Industries COE at IISc Bengaluru collaborated with Wipro to build India's first industrial grade 3D printer. Moreover, the Andhra Pradesh government and HP Inc. signed an MOU to build a Centre for Excellence for 3D printing. (Source: <https://www.ibef.org/blogs/national-strategy-on-additive-manufacturing>). These initiatives and policies are expected to augment the growth of 3D Printing industry. Our ability to compete successfully depends in large part on our ability to continue to introduce new and innovative products, services and technologies that are well received by consumers and in a timely manner.

Our ability to roll out new and innovative products and services depends on a number of factors, including partnership with new brands or suppliers, quality control of our products and services and effective management of our supply chain. The execution of such initiatives can be complex and costly. As such, we could experience delays in introduction of new products, services and technologies in the future. We may need to devote an even greater portion of our resources towards new or enhanced products, services and technologies, which may adversely affect our profitability. To the extent we are

unable to execute our strategy of continuously introducing new and innovative products, diversifying our product portfolio and satisfying consumers' changing preferences, we may not be able to grow our user base and our competitive position.

We may misjudge market demand, resulting in inventory build-up and possible inventory write-downs. We may not be able to effectively control our costs and expenses in rolling out these new product categories and scenarios. We may have certain quality issues and experience higher return rates on new products, receive more customer complaints and face costly product liability claims, which would harm our brand and reputation as well as our financial performance. Furthermore, we may need to price our new products more aggressively to penetrate new markets, and gain market share or remain competitive. It may be difficult for us to achieve profitability in such product categories and our profit margin, if any, may be lower than we anticipate, which would adversely affect our overall profitability and results of operations.

***4. We are authorized distributors for International 3D Printer brands in India. Such authorizations are usually valid for a limited period and if such authorizations are terminated or not renewed at favourable terms, our operations may be adversely affected.***

We are the distributors for International 3D Printer brands like Flashforge Corporation, Creality, Bambu lab, Phrozen Tech Co Ltd, Elegoo. We are subject to certain obligations and restrictive covenants in these authorizations that we have entered into with third party manufacturers and suppliers. Any failure to comply with these obligations and covenants may have a material adverse effect on our business, prospects, cash flows and financial condition. During the Fiscals 2024, 2023, 2022 our imports accounted for 85.16%, 91.03% and 92.34% of our purchases for respective years.

There may be possibility that we may not be able to access such products, technology and know-how in the event of any discontinuation, disruption, termination or breach of these authorizations resulting in an adverse impact on our business and financial condition. These authorizations are usually valid for a limited period of time, therefore if these authorizations are not regularly renewed we may not be able to continue our operations on favourable terms.

***5. Restrictions on import and an increase in shipment cost may adversely impact our business, cash flows and results of operations.***

Most of the products, raw materials and components required in our manufacturing and assembly line process are imported. During the Fiscal 2024, 2023 and 2022 the import purchases accounted for 85.16%, 91.03% and 92.34% of total purchases in the respective years. The import is regulated by the various regulatory requirements, which empowers the relevant authority to undertake any measures that it deems fit, particularly in relation to hardwares, components, raw material and spare parts to be imported. Such measures include denying approval for import of such products. There can be no assurance that such regulations will not become more stringent in the future, which could potentially restrict our ability to import from other jurisdictions. Historically, we have been dependent on import from countries like: China. While our imports from such jurisdictions are not currently subject to any regulatory ban or restriction, there can be no assurance that such regulations will not evolve into more stringent regulations, which would place onerous requirements on us and consequently restrict our ability to import. There can also be no assurance that, under these circumstances, we will be successful in identifying alternate suppliers or we will be able to source such products, raw materials or components domestically at favourable terms in a timely manner. While we have not in the past experienced any significant challenge in importing products, there can be no assurance that we will not experience any such challenges in the future

***6. We are susceptible to supply shortages and interruptions, long lead times, and price fluctuations for imported hardware and raw materials used for manufacturing filaments, any of which could disrupt our supply chain and have a material adverse impact on our results of operations.***

Our product portfolio includes various product categories such as hardware and consumables. We import from hardwares like: 3D printers, 3D Scanners, Laser engravers, 3D Pens from China. We also require spare parts for servicing of the hardware sold which are imported from China. During the Fiscal 2024, 2023 and 2022 the import purchases from China accounted for 85.16%, 91.03 % and 92.34 % of total purchases in the respective years. The import is regulated by the various regulatory requirements, which empowers the relevant authority to undertake any measures that it deems fit. Such measures include denying approval for import of such products. There can be no assurance that such regulations will not become more stringent in the future, which could potentially restrict our ability to import from other jurisdictions. Historically, we have been dependent on import from China. While currently our imports from such jurisdiction is not currently subject to any regulatory ban or restriction, there can be no assurance that such regulations will not evolve into more stringent regulations, which would place onerous requirements on us and consequently restrict our ability to import. There can also be no assurance that, under these circumstances, we will be successful in identifying alternate suppliers or we will be able to source such products domestically at favorable terms in a timely manner. While we have not in the past

experienced any significant challenge in importing products, there can be no assurance that we will not experience any such challenges in the future.

Moreover, the raw materials required for manufacturing 3D filaments used in these hardware are sourced locally. We are dependent on timely and adequate supply of these hardware and raw materials. All these are usually sourced from third-party suppliers and some of these are sourced from a limited number of suppliers or a single supplier as well. Therefore, we are subject to risks of shortages or discontinuation in supply, long lead times, cost increases and quality control issues with our suppliers. In addition, some of our suppliers may have more established relationships with our competitors, and as a result of these relationships, such suppliers may choose to limit or terminate their relationships with us or prioritize our competitors' orders in the case of supply shortages. The quality of the filaments manufactured at our factory is primarily derived from the quality of our raw materials, and any deterioration in the quality of raw materials supplied to us will have an adverse effect on the quality of finished goods, market reputation and sales volumes. There can be no guarantee that we will be able to maintain our current line-up of suppliers or adequate supply at all times. Our top 10 suppliers for the Fiscals 2024, 2023 and 2022 accounted for 95.06%, 93.72% and 96.68% of our total purchases for respective years.

The major raw materials required in manufacturing filaments include Acrylonitrile Butadiene Styrene (ABS) and Polylactic Acid (PLA) plastic. The prices of these raw materials are volatile and subject to fluctuations arising from changes in domestic and international supply and demand dynamics, labour costs, competition, market speculation, and government regulations. Rapid changes in the prices of such raw materials may affect the production price and consequently the market price of these products.

Moreover, if any of our suppliers suffer any damage to facilities, experience power outages, encounter financial difficulties, are unable to secure necessary raw materials from their suppliers or suffer any other reduction in efficiency, capacity limitations, shortages, work stoppages, labour or social unrest, transport bottlenecks and risks, weather emergencies, commercial disputes, government actions, riots, wars, sabotage, cyber-attacks, acts of terrorism, financial or operational instability of suppliers, we may experience significant business disruption. In the event of any such disruption, our Company would need to seek and source other suppliers, likely resulting in further delays and increased costs which could affect our business adversely.

We may be unable to pass the entire impact of the rise in the prices of hardware or raw materials procured to our customers, which may result in lower profit margins for our business. Further, any increase in the selling price of our products may adversely impact the demand for our products, our sales and consequently our profit margins. In the event of supply interruption from suppliers, we will need to identify alternative sources of supply, which can be time-consuming, difficult to locate, and costly. This could cause delays in shipment of our products, harm our relationships with our customers and adversely affect our results of operations.

Further, due to the impact of COVID-19 on the global supply chain, the cost of shipping through containers from China has increased substantially thereby increasing our transportation cost and affecting our margins. In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries.

***7. The markets in which we compete are characterized by consumers and their rapidly changing preferences, advancement in technology and therefore as a result our Company may be affected by any disruptions in the industry.***

We are engaged in providing 3 Printing solutions that is majorly used by the consumers for developing product prototype, aesthetic designing and DIY activities. Thus, the markets in which we compete are characterized by changing consumer preferences, rapidly changing technology, evolving industry standards and continuous improvements in products and services. These conditions frequently result in short product life cycles. If the end-user demand is low for our products, we may see significant changes in orders from our customers and may experience greater pricing pressures. If technologies or standards supported by us become obsolete or fail to gain widespread commercial acceptance, we may experience a reduced demand for our products which may result in a decline in sales and in operating margins depending on the nature of the product and the end user demand and all of these combined may gradually result in a loss to our business.

***8. We are heavily reliant on our relationships with certain online marketplaces. Disruptions to such relationships, changes in their business practices, their failure to meet payment schedules and provide timely and accurate information, or conflicts among our channels of distribution could adversely affect our business, cash flows and results of operations.***

Our products are largely sold through our experience centre at Mumbai, our branch offices and online through e-commerce platforms such as Flipkart India Private Limited, Jiomart, Firstcry, Indiamart, Snapdeal, Moglix and Amazon Seller Services Private Limited. For the Fiscal 2024, 2023 and 2022 our online sales from e-commerce platform constituted 27.03%, 24.10% and 29.93% of our revenue from operations respectively. We have not entered into long-term agreements with these online marketplaces. Further, they may unilaterally terminate their existing association with us at short notice, thereby adversely affecting our distribution network and consequently, our business, cash flows and results of operations may be affected.

Further, we cannot assure you that we will be able to secure promotions on online marketplaces, and our inability to do so may affect our brand visibility on these online marketplaces. Further, customers have the right to verify and determine whether the products supplied by us are in accordance with the specifications stated. In the event the products are not as per the specifications, the customers may return the consignment at the time of the delivery. We are also responsible for collecting the damaged or defective products. In addition, the online retail channels of online marketplaces may be disrupted due to technological disruptions. Should such amendments, cancellations or disruptions occur, it may adversely impact our production schedules and inventories.

The online marketplaces could change their business practices, such as inventory levels, or seek to modify their contractual terms, such as payment terms. Due to temporary changes in the operations of our customers, we may experience delays in collecting payments from such parties. We may face the pressure to modify our trading terms if our customers are unable or unwilling to continue our distribution model. We intend to maintain or further develop our existing relationships with our customers and continue to jointly promote our brands and products on their platforms. In order to expand the sales volume of our products, it is essential that we continue to expand the density as well as the geographical reach of our existing distribution network and ensure that our products reach every market segment and customer base. If we are unable to continue to expand our distribution network, our business, cash flows and results of operations may suffer.

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

We depend on certain customers who have contributed to a substantial portion of our total revenues. Our top 10 customers accounted, cumulatively, for 46.20%, 53.61% and 57.47% of our revenue from operations for the Fiscals 2024, 2023 and 2022 respectively. There is no guarantee that we will retain the business of our existing key customers or maintain the current level of business with each of these customers.

Reliance on a limited number of customers for significant revenue may generally involve several risks. These risks may include, but are not limited to, reduction, delay or cancellation of orders from our significant customers, failure to renegotiate favourable terms with our key customers, the loss of these customers entirely, our inability to meet the expectations to track the changing preferences of our customers or non-acceptance of our products by customers, all of which would have a material adverse effect on the business, financial condition, results of operations and future prospects of our Company. In order to retain some of our existing customers we may also be required to accept terms to such customers which we may place restraints on our resources.

Maintaining strong relationships with our key customers is, therefore, essential to sustain the growth of our business. The loss of any key customer, may significantly affect our revenues, and we may have difficulty securing comparable levels of business from other customers to offset any consequent loss.

***10. If we fail to identify and effectively respond to changing consumer preferences and spending patterns in a timely manner, the demand for our products could decrease, causing our business, results of operations, financial condition and cash flows to be adversely affected.***

The 3D Printing technology is characterized by frequent changes, particularly in consumer preferences, new products and product variations. The popularity and demand of a product may vary over time due to changing consumer preferences, including those relating to sustainability, durability and maintaining cleanliness etc. Consumer preferences in the market are difficult to predict and changes in those preferences or the introduction of new products by our competitors could put our products at a competitive disadvantage. Our continued success depends on our ability to react in a timely and cost-effective manner to changes in consumer preferences for our products, as well as to where and how consumers shop for those products.

We continually work to enhance the recognition of our brand and products and refine our approach as to how, when and where we market and sell our products using data and technology. While we aim to introduce new products from time to time, we recognize that consumer preferences cannot be predicted with certainty and can change rapidly, and that there is



no certainty that these will be commercially viable or effective or accepted by our consumers. If we are unable to foresee or respond effectively to the changes in market conditions, new and changing trends or desired consumer preferences, accurately anticipate and forecast demand for products, then there may be a decline in the demand and sales for our products, thereby reducing our market share and preventing us from acquiring new customers and retaining existing customers, which could have an adverse effect on our business, results of operations, financial condition and cash flows.

**11. *We have experienced negative cash flows from operations in the recent past, and we may have negative cash flows in the future.***

Our cash flows from operating activities, investing activities and financing activities for the period ended Fiscal 2024, 2023 and 2022 is set forth below:

| <b>Particulars</b>                            | <b>Fiscal 2024</b> | <b>Fiscal 2023</b> | <b>Fiscal 2022</b> |
|---|--------------------|--------------------|--------------------|
| Net cash from/ (used in) Operating Activities | 243.67             | (138.99)           | (108.92)           |
| Net cash from/ (used in) Investing Activities | (16.30)            | (26.39)            | (35.62)            |
| Net cash from/ (used in) Financing Activities | (181.08)           | 143.56             | 120.76             |

Cash flows of a company are a key indicator to show the extent of cash generated from the operations of a company to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

**12. *Pricing pressure from our competitors may affect our ability to maintain or increase our prices and, in turn, our revenue from product sales, gross margin and profitability, which may materially and adversely affect our business, cash flows, financial condition and results of operations.***

Competitive pricing by our competitors may manifest in various forms, including, among others, through our competitors lowering their prices for similar products. This may lead to a decrease in our revenues and profits. Moreover, if we fail to follow our retail price stipulations, our brand value and the public perception of our brand positioning could be negatively affected. We may seek to reduce the price of our raw materials and production through negotiations with our suppliers and streamline product designs to offset the impact of pricing pressure. We cannot assure you that we will be able to avoid future pricing pressure from our competitors or offset the impact of any price reductions through improved operational efficiencies, cost-effective sourcing alternatives, new manufacturing processes, or other cost reductions through other productivity initiatives. If we were to face competitive pricing from our competitors, and the aforementioned measures or other steps we take fail to maintain or increase our margins and revenues from product sales, our business, financial condition and results of operations may be adversely affected.

**13. *We are dependant on our manufacturing facility for manufacturing of filaments and we are subject to certain risks in such manufacturing process. Obsolescence, destruction, theft, breakdowns of our machines or failures to repair or maintain the same may affect our business, cash flows, financial condition and results of operations.***

We have our manufacturing facility located at Bhiwandi, Mumbai wherein we manufacture 3D filaments. Our business is dependent upon our ability to manage our manufacturing facility, which are subject to various operating risks, including those beyond our control, such as the breakdown and failure of our machines or industrial accidents and severe climate conditions and natural disasters. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair breakdown of machinery in a timely manner or at all, our operations may need to be suspended until we procure new machinery to replace the same.

Obsolescence, destruction, theft or breakdowns of our machines may significantly increase our machineries purchase cost. In such cases, we may not be able to acquire new machine or repair the damaged one in time or at all. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an effect our business, cash flows, financial condition and results of operations.

Although we have not experienced any significant disruptions at our manufacturing facility in the past, we cannot assure you that there will not be any disruptions in our operations in the future. Our inability to effectively respond to such events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shut-down or under-utilization of our manufacturing facility, which in turn may have an adverse effect on our business, results of operations and financial condition. Any slowdown or shutdown in our manufacturing operations or underutilization of our manufacturing facilities could have an adverse effect on our business, results of operations and financial condition.

Additionally, we rely on certain third-party manufacturers outside India for import of hardware like: 3D printers, 3D Scanners, Laser engravers, 3D Pens. In the event that there are disruptions in the manufacturing facilities of such third-party manufacturers, it will impact our ability to procure such products and meet with our commitments. If these products from third-party manufacturers cease to be available to us at costs acceptable to us or if we experience problems with, or interruptions in supply of these products and we are unable to find other facilities to provide similar products on comparable terms and on a timely basis, our revenue from operations would be disrupted and our financial condition and results of operations could be affected.

***14. We operate in a competitive market, and the scale and resources of some of our competitors may allow them to compete more effectively than we can, which could result in a loss of our market share and a decrease in our net revenues and profitability.***

The 3D Printing industry is highly fragmented as there is competition from various international players. There are some of the big multinational brands like Ulti Maker, Form Labs, Prusa, who are in competition to the domestic players. These domestic players include both - organised and unorganised players. The growth trajectory in the industry has encouraged new entrants to enter into this industry with new business models. In such competitive environment, to gain more market share the players are likely to reduce the pricing which is a challenge for the existing players.

We face intense competition from other retailers that market products similar to ours. We also face regional competition from local brands in the various geographies where our products are sold. We compete in various aspects, including brand recognition, value for money, user experience, breadth of product and service offerings, product functionality and quality, sales and distribution, supply chain management among others. Intensified competition may result in pricing pressures and reduced profitability and may impede our ability to achieve sustainable growth in our revenues or cause us to lose market share. Our competitors may also engage in aggressive and negative marketing or public relations strategies which may harm our reputation and increase our marketing expenses. Any of these events could substantially harm our results of operations.

Some of our existing and potential competitors enjoy substantial competitive advantages, including: longer operating history, the capability to leverage their sales efforts and marketing expenditures across a broader portfolio of products, more established relationships with a larger number of suppliers, contract manufacturers and channel partners, access to larger and broader user bases, greater brand recognition, greater financial, research and development, marketing, distribution and other resources, more resources to make investments and acquisitions, larger intellectual property portfolios, and the ability to bundle competitive offerings with other products and services. We cannot assure you that we will compete with them successfully.

***15. Under-utilization of our manufacturing capacity to manufacture filaments could have an adverse effect on our business, future prospects and future financial performance.***

Our capacity utilization of manufacturing 3D filaments are dependent on our ability to carry out uninterrupted operations at manufacturing facility, the availability of raw materials, industry/ market conditions, as well as by the product requirements of, and procurement practice followed by, our customers. In the event we face prolonged disruptions at our facilities including due to interruptions in the supply of water, electricity or as a result of labour unrest, or are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our current manufacturing facility, resulting in operational inefficiencies which could have a material adverse effect on our business and financial condition. During the Fiscal 2024, 2023 and 2022 our overall capacity utilization was 39.30%, 22.78% and 32.5% respectively. For further information, see ***“Our Business - Capacity and Capacity Utilization”*** on page 96 of this Red Herring Prospectus. These rates are not indicative of future capacity utilization rates, which is dependent on various factors, including demand for our products, availability of raw materials, our ability to manage our inventory and improve operational efficiency. Under-utilization of our manufacturing capacity over extended periods, or significant under-utilization in the short-term, could materially and adversely impact our business, growth prospects and future financial performance.

***16. There are certain instances of delays noticed in some of the corporate records relating to forms filed with the Registrar of Companies. Moreover, certain documents filed by us with the RoC in the past are not traceable. Any penalty or action taken by any regulatory authorities in future, could impact the reputation and financial position of the Company to that extent.***

In the past, there have been certain instances of delays in filing the statutory forms due to operational and technical difficulties faced by the company, however the same were appropriately filed after payment of late fees. No show cause notice in respect of the above has been received by the company till date. It cannot be assured that there will be no such

instances in the future or our company will not commit any further delays in relation to its reporting requirements or any penalty or fine will not be imposed by any regulatory authority in respect of the same.

Moreover, our Company was incorporated in the year 1988 and certain documents filed by us with the RoC like: the forms for certain past allotments of Equity Shares made by our Company and share transfer forms are not traceable. These allotments include allotment of (i) 600 equity shares of ₹10 each made in the financial year ended 1994; (ii) 500 equity shares of ₹ 10 each made in the financial year ended 1997 for which the relevant forms were not traceable. While we have conducted a search with RoC, in respect of the availability of certain forms and other records, we cannot assure you that these forms or records will be available at all or any time in the future. The relevant information was not available in the records maintained by our Company, at the MCA Portal maintained by the Ministry of Corporate Affairs and the RoC.

We have engaged an independent practicing company secretary to conduct online search at the MCA Portal maintained by the Ministry of Corporate Affairs and physical search of RoC. Accordingly the information in relation to the allotments and share transfers have been disclosed in the section ***“Capital Structure”*** on page 64, in this Red Herring Prospectus, based on annual reports of our Company, annual returns, statutory minutes and statutory registers of our Company, as available and based upon the allotment details provided in the search report prepared and certified by M/s. Ronak Jhuthawat & Co., Independent Practising Company Secretary, vide its certificate dated April 03, 2024. We may not be able to furnish any further information, other than what is already disclosed in ***“Capital Structure”*** on page 64, or assure that the other records will be available in the future.

***17. We may not be able to adequately protect or continue to use our intellectual property.***

We have registered certain logos as trademarks under various classes with the Registrar of Trademarks in India, under the Trade Marks Act, 1999. As on the date of this Red Herring Prospectus, we have 13 trademark registrations and 3 Patent registrations in India along with application made for registration of 2 more patent design of 3D Printing Pen. Further, we have 3 trademark applications in India which have been objected by the trademark registry and 1 trademark application in Abandoned status. For details of our intellectual property rights, see ***“Government and Other Statutory Approvals”*** on page 217 of this Red Herring Prospectus. Some of our trademarks have been opposed and there can be no assurance that our trademark applications will be accepted and the trademarks will be registered. Pending the registration of these trademarks or patent designs, any other vendor in the similar line of business as ours may use the above-mentioned trademarks and designs and we may have a lesser recourse to initiate legal proceedings to protect our intellectual property. In the event we are not able to obtain registrations due to opposition by third parties or if any injunctive or other adverse order is issued against us in respect of any of our trademarks for which we have applied for registration, we may not be able to use such trademarks and / or avail the legal protection or prevent unauthorised use of such trademarks by third parties, which may adversely affect our goodwill and business.

The registration of intellectual property including trademarks is a time-consuming process and there can be no assurance that any registration applications we may pursue will be successful and that such registration will be granted to us. If we fail to register the appropriate intellectual property, or our efforts to protect relevant intellectual property prove to be inadequate, the value attached to our brand and proprietary rights could deteriorate, which could have a material adverse effect on our business growth and prospects, financial condition, results of operations, and cash flows.

In particular, the use of similar trade names by third parties may result in confusion among our customers, and we are exposed to the risk that entities in India and elsewhere could pass off their products as our products, including imitation products, which may adversely affect sale of our products, resulting in a decrease in market share due to a decrease in demand for our products. Such imitation products may not only result in loss of sales but also adversely affect our reputation and consequently our future sales and results of operations. In the event of such unauthorized use, we may be compelled to pursue legal action for the protection of our brand and intellectual property, which may divert our attention and resources thereby affecting our business operations. Any litigation, whether or not it is resolved in our favour, could result in significant expense to us and divert the efforts of our technical and management personnel, which may adversely affect our business operations or financial results. For any of these reasons, despite our efforts, we may be unable to prevent third parties from infringing upon or misappropriating our intellectual property.

We may also be susceptible to claims from third-parties asserting infringement and other related claims. Regardless of their merits, such claims could materially and adversely affect our relationships with current or future customers, result in costly litigation, delay or disrupt supply of products, divert management’s attention and resources, subject us to significant liabilities, or require us to cease certain activities. Any of the foregoing could materially and adversely affect our business, financial condition, results of operations and cash flows.

**18. Our Company and Directors are involved in certain legal proceedings and potential litigations. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties/prosecutions and may adversely affect our business and results of operations.**

Our Company and Directors are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals, and government departments.

*Litigations/ Matters involving our Company:*

| Nature of Litigation               | Number of Cases Outstanding | Amount in dispute/demanded to the extent ascertainable (Amount in lakhs) |
|------------------------------------|-----------------------------|--|
| <b><i>Filed by the Company</i></b> |                             |  |
| Other pending material litigations | Nil                         | Nil  |
| <b><i>Against the Company</i></b>  |                             |  |
| Tax Proceedings (Direct Tax)       | 7                           | 1.40   |
| Tax Proceedings (Indirect Tax)     | 2                           | 156.32   |

*Litigations/ Matters involving our Promoters:*

| Nature of Litigation                | Number of Cases Outstanding | Amount in dispute/demanded to the extent ascertainable (Amount in lakhs) |
|-------------------------------------|-----------------------------|--|
| <b><i>Against the Promoters</i></b> |                             |  |
| Tax Proceedings (Direct tax)        | 4                           | 12.23  |

*Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Red Herring Prospectus*

For further details, see **“Outstanding Litigation and Material Developments”** beginning on page 214 of this Red Herring Prospectus. Any adverse outcome from adjudication of these pending litigations in the future may have an impact on the Company’s profitability, revenue, operations, etc. If the courts or tribunals rule against our Company or our Promoters and Directors, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

**19. Our business is operating under various laws which require us to obtain approvals from the concerned statutory/regulatory authorities in the ordinary course of business and our inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations could materially and adversely affect our business, prospects, results of operations and financial condition.**

Our business requires us to obtain and renew from time to time, certain approvals, licenses, registrations and permits, some of which have expired and for which we have either made or are in the process of making an application for obtaining the approval or its renewal. In particular, we require certain approvals, licenses, registrations and permissions under various regulations, guidelines, circulars and statutes regulated by various authorities for operating our business activities that may contain conditions, some of which could be onerous. Our Company has applied for Fire NOC for our factory Unit situated at Bhiwandi, Mumbai. There can be no assurance that the relevant authorities will issue these approvals or licenses in a timely manner, or at all. In the event of any unanticipated delay in receipt of such approvals, it will have an adverse impact on our business operations.

Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may impede our operations. For further details, see **“Government and Other Statutory Approvals”** on page 217 of this Red Herring Prospectus. In the event that we are unable to obtain such approvals in a timely manner or at all, our business operations may be adversely affected.

**20. We have not entered into any definitive arrangements to utilize certain portions of the Net Proceeds of the offer. Our funding requirements and deployment of the Net Proceeds of the Offer are based on management estimates and have not been independently appraised.**

We intend to use the net proceeds of the Offer for the purposes described in the section titled **“Objects of the Offer”** on page 80. The Objects of the Offer and our funding requirement is based on management estimates and have not been

appraised by any bank or financial institution. We have not entered into any definitive agreements to utilize the Net Proceeds for this object of the Offer. These are based on current conditions and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy, as discussed further below.

Our management, in accordance with the policies established by our Board of Directors from time to time, will have flexibility in deploying the Net Proceeds of the Offer. Our funding requirements may be subject to change based on various factors such as the timing of completion of the Offer, market conditions outside the control of our Company, and any other business and commercial considerations. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure as may be determined by our Company and by the Shareholders by way of a special resolution, subject to compliance with applicable law.

Our management estimates may differ from the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our expenditure, subject to applicable laws, and may have an adverse impact on our business, financial condition, results of operations and cash flows. Accordingly, investors in the Equity Shares will be relying on the judgment of our management regarding the application of the Net Proceeds.

***21. Our plan relating to installation of additional plant and machinery is subject to the risk of unanticipated delays in implementation and cost overruns.***

We are planning to set up an additional filament extrusion line in our factory which will double the overall plant capacity. We have placed orders for purchase of these machineries, however our plan remain subject to the potential problems and uncertainties including cost overruns or delays. Problems that could adversely affect our plans include labour shortages, incremental operating expenses, taxes and duties, interest and finance charges, working capital margin and other external factors which may not be within the control of our management. There can be no assurance that the proposed capital expenditure towards installation of additional plant & machinery will be completed as planned or on schedule, and if they are not completed in a timely manner, or at all, our budgeted costs may be insufficient to meet our proposed capital expenditure requirements. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects. There can be no assurance that we will be able to complete the aforementioned establishment in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

***22. Our operating results could be materially harmed if we are unable to accurately forecast consumer demand for our products or manage our inventory.***

We strive to keep optimum inventory to control our costs and working capital requirements. To maintain an optimal inventory, we monitor our inventory levels based on our projections of demand as well as on a real-time basis, hence the balance of the inventory can be maintained, but we need to keep a strict check on the requirement. However, unavailability of products, due to high demand or inaccurate forecast, may result in loss of sales and adversely affect our customer relationships. We manage our inventory by constantly monitoring and tracking our current inventory levels, while keeping a small portion of reserve stock, based on our forecast customer demand. If we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products available for sale. Inventory levels in excess of customer demand may result in inventory write-offs and the sale of excess inventory at discounted prices, which may cause our gross margin to suffer and could impair the strength of our brand. On the other hand, in the case we experience shortage of products, we may be unable to meet the demand for our products, and our business and operating results could be adversely affected.

Therefore, an inaccurate forecast can also result in an over-supply of products, which may increase inventory costs, negatively impact cash flow, reduce the quality of inventory, shrinkages and ultimately lead to reduction in margins. Further, some of our products can become obsolete in terms of designs, and any inventory that we hold with respect to old designs may not get sold or replaced by our suppliers. Any of the aforesaid circumstances could have a material adverse effect on our business, results of operations and financial condition. During the Fiscal 2024, 2023 and 2022 our inventories were Rs 1680.65, Rs 681.63 lakhs and Rs 613.23 lakhs.

***23. As we continue to grow, we may not be able to effectively manage our growth and the increased complexity of our business, which could negatively impact our brand and financial performance.***

Continued growth of our business and user base requires us to expand our product portfolio, strengthen our brand recognition, expand and enhance our sales channels, better manage our supply chain, upgrade our information systems and

technologies, secure more space for our expanding operations among others. As we continue to grow, managing our business will become more complicated as we develop a wider product and service mix, some of which we may have less experience in. In addition, as we increase our product and service offerings, we will need to work with a larger number of business partners and maintain and expand mutually beneficial relationships with our existing and new business partners. Our inability to manage the expansion of our products range, customer base 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, including expanding operations towards backward integration in our manufacturing facilities to pursue existing and potential market opportunities.

We cannot assure you that we will be able to effectively manage our growth, that our current personnel, infrastructure, systems, procedures and controls or any measures to enhance them will be adequate and successful to support our expanding operations or that our strategies and new business initiatives will be executed successfully. If we are not able to manage our growth or execute our strategies effectively, our expansion may not be successful and our business and prospects may be materially and adversely affected.

***24. Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.***

Our operations are subject to hazards inherent in our offices and manufacturing facility such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. Long periods of business disruption could result in a loss of customers. Although we take precautions to minimize the risk of any significant operational problems at our facilities, and we have not experienced any such material incidents in the past, there can be no assurance that we will not face such disruptions in the future.

We may be exposed to various risks which we may not be able to foresee or may not have adequate insurance coverage. Our insurance coverage may not be adequate to cover such loss or damage to life and property, and any consequential losses arising due to such events will affect our operations and financial condition. Further, in addition to the above, any such fatal accident or incident causing damage or loss to life and property, even if we are fully insured or held not to be liable, could negatively affect our reputation, thereby making it more difficult for us to conduct our business operations effectively, and could significantly affect our business, availability of insurance coverage in the future and our results of operations. The occurrence of any one of the above events may result in us being named as a defendant in lawsuits asserting claims for substantial damages, including for personal injury and property damage and fines and/or penalties.

While we believe that the insurance coverage that we maintain is in accordance with industry standards, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, that is not covered by insurance or exceeds our insurance coverage, the loss would have to be borne by us and our cash flows, results of operations and financial performance could be adversely affected. In the event that our Company files a claim under the applicable insurance policy, there is no assurance that we will be able to recover all, or part of the losses incurred.

***25. We have in the past entered into related party transactions and may continue to do so in the future.***

Our Company has entered into various transactions with our Directors, Promoters and Promoter Group members/ entities. These transactions, inter-alia include, issue of shares, remuneration, loans and advances, purchase, sales, rent expenses, reimbursement of expenses etc. For details, please refer to “***Annexure XXX - Related Party Disclosures***” under Section titled “***Financial Information of the Company***” and Chapter titled “***Capital Structure***” beginning on page 187 and 63 respectively of this Red Herring Prospectus. Our Company has entered into such transactions due to easy proximity, quick execution and on arm’s length price as per Companies Act 2013 and other applicable laws. Although all related-party transactions that we may enter into in the future are subject to approval by our Audit Committee, Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favorable terms if such transactions are not entered into with related parties.

Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

**26. We operate our business from rented premises.**

Our registered office, factory and other branch offices, through which we operate our business, are taken on rent. Any adverse impact on the title /ownership rights/ development rights of our landlords may adversely affect our operations. Further in the event of non-renewal of these rent or leave and licence agreements, our operations and profitability may be adversely affected. We cannot assure you that we will be able to continue the above arrangement on commercially favourable terms in future. If we are required to vacate the current premises, we would be required to make alternative arrangements for our manufacturing facilities and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms.

**27. Our contingent liabilities as stated in our Restated Financial Statements could affect our financial condition.**

Our Contingent liability as on March 31, 2024 was Rs 157.73 Lakhs. If this contingent liability materializes, fully or partly, the financial condition of our Company could be affected.

**(₹ In lakhs)**

| Particulars       | As at         |             |             |
|-------------------|---------------|-------------|-------------|
|                   | 31/03/2024    | 31/03/2023  | 31/03/2022  |
| In Respect of TDS | 1.41          | 1.46        | 0.58        |
| In Respect of GST | 156.32        | -           | -           |
| <b>Total</b>      | <b>157.73</b> | <b>1.46</b> | <b>0.58</b> |

For further details, please refer to **Annexure XXIX** – Contingent Liabilities of the chapter titled “**Financial Information of the Company**” on page 190 of this Red Herring Prospectus.

**28. The activities carried out at our manufacturing facilities can cause injury to people or property in certain circumstances.**

The activities carried out at our manufacturing facilities may cause injury to our employees. While we employ safety procedures in the operation of our manufacturing facilities and maintain what we believe to be adequate insurance, there is a risk that an accident may occur at any of our manufacturing facilities. An accident may result in personal injury to our employees, or the labour deployed at our facilities, destruction of property or equipment, manufacturing or delivery delays, environmental damage, or may lead to suspension of our operations and/or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend such litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations, cash flows and prospects. Although there have been no instances or accidents in the past which had caused any injury to people or property due to activities carried out at our manufacturing facilities.

**29. If we are unable to service our debt obligations in a timely manner or to comply with various financial and other covenants and other terms and conditions of our financing agreements, it may adversely affect our business, prospects, results of operations and financial condition**

As of March 31, 2024 our Company had total indebtedness in the form of short term and long term borrowings of ₹ 572.60 lakhs. Our indebtedness could have several important consequences, including but not limited to the following:

- a portion of our cash flows may be used towards repayment of our existing debt, which will reduce the availability of our cash flows to fund working capital, capital expenditures and other general corporate requirements;
- our ability to obtain additional financing in the future at reasonable terms may be restricted;
- fluctuations in market interest rates may affect the cost of our borrowings, as some of our indebtedness is at variable interest rates.
- there could be a material adverse effect on our business, financial condition and results of operations if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements; and

Many of our financing agreements also include various conditions and covenants that require us to obtain consent of the lenders prior to carrying out certain activities or entering into certain transactions. 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. For further details in this regard, please refer to chapter titled ***“Statement of Financial Indebtedness”*** beginning on page 201 of this Red Herring Prospectus.

***30. We may be subject to labour unrest, operating risks, slowdowns, increased wage costs, and shut-downs.***

Our manufacturing activities are labour intensive and consequently our success depends upon maintaining good relations with our workforce. As of August 31, 2024, we had approximately 77 employees. India has stringent labour legislations that protect the interests of workers, including legislation that set forth detailed procedures for the establishment of unions, dispute resolution and employee removal, and legislations that imposes certain financial obligations on employers upon retrenchment. Our employees are not unionized currently. However, there is no assurance that our employees will not seek unionization in the future. In the event that employees at our manufacturing facilities take any steps to unionise, it may become difficult for us to maintain flexible labour policies, and may increase our costs and adversely affect our business.

Further, our business operations, specifically our processing facilities are subject to certain operating risks, such as breakdown or failure of equipment, power supply or processes, reduction or stoppage of water supply, performance below expected levels of efficiency, obsolescence and natural disasters.

Any strikes or lock-outs, work stoppages, slowdowns, shut downs, supply interruptions or costs or other factors beyond our control, may disrupt our operations and could negatively impact our financial performance or financial condition. Additionally, our inability to recruit employees, in particular skilled employees and retain our current workforce could have a material adverse effect on our business, financial condition and profitability. There can be no assurance that we will not experience slowdowns or shutdowns in the manner described above, or in any other manner, in the future, for reasons which are beyond our control. Any slowdown or shutdown will adversely impact our results of operations, market share and financial condition.

Although there have been no such instances in the past of any strikes or lock-outs, work stoppages, slowdowns, shut downs, supply interruptions or costs or other factors beyond our control which had disrupted our operations or which had negatively impacted our financial performance or financial condition. Further there have been no operational risks till date such as breakdown or failure of equipment, power supply or processes, reduction or stoppage of water supply, performance below expected levels of efficiency, obsolescence and natural disasters, which could have impacted our financial performance or financial condition.

***31. Our Company has taken unsecured loans that may be recalled by the lenders at any time.***

Our Company have availed unsecured loans which may be called by their lenders at any time. As on March 31, 2024 the unsecured loan amounting Rs 572.60 lakhs were due to lenders. In the event that lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Also there is no formal agreement with any of our lenders. As a result, any such demand may affect our business, cash flows, financial condition and results of operations. For further details on financing arrangements entered into by our Company, please refer chapter titled ***“Statement of Financial Indebtedness”*** beginning on page 201 of Red Herring Prospectus.

***32. While our Company will receive proceeds from the Fresh Issue, it will not receive any proceeds from the Offer for Sale portion, and the Selling Shareholders, shall be entitled to the Offer Proceeds to the extent of the Equity Shares offered by them in the Offer for Sale.***

In addition to the Fresh Issue component from which our Company will receive proceeds, the Offer includes an Offer for Sale by the Selling Shareholders. The Selling Shareholders will receive the entire proceeds from the Offer for Sale (after deducting the applicable Offer Expenses) and our Company will not receive any part of such proceeds from the Offer for Sale. The proceeds from the transfer of the Offered Shares, shall be paid to each of the Selling Shareholders, in proportion to their respective portions of the Offered Shares. Certain members of our Promoter Group are, therefore, interested in the Offer in connection with their respective portion of the Offered Shares. For more information, see ***“Objects of the Offer”*** on page 80.

***33. Excessive dependence on IDFC Bank Limited in respect of Loan facilities obtained by our Company.***

Our company has been sanctioned credit facilities by IDFC Bank Limited. The Company is dependent on such facility for its Term loans, Overdraft facilities and other funding requirement and any default under such arrangement with such lender may create problem for operation of the Company, which may affect the financial stability of the Company. At the same



time this may result into difficulty in arranging for funds for re-payment and may also adversely affect the financial position of the Company.

***34. The deployment of funds raised through this Offer shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.***

Since the Offer is for an amount not exceeding ₹10,000 lakhs, in terms of SEBI ICDR Regulations, our Company is not required to appoint an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Offer. The deployment of these funds raised through this Offer, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Offer proceeds could adversely affect our finances.

***35. We are dependent on our Promoters, our senior management and other key personnel, and the loss of, or our inability to attract or retain, such persons could affect our business, results of operations, financial condition and cash flows.***

Our performance depends largely on the efforts and abilities of our promoters, senior management and other key personnel. They have gained experience in this line of business and have over the years built relations with suppliers, third party service providers, customers, regulators and other persons who are connected with us and have been actively involved in the day to day operations and management, further we believe that the inputs and experience of our promoters and senior management, in particular, are valuable for product development and manufacturing activities, successful delivery of products and our overall business operations and the strategic directions taken by our Company. For details in relation to the experience of our key management personnel, see ***“Our Management”*** on page 143 of this Red Herring Prospectus. We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an effect on our business, results of operations, financial condition and cash flows.

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

We are currently engaged in the business of providing 3D Printing solutions which attracts tax liability such as Goods and Service tax and Income tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with ESI and Provident Fund. Any demand or penalty raised by the concerned authority in future for any previous years or current year will affect the financial position of the Company. Except for as disclosed in the section titled ***“Outstanding Litigation And Material Developments”*** on page 211 of the Red Herring Prospectus there have been no demand or Penalty raised on the company by any statutory authorities.

***37. The average cost of acquisition of Equity Shares by our Promoters, could be lower than the Offer price.***

Our Promoters' average cost of acquisition of Equity Shares in our Company may be lower than the Offer Price 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 Promoters in our Company, please refer to the chapters ***“Capital Structure”*** beginning on pages 64 of this Red Herring Prospectus.

***38. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected. Although there had been no instances of employee misconduct or errors in the past due to which our company faced financial difficulties or which affected results of operations or our reputation.

***39. 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. The business may also encounter some inventory loss on account of employee theft, vendor fraud and general administrative error. While we have not experienced any such instance in the past, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse or similar incidents in the future, which could adversely affect our results of operations and financial condition. Though we have insurance losses due to theft, fire, breakage or damage caused by other casualties, could adversely affect our results of operations and financial condition.

***40. Information relating to our installed capacities and the historical capacity utilization of our manufacturing facilities included in this Red Herring Prospectus is based on various assumptions and estimates and future production and capacity utilization may vary.***

Information relating to our installed capacities and the historical capacity utilization of our manufacturing facilities included in this Red Herring Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials and assumptions relating to potential utilization levels and operational efficiencies. Actual utilization rates may differ significantly from the estimated installed capacities or historical estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our installed capacity or historical estimated capacity utilization information for our existing facilities included in this Red Herring Prospectus.

***41. Our ability to pay any dividends will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.***

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. 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. For details of our Dividend history refer to the Section “*Dividend Policy*” on page 164 of the Red Herring Prospectus.

***42. Our Promoter and the Promoter Group will jointly continue to retain majority shareholding in our Company after the offer, which will allow them to determine the outcome of the matters requiring the approval of shareholders.***

Our promoter along with the promoter group will continue to hold collectively upto 65.48% of the Equity share capital of the company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholder's vote. Such a concentration of the ownership may also have the affect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoter will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

***43. Any future issuance of our Equity Shares may dilute prospective investors' shareholding, and sales of our Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

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

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

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

The offer price of the equity shares has been based on many factors and may not be indicative of the market price of our Equity Shares after the Offer. For further information please refer the section titled "**Basis for Offer Price**" beginning on page 89 of the Red Herring Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price.

***45. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and industry in which we operate contained in the Red Herring Prospectus.***

While facts and other statistics in the Red Herring Prospectus relating to India, the Indian economy and the industry in which we operate has been based on various governmental and organizational web site data that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled "**Industry Overview**" beginning on page 97 of this Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

***46. Investors other than retail (including non-institutional investors, QIBs and Corporate Bodies) are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Amount) at any stage after submitting an application.***

Pursuant to the SEBI ICDR Regulations, Investors other than retail (including non-institutional investors and Corporate Bodies) are not permitted to withdraw or lower their application (in terms of quantity of Equity Shares or the Amount) at any stage after submitting an application. While our Company is required to complete Allotment pursuant to the Offer within three Working Days from the Offer Closing Date, events affecting the Bidders decision to invest in the Equity Shares, including material 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 Application and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidder's ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

***47. Our Promoters and promoter group members are co-applicant in the loan facilities obtained by our Company, and any failure or default by our Company to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations on them, which may impact their ability to effectively service their obligations and thereby, impact our business and operations***

Our Promoters and promoter group members are co-applicant in certain loan facilities taken by our company. We have been sanctioned such loan against the personal property of our promoters which was mortgaged for the same. Our Promoters may continue to provide such guarantees and other securities post listing. In case of a default under our loan agreements, any of the guarantees provided by our Promoters and Promoter group members may be invoked or the personal property of the promoters may be forfeited, which could negatively impact the reputation and net worth of our Promoters and Promoter group members. In addition, our guarantors may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company.

Furthermore, in the event that our Promoters and Promoter group members withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring 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 could affect our financial condition and cash flows.

***48. Certain data mentioned in this Red Herring Prospectus has not been independently verified.***

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

**EXTERNAL RISK FACTORS**

***1. Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Recent developments in the ongoing conflict between Russia and Ukraine has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India. In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries.

***2. Our business and results of operations could be adversely affected by disruptions in global economic and geo political conditions.***

As substantially all of our operations are dependent on our customers who have their head offices or parent companies situated outside India, our financial performance and growth are necessarily dependent on economic conditions prevalent globally. The global economy may be materially and adversely affected by political instability or regional conflicts; a general rise in interest rates; inflation; exchange rate fluctuations; changes in tax, trade, and monetary policies; occurrence of natural or man-made disasters; downgrade in debt rating; and adverse economic conditions occurring elsewhere in the world, such as a slowdown in economic growth in China, the repercussions of the United Kingdom exit from the European Union and other matters. While the Indian economy has grown significantly in recent years, it has experienced economic slowdowns in the past due to global economic and geo political conditions. The Indian economy in particular could be adversely impacted by inflationary pressures, currency depreciation, the poor performance of its large agricultural and manufacturing sectors, trade deficits, recent initiatives by the Indian government and other factors. Unfavourable changes in the above factors or in other business and economic conditions affecting our customers could result in a corresponding decline in our business.

***3. If certain labour laws become applicable to us, our profitability may be adversely affected.***

India has stringent labour legislations that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Any change or modification in the existing labour laws may affect our flexibility in formulating labour related policies.

***4. The continuing effect of the COVID-19 pandemic on our business, results of operations and financial condition is highly uncertain and cannot be predicted.***

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could adversely affect the overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines and lockdowns. These measures have impacted and may further impact our workforce and operations, the operations of our consumers. In case there is a rapid increase in severe cases of infections leading to deaths, where the measures taken by governments are not successful or are any bans imposed by the government in this regard are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general. The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession.

***5. A slowdown in economic growth in India may adversely affect our business, financial condition, cash flows, results of operations and prospects.***

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by centre or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. There have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our raw materials and demand for our products and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

***6. Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter ***“Government and Other Approvals”*** on page 217 for details of the laws currently applicable to us. The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition, results of operations and cash flows.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, turnover tax, goods and services tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. We are involved in various disputes with tax authorities. For details of these disputes, see ***“Outstanding Litigation and Material Developments”*** on page 214. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time.

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Ordinance, 2019, a new tax ordinance issued by India's Ministry of Finance on September 20, 2019, prescribes a number of changes to the income tax rate applicable to companies in India. According to this new ordinance, companies can henceforth voluntarily opt for a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies. Any such future amendments may affect other benefits such as an exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would influence our profitability.

The Finance Act, 2022 ("Finance Act"), has, amongst 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 ("DDT"), will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are likely to 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. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. Further, the Government of India has notified the Finance Act, 2023, which has introduced various amendments to taxation laws in India. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, 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 business in the future.

***7. Instability in financial markets could materially and adversely affect our results of operations and financial condition.***

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

***8. Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.***

India has experienced natural calamities such as earthquakes, tsunami, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

***9. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.***

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in affect in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the rupees proceeds from the sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the Income Tax authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

***10. Our performance is linked to the stability of policies and the political situation in India.***

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

## **SECTION IV – INTRODUCTION**

### **THE OFFER**

| <b>PRESENT OFFER IN TERMS OF THIS RED HERRING PROSPECTUS</b>                  |   |
|---|---|
| <b>Equity Shares Offered<sup>(1)(2)</sup></b>                                 | Offer of 17,04,000 Equity Shares of face value of ₹10 each fully paid-up of our Company.  |
| <b>Consisting of:</b>   |   |
| <b>Fresh Issue</b>  | 14,52,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating ₹[●] lakhs. |
| <b>Offer for Sale</b>   | Offer for sale by existing shareholders 2,52,000 equity shares of ₹ 10 each at a price of ₹ [●] per equity share aggregating to ₹ [●] lakhs.              |
| <b>Out of which:</b>  |   |
| <b>Offer Reserved for the Market Makers</b>                                   | Up to 88,000 Equity Shares aggregating to ₹ [●] Lakhs.  |
| <b>Net Offer to the Public</b>  | Up to 16,16,000 Equity Shares aggregating to ₹ [●] Lakhs.   |
| <b>Out of which*</b>  |   |
| A. QIB Portion <sup>(3)(4)</sup>  | Not more than 8,07,000 Equity Shares aggregating up to ₹ [●] lakhs.   |
| <b>Of which</b>   |   |
| i) Anchor Investor Portion  | Upto [●] Equity Shares aggregating up to ₹ [●] lakhs.   |
| ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)    | Up to [●] Equity Shares aggregating up to ₹ [●] lakhs.  |
| <b>Of which</b>   |   |
| (a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion) | Up to [●] Equity Shares aggregating up to ₹ [●] lakhs   |
| (b) Balance of QIB Portion for all QIBs including Mutual Funds                | Up to [●] Equity Shares aggregating up to ₹ [●] lakhs   |
| B. Non-Institutional Portion  | Not less than 2,43,000 Equity Shares aggregating up to ₹ [●] lakhs  |
| C. Retail Portion   | Not less than 5,66,000 Equity Shares aggregating up to ₹ [●] lakhs  |
| <b>Pre and Post – Offer Equity Shares</b>                                     |   |
| <b>Equity Shares outstanding prior to the Offer</b>                           | 50,00,000 Equity Shares of face value of ₹10 each   |
| <b>Equity Shares outstanding after the Offer</b>                              | 64,52,000 Equity Shares of face value ₹10 each  |
| <b>Use of Net Proceeds by our Company</b>                                     | Please see the chapter titled “ <i>Objects of the Offer</i> ” on page 80 of this Red Herring Prospectus.  |

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

Notes:

- 1) The Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Offer is being made by our company in terms of Regulation of 229 (1) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – offer paid up equity share capital of our company are being offered to the public for subscription.
- 2) The Offer has been authorized by the Board of Directors vide a resolution passed at its meeting held on April 22, 2024 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on April 25, 2024. Further, our Board has taken on record the consents of the Selling Shareholders by a resolution of our Board dated April 22, 2024. The Selling shareholders have consented to participate in the offer for sale in the following manner:

| <b>Name of selling shareholders</b> | <b>Authorization letter dated</b> | <b>No. of equity shares held</b> | <b>No. of equity shares offered</b> |
|-------------------------------------|-----------------------------------|----------------------------------|-------------------------------------|
| Rahul Virendra Chandalia            | April 22, 2024                    | 14,50,000                        | 70,000                              |
| Saloni Rahul Chandalia              | April 22, 2024                    | 10,00,790                        | 1,00,000                            |



|                      |                |                  |                 |
|----------------------|----------------|------------------|-----------------|
| Pradeep Shripal Jain | April 22, 2024 | 7,73,670         | 47,000          |
| Swati Pradeep Jain   | April 22, 2024 | 11,73,500        | 35,000          |
| <b>Total</b>         |                | <b>43,97,960</b> | <b>2,52,000</b> |

*The Selling Shareholders have confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations, 2018 and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third-party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.*

- 3) The SEBI ICDR Regulations permit the offer of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Offer shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Offer Price. Accordingly, we have allocated the Net Offer i.e., not more than 50% of the Net Offer to QIB and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Offer shall be available for allocation to non-institutional bidders.
- 4) Subject to valid Bids being received at or above the Offer 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 Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.

Our Company and Selling Shareholders, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net 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 (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled ***“Offer Procedure”*** beginning on page 249 of this Red Herring Prospectus.

## SUMMARY OF OUR FINANCIALS

### ANNEXURE – I RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(₹ In Lakhs)

| Particulars   | Annexure No. | As at March 31, |                 |                 |
|---|--------------|-----------------|-----------------|-----------------|
|   |              | 2024            | 2023            | 2022            |
| <b>I. EQUITY AND LIABILITIES</b>                        |              |                 |                 |                 |
| <b>(1) Shareholder's Funds</b>                          |              |                 |                 |                 |
| (a) Share Capital                                       | V            | 300.00          | 300.00          | 100.00          |
| (b) Reserves and Surplus                                | VI           | 761.22          | 266.80          | 226.25          |
| <b>(2) Share Application Money Pending Allotment</b>    |              | -               | -               | -               |
| <b>(3) Non-Current Liabilities</b>                      |              |                 |                 |                 |
| (a) Long-Term Borrowings                                | VII          | 344.16          | 348.41          | 364.24          |
| (b) Deferred Tax Liability(Net)                         | VIII         | -               | -               | -               |
| (c) Long term provision                                 | IX           | 7.64            | 3.44            | 1.92            |
| (d) Other long-term Liabilities                         |              | -               | -               | -               |
| <b>(4) Current Liabilities</b>                          |              |                 |                 |                 |
| (a) Short Term Borrowing                                | X            | 228.45          | 330.57          | 145.54          |
| (b) Trade Payables                                      |              |                 |                 |                 |
| - For Micro, Small & Medium enterprises                 | XI           | -               | -               | -               |
| - For Other than Micro, Small & Medium enterprises      | XI           | 509.88          | -               | 71.79           |
| (c) Other Current Liabilities                           | XII          | 166.96          | 118.39          | 85.67           |
| (d) Short-Term Provisions                               | XIII         | 137.97          | 23.26           | 7.21            |
| <b>Total</b>  |              | <b>2,456.27</b> | <b>1,390.88</b> | <b>1,002.62</b> |
| <b>II. ASSETS</b>                                       |              |                 |                 |                 |
| <b>(1) Non-Current Assets</b>                           |              |                 |                 |                 |
| (a) Property, Plant and Equipment and Intangible Assets |              |                 |                 |                 |
| (i) Property, Plant and Equipment                       | XIV          | 55.18           | 56.70           | 33.16           |
| (ii) Intangible Assets                                  | XIV          | 0.12            | 0.16            | 0.21            |
| (ii) Capital Work In Progress                           |              | -               | -               | 26.31           |
| (b) Deferred Tax Assets (net)                           | VIII         | 6.24            | 3.65            | 3.34            |
| (d) Other non-current assets                            | XV           | 40.77           | 16.28           | 17.16           |
| <b>(2) Current Assets</b>                               |              |                 |                 |                 |
| (a) Inventories   | XVI          | 1,680.65        | 681.63          | 613.23          |
| (b) Trade receivables                                   | XVII         | 400.95          | 449.15          | 187.83          |
| (c) Cash and Other Bank Balances                        | XVIII        | 92.62           | 46.34           | 68.16           |
| (d) Short-Term Loans And Advances                       | XIX          | 135.27          | 118.94          | 42.28           |
| (e) Other Current Assets                                | XX           | 44.48           | 18.05           | 10.94           |
| <b>Total</b>  |              | <b>2,456.27</b> | <b>1,390.88</b> | <b>1,002.62</b> |

**ANNEXURE – II**

**STATEMENT OF PROFIT AND LOSS AS RESTATED**

(₹ In Lakhs)

| Sr. No.  | Particulars   | Annexure No. | For the year ended March 31, |                 |                 |
|----------|---|--------------|------------------------------|-----------------|-----------------|
|          |   |              | 2024                         | 2023            | 2022            |
| <b>A</b> | <b><u>Income:</u></b>   |              |                              |                 |                 |
|          | Revenue From Operations                                       | XXI          | 3,958.62                     | 2,331.11        | 1,969.25        |
|          | Other Income  | XXII         | 42.80                        | 40.21           | 67.78           |
|          | <b>Total Income</b>   |              | <b>4,001.43</b>              | <b>2,371.32</b> | <b>2,037.03</b> |
| <b>B</b> | <b><u>Expenses:</u></b>                                       |              |                              |                 |                 |
|          | Cost of Material Consumed                                     | XXIII        | 210.08                       | 92.35           | 77.68           |
|          | Purchases of stock in Trade                                   | XXIV         | 2,989.86                     | 1,496.61        | 1,550.52        |
|          | Changes in inventories of finished goods                      | XXV          | -688.06                      | -20.87          | -243.32         |
|          | Employee benefit expenses                                     | XXVI         | 225.09                       | 121.37          | 124.80          |
|          | Finance Cost  | XXVII        | 50.21                        | 26.53           | 51.21           |
|          | Depreciation and amortization expenses                        | XIV          | 19.53                        | 29.26           | 14.88           |
|          | Others Expenses   | XXVIII       | 521.64                       | 285.81          | 343.70          |
|          | <b>Total Expenses</b>   |              | <b>3,328.36</b>              | <b>2,031.07</b> | <b>1,919.46</b> |
| <b>C</b> | <b>Profit before exceptional, extraordinary items and tax</b> |              | <b>673.06</b>                | <b>340.25</b>   | <b>117.57</b>   |
|          | Less: Exceptional Items                                       |              | -                            | -               | -               |
|          | <b>Profit before extraordinary items and tax (A-B)</b>        |              | <b>673.06</b>                | <b>340.25</b>   | <b>117.57</b>   |
|          | Prior Period Items  |              | -                            | -               | -               |
|          | Extra ordinary items  |              | -                            | -               | -               |
| <b>D</b> | <b>Profit before tax</b>                                      |              | <b>673.06</b>                | <b>340.25</b>   | <b>117.57</b>   |
|          | <b>Tax expense:</b>   |              |                              |                 |                 |
|          | Current tax   |              | 172.35                       | 100.00          | 35.50           |
|          | Tax Related to Earlier year                                   |              | -                            | -               | -               |
|          | Deferred Tax  |              | -2.59                        | -0.31           | -2.35           |
|          | <b>Profit/(Loss) for the period After Tax- PAT</b>            |              | <b>503.30</b>                | <b>240.56</b>   | <b>84.42</b>    |

**ANNEXURE – III**  
**STATEMENT OF CASH FLOW AS RESTATED**

(₹ In Lakhs)

| Particulars   | For the year ended March 31, |                |                |
|---|------------------------------|----------------|----------------|
|   | 2024                         | 2023           | 2022           |
| <b>Cash Flow From Operating Activities:</b>                     |                              |                |                |
| Net Profit before tax as per Profit And Loss A/c                | 673.06                       | 340.25         | 117.57         |
| <b>Adjustments for:</b>   |                              |                |                |
| Depreciation & Amortisation Expense                             | 19.53                        | 29.26          | 14.88          |
| Finance Cost  | 50.21                        | 26.53          | 51.21          |
| Interest Income   | -1.67                        | -0.05          | -0.03          |
| Gratuity  | 4.37                         | 1.68           | 1.50           |
| Bad debts   | 2.53                         | -              | 0.39           |
| Damage Stock  | -                            | -              | 4.66           |
| <b>Operating Profit Before Working Capital Changes</b>          | <b>748.03</b>                | <b>397.67</b>  | <b>190.17</b>  |
| Adjusted for (Increase)/ Decrease in:                           |                              |                |                |
| Short term provision  | 114.53                       | 15.89          | 7.06           |
| Trade Receivables   | 45.67                        | -261.32        | -101.97        |
| Inventories   | -999.02                      | -68.40         | -274.95        |
| Other current assets  | -26.43                       | -7.10          | 1.83           |
| Trade Payables  | 509.88                       | -71.79         | 71.79          |
| Short Term Advance  | -16.32                       | -76.66         | 39.77          |
| Other Current Liabilities                                       | 48.57                        | 32.72          | -7.13          |
| <b>Cash Generated From Operations</b>                           | <b>-323.13</b>               | <b>-436.67</b> | <b>-263.59</b> |
| Appropriation of Profit   |                              |                |                |
| Net Income Tax paid/ refunded                                   | 181.24                       | 100.00         | 35.50          |
| <b>Net Cash Flow from/(used in) Operating Activities: (A)</b>   | <b>243.67</b>                | <b>-138.99</b> | <b>-108.92</b> |
| <b>Cash Flow From Investing Activities:</b>                     |                              |                |                |
| Sales of Fixed Assets   | -                            | 3.35           | -              |
| Purchases of Fixed Assets (including capital work in progress)  | -17.97                       | -29.79         | -35.66         |
| Interest Income on Fixed Deposits                               | 1.67                         | 0.05           | 0.03           |
| <b>Net Cash Flow from/(used in) Investing Activities: (B)</b>   | <b>-16.30</b>                | <b>-26.39</b>  | <b>-35.62</b>  |
| <b>Cash Flow from Financing Activities:</b>                     |                              |                |                |
| Proceeds from Long term Borrowings (including Current Maturity) | -                            | -              | 379.00         |
| Repayment of Long term Borrowings (including Current Maturity)  | -3.10                        | -14.76         | -              |
| Net Increase/(Decrease) in Short Term Borrowing                 | -103.28                      | 183.96         | -205.97        |
| Interest on borrowings  | -50.21                       | -26.53         | -51.21         |
| <b>Net Cash Flow from/(used in) Financing Activities ( C)</b>   | <b>-181.08</b>               | <b>143.56</b>  | <b>120.76</b>  |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)      | 46.28                        | -21.82         | -23.78         |
| Cash & Cash Equivalents As At Beginning of the Year             | 46.34                        | 68.16          | 91.94          |
| Cash & Cash Equivalents As At End of the Year                   | <b>92.62</b>                 | <b>46.34</b>   | <b>68.16</b>   |

**Notes:**

| 1. Components of Cash & Cash Equivalents                                       | For the year ended March 31, |              |              |
|--|------------------------------|--------------|--------------|
|  | 2024                         | 2023         | 2022         |
| Cash In Hand   | 0.67                         | 0.28         | 3.04         |
| Balance with Banks   | 90.59                        | 46.06        | 65.12        |
| Deposits with original maturity for more than 3 months but less than 12 months | 1.36                         | -            | -            |
| <b>Total</b>   | <b>92.62</b>                 | <b>46.34</b> | <b>68.16</b> |

## **GENERAL INFORMATION**

### **Brief Summary:**

Our Company was originally incorporated as a private limited Company under the name of “Parekh Polyester Private Limited” on November 01, 1988 bearing registration number as 11-49454. Subsequently, Ratan Mohanraj Chandalia, Virendra Mohanraj Chandalia, Sumitra Virendra Chandalia, Shweta Virendra Chandalia and Swati Virendra Chandalia, purchased the entire shareholding in the year 2003. Thereafter, the name of the company was changed from “Parekh Polyester Private Limited” to “Wol 3D India Private Limited” vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on April 30, 2018 and consequent to name change a fresh Certificate of Incorporation was granted to our Company on June 20, 2018 by the Registrar of Companies, Mumbai. Subsequently, our Company was converted into a public limited company vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on December 12, 2022 and consequently the name of our Company was changed from “WOL 3D India Private Limited” to “WOL 3D India Limited” vide fresh Certificate of Incorporation granted to our Company consequent upon conversion into public limited company dated January 02, 2023 by the Registrar of Companies, Mumbai bearing Corporate Identification Number U74110MH1988PLC049454.

Ghevarchand M. Parekh and Hasmukh M. Parekh were the initial subscribers to the Memorandum of Association of our Company.

For further details please refer to chapter titled “*History and Corporate Structure*” beginning on page 139 of this Red Herring Prospectus.

### **Registered Office:**

#### **Wol 3D India Limited**

18, Ground Floor, Bombay Cotton Mill Estate,  
Dattaram Lad Marg, Kalachowky, Mumbai,  
Maharashtra, India, 400033

**Tel. No.:** 022 - 23727396

**Email:** investor.relations@wol3d.com

**Website:** www.wol3d.com

**CIN:** U74110MH1988PLC049454

**Registration No.:** 049454

### **Factory Address:**

#### **Wol 3D India Limited**

Gala No. 110/ Bldg No. B-5 Floor 1,  
Radhe Krishna Industrial Park, House no. 764,  
Village Pimplas, Bhiwandi Thane

**Tel. No.:** 022 - 23727396

**Email:** investor.relations@wol3d.com

**Website:** www.wol3d.com

**CIN:** U74110MH1988PLC049454

**Registration No.:** 049454

### **Address of the RoC:**

#### **Registrar of companies, Mumbai**

100, Everest, Marine Drive  
Mumbai- 400002 Maharashtra, India  
**Tel. No.:** +91-022-22812627/22020295/22846954

**Fax No.:** +91- 022-22811977

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

**Website:** [www.mca.gov.in](http://www.mca.gov.in)

### **Board of Directors:**

The Board of Directors of our Company as on the date of filing of this Red Herring Prospectus consists of:

| Name of Director         | Designation                    | Address   | DIN      |
|--------------------------|--------------------------------|---|----------|
| Rahul Virendra Chandalia | Chairman and Managing Director | Unit No. 904 B Wing Indiabulls Blu, Ganpatrao Kadam Marg, Delisle Road, Mumbai City, Maharashtra-400013   | 08384580 |
| Saloni Rahul Chandalia   | Whole-Time Director & CFO      | Unit No-2404 B Wing Indiabulls Blu, Ganpatrao Kadam Marg, Lower Parel, Delisle Road, Mumbai City, Maharashtra-400013  | 08384610 |
| Pradeep Shripal Jain     | Whole Time Director            | Flat No 101 / 102, Kalpataru Aura, L B S Marg, Opp R – City Mall, Ghatkopar West, Mumbai, Maharashtra – 400086  | 08384613 |
| Swati Pradeep Jain       | Non-Executive Director         | Kalpataru Aura, 3e, 101/102, L.B.S. Marg, Opp R-city Mall, Ghatkopar-west, Mumbai, Maharashtra – 400086   | 08384581 |
| Bipin Moolchand Kothari  | Independent Director           | D/1, Parshva Darshan CHS, Chandavarkar Road, Near Apex Hospital, Mumbai, Maharashtra-400092   | 10052227 |
| Keyur Keshavji Karia     | Independent Director           | Prabhat CHS, 3 <sup>rd</sup> Floor, Room No. 13/14, 204, Old Sitaram Building, S.G. Marg, Princess Street, Near Metro Cinema, Marine Lines, Kalbadevi, Mumbai, Maharashtra-400002 | 06720072 |

For further details in relation to our directors, please refer to chapter titled **“Our Management”** on page 143 of this Red Herring Prospectus.

| Chief Financial Officer  | Company Secretary and Compliance Officer   |
|--|--|
| <b>Saloni Rahul Chandalia</b><br><b>Wol 3D India Limited</b><br><b>Address:</b> 18, Ground Floor, Bombay Cotton Mill Estate, Dattaram Lad Marg, Kalachowky, Mumbai, Maharashtra, India, 400033<br><b>Tel. No.:</b> 022 - 23727396<br><b>Email:</b> cfo@wol3d.com | <b>Nayna Pratik Lunker</b><br><b>Wol 3D India Limited</b><br><b>Address:</b> 18, Ground Floor, Bombay Cotton Mill Estate, Dattaram Lad Marg, Kalachowky, Mumbai, Maharashtra, India, 400033<br><b>Tel. No.:</b> 022 - 23727396<br><b>Email:</b> cs@wol3d.com |

### **Investor Grievances:**

**Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Offer and/or the Book Running Lead Manager, in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.**

All grievances in relation to the application through ASBA process may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving details such as the full name of the sole or First Applicant, ASBA Form number, Applicants DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder, ASBA Account number in which the amount equivalent to the Bid Amount was blocked and UPI ID used by the Retail Individual Investors. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

For all Offer related queries and for redressal of complaints, Applicants may also write to the Book Running Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Book Running Lead Manager, who shall respond to the same.

All grievances relating to the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as name of the sole or first Applicant, Bid cum Application Form number, Applicants DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Applicant, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the relevant BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor. For all Offer related queries and for redressal of complaints, investors may also write to the BRLM.

**Details of Key Intermediaries pertaining to this Offer and Our Company:**

| <b>Lead Manager of the Offer</b>  | <b>Legal Advisor to the Offer</b>  |
|---|--|
| <b>Hem Securities Limited</b><br><b>Address:</b> 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India<br><b>Tel No.:</b> +91-22-4906 0000<br><b>Fax No.:</b> +91-22-22625991<br><b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a><br><b>Investor Grievance Email:</b> <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a><br><b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a><br><b>Contact Person:</b> Roshni Lahoti<br><b>SEBI Reg. No.:</b> INM000010981  | <b>Zenith India Lawyers</b><br><b>Address:</b> D-49, SL-III, Sector-57, Gurugram, Haryana-122003<br><b>Tel:</b> ++91 9899016169<br><b>Email:</b> <a href="mailto:raj@zilawyers.com">raj@zilawyers.com</a><br><b>Contact Person:</b> Raj Rani Bhalla<br><b>Designation:</b> Mg. Partner   |
| <b>Registrar to the Offer</b>   | <b>Statutory Auditor</b>   |
| <b>Bigshare Services Private Limited</b><br><b>Address:</b> S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, India.<br><b>Telephone:</b> +91 22 6263 8200<br><b>Facsimile:</b> +91 22 6263 8299<br><b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a><br><b>Investor Grievance Email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a><br><b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a><br><b>Contact Person:</b> Mr. Ganesh Shinde<br><b>SEBI Registration Number:</b> INR000001385<br><b>CIN:</b> U99999MH1994PTC076534 | <b>A D V &amp; Associates, Chartered Accountants,</b><br><b>Address:</b> B-601, Raylon Arcade, RK Mandir Road, Kondivita, JB Nagar Andheri (East), Mumbai – 400059<br><b>Phone:</b> +91-90290 59911<br><b>Email:</b> <a href="mailto:advassociates@gmail.com">advassociates@gmail.com</a><br><b>Firm Registration No.:</b> 128045W<br><b>Membership No:</b> 611401<br><b>Peer Review Certificate Number:</b> 013993<br><b>Contact Person:</b> Pratik Kabra |
| <b>Bankers to the Company</b>   | <b>Bankers to the Offer/ Refund Banker/ Sponsor Bank*</b>  |
| <b>HDFC Bank Ltd.</b><br><b>Address:</b> Shapoorji Pallonji, Mistry Building, Ground Floor, Dr. Shirodkar Marg, Parel, Mumbai-400012<br><b>Tel:</b> 02224184558<br><b>Email:</b> <a href="mailto:rahula.shah@hdfcbank.com">rahula.shah@hdfcbank.com</a><br><b>Contact Person:</b> Rahul Shah<br><b>Designation:</b> Branch Manager  | <b>Axis Bank Limited</b><br><b>Address:</b> 3 <sup>rd</sup> Floor, Trishul, opp, Samrtheswar Temple, Law Garden, Ellis Bridge, Ahmedabad-380006.<br><b>Tel:</b> +91-9773537011<br><b>Email:</b> <a href="mailto:Vishal.lade@axisbank.com">Vishal.lade@axisbank.com</a><br><b>Website:</b> <a href="http://www.axisbank.com">www.axisbank.com</a><br><b>Contact Person:</b> Vishal Lade   |
| <b>Syndicate Member*</b>  |  |
| <b>Hem Finlease Private Limited</b><br><b>Address:</b> 203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India<br><b>Telephone:</b> 0141-4051000<br><b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a><br><b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a>   |  |

**Designated Intermediaries:**

**Self-Certified Syndicate Banks (SCSB's)**

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) and updated from time to time. For details on Designated Branches of SCSBs collecting the Bid-cum-Application Forms, refer to the above-mentioned SEBI link.

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs/ mobile applications whose name appears on the SEBI website [www.sebi.gov.in](http://www.sebi.gov.in) in at the following path: Home >> Intermediaries/Market Infrastructure Institutions >> Recognized intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investor shall ensure that when applying in IPO using UPI, the name of his Bank appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, he/she shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list.

### **Syndicate SCSB Branches**

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> and updated from time to time. For more information on such branches collecting Bid-cum-Application Forms from the Syndicate at Specified Locations, refer to the above-mentioned SEBI link.

### **Registered Brokers**

Bidders can submit Bid cum Application Forms in the Offer using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and email address, is provided on the website of the SEBI at (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>), respectively, as updated from time to time.

### **Registrar and Share Transfer Agents**

The list of the Registrar to Offer and Share Transfer Agents (RTAs) eligible to accept Bid cum 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 (CDP's)**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of SEBI at (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>), as updated from time to time.

### **Brokers to the Offer**

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

### **Expert Opinion**

Except the report of the Auditor on statement of special tax benefits and report on restated financial statements for the financial year ended March 31, 2024, 2023 and 2022 as included in this Red Herring Prospectus, our Company has not obtained any expert opinion.

### **Inter-se Allocation of Responsibilities**

Since, Hem Securities Limited is the sole Book Running Lead Manager to this Offer, a statement of inter se allocation of responsibilities among Book Running Lead Manager is not applicable.

### **Appraisal and Monitoring Agency**

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Offer size is up to ₹ 10,000 Lakh. Since the Offer size is below ₹ 10,000 Lakh, our Company has not appointed any monitoring agency for this Offer. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Offer.

### **Green Shoe Option**

No Green Shoe Option is applicable for this Offer.



## Credit Rating

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

## IPO Grading

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

## Debenture Trustees

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

## Filing of Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus with the SEBI/ ROC

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

The Draft Red Herring Prospectus was not filed with SEBI, nor will SEBI Offer any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of 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 along with the material contracts and documents required to be filed under Section 32 of the Companies Act, 2013 would be filed with the RoC at its office through the electronic portal at <http://www.mca.gov.in> and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC at its office and through the electronic portal at <http://www.mca.gov.in>

## Book Building Process

Book Building, with reference to the Offer, 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 and the Selling Shareholders in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Marathi Edition of Regional newspaper Pratahkal where our registered office is situated at least two working days prior to the Bid/ Offer Opening date. The Offer Price shall be determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Offer Closing Date. Principal parties involved in the Book Building Process are:

- Our Company;
- The Book Running Lead Manager in this case being Hem Securities Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with NSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Offer and;
- The Designated Intermediaries and Sponsor bank

The SEBI ICDR Regulations have permitted the Offer 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 Offer is being made through the Book Building Process wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company and the Selling Shareholders may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “**Anchor Investor Portion**”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price. 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 Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer 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 Offer Price. All potential Bidders may participate in the Offer 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 Offer. 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 and the Selling Shareholders in consultation with the BRLM and the Designated Stock Exchange.

**All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer. 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/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Offer Period. Allocation to the Anchor Investors will be on a discretionary basis.**

Subject to valid Bids being received at or above the Offer Price, allocation to all categories in the Net Offer, 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 and the Selling Shareholders 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 (Offer of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Offer 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 Offer 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 are invited to the chapter titled **“Offer Procedure”** beginning on page 249 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 Offer.

For further details on the method and procedure for Bidding, please see section entitled **“Offer Procedure”** on page 249 of this Red Herring Prospectus.

#### **Illustration of the Book Building and Price Discovery Process:**

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled **“Offer Procedure”** on page 249 of this Red Herring Prospectus.

#### **Bid/ Offer Program:**

| <b>Event</b>  | <b>Indicative Dates</b>                  |
|---|--|
| Bid/ Offer Opening Date   | Monday, September 23, 2024               |
| Bid/ Offer Closing Date   | Wednesday, September 25, 2024            |
| Finalization of Basis of Allotment with the Designated Stock Exchange                                   | On or about Thursday, September 26, 2024 |
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account | On or about Thursday, September 26, 2024 |
| Credit of Equity Shares to Demat accounts of Allottees  | On or about Friday, September 27, 2024   |
| Commencement of trading of the Equity Shares on the Stock Exchange                                      | On or about Monday, September 30, 2024   |

- (1) *Our Company and the Selling Shareholders in consultation with the Book Running Lead Manager may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.*
- (2) *Our Company and the Selling Shareholders, in consultation with the BRLM, may decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI (ICDR) Regulations.*

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 3 Working Days of the Bid/ Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/Offer 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 Offer Period (except for the Bid/ Offer Closing Date). On the Bid/ Offer 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/Offer Closing Date maybe extended in consultation with the BRLM, RTA and NSE SME 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/Offer Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Offer Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Offer 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/Offer Closing Date, as is typically experienced in public Offer, 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 Offer. 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/Offer Closing Date. Allocation to Retail Individual Applicants, in this Offer 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 Offer shall ask the relevant SCSBs/ RTAs / DPs / stock brokers, as the case may be, for the rectified data.

## Underwriting

The Company, Selling shareholders and the Book Running Lead Manager to the Offer hereby confirm that the Offer will be 100% Underwritten by the Underwriter Hem Securities Limited.

Pursuant to the terms of the Underwriting Agreement dated September 10, 2024 entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

| Details of the Underwriter  | No. of shares underwritten | Amount Underwritten (₹ in Lakhs) | % of Total Offer Size Underwritten |
|---|----------------------------|----------------------------------|------------------------------------|
| <b>Hem Securities Limited</b><br><b>Address:</b> 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India<br><b>Tel No.:</b> +91-22-4906 0000<br><b>Email:</b> ib@hemsecurities.com<br><b>Investor Grievance</b><br><b>Email:</b> redressal@hemsecurities.com<br><b>Website:</b> www.hemsecurities.com<br><b>Contact Person:</b> Roshni Lahoti<br><b>SEBI Reg. No.:</b> INM000010981 | 17,04,000                  | [●]                              | 100%                               |

*\*Includes upto 88,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker, Hem Finlease Private Limited in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

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

#### **Change in Statutory Auditors during the last three (3) years**

| <b>Details of Statutory Auditor</b>   | <b>Date of Change</b> | <b>Reason</b>                                   |
|---|-----------------------|---|
| <b>Hemadri Hareshkumar Pandya</b><br><b>Chartered Accountants</b><br><b>Address:</b> D 61/62, Padamnagar Chs, Andheri Kurla Road, Opp.Darpan Talkies ,Andheri East, Mumbai<br><b>Tel. No.:</b> 9320021795<br><b>Email:</b> hemadri_pandya@yahoo.com<br><b>Contact Person:</b> Hemadri Hareshkumar Pandya<br><b>Membership No.:</b> 132420   | January 28, 2023      | Resignation                                     |
| <b>ASRV &amp; Co.</b><br><b>Chartered Accountants</b><br><b>Address:</b> 813, 8th Floor I, Square Business Park, Nr.Sukan Mall, Science City Road, Sola, Ahmedabad<br><b>Tel. No.:</b> 8160341317,9377511790<br><b>Email:</b> info.caadvisors@gmail.com<br><b>Contact Person:</b> Reeturaj Verma<br><b>Membership No.:</b> 193591   | February 15, 2023     | Appointment                                     |
| <b>A D V &amp; Associates,</b><br><b>Chartered Accountants,</b><br><b>Address:</b> B-601, Raylon Arcade, R K Mandir Road, Kondivita, Andheri (East), Mumbai- 400 059<br><b>Phone:</b> +91-90290 59911<br><b>Email:</b> advassociates@gmail.com<br><b>Firm Registration No.:</b> 128045W<br><b>Membership No.:</b> 611401<br><b>Peer Review Certificate Number:</b> 013993<br><b>Contact Person:</b> Prateek Kabra | September 30, 2023    | Appointment upon expiry of tenure of ASRV & Co. |

#### **Withdrawal of the Offer**

Our Company and the Selling Shareholders in consultation with the BRLM, reserve the right to not to proceed with the Offer at any time before the Bid/ Offer Opening Date without assigning any reason thereof.

If our Company withdraws the Offer any time after the Bid/ Offer Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Bid/ Offer Closing Date, providing reasons for not proceeding with the Offer shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Offer, 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 withdraws the Offer after the Bid/ Offer Closing Date and subsequently decides to proceed with an Offer of the Equity Shares, our Company will have to 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 Offer is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the filing of Red Herring Prospectus/ Prospectus with RoC.

#### **Details of the Market Making arrangement for this Offer**

Our Company and the BRLM has entered into Market Making Agreement dated September 10, 2024 with the following Market Maker, to fulfill the obligations of Market Making for this offer:

|                                      |  |
|--------------------------------------|--|
| <b>Name</b>                          | Hem Finlease Private Limited                                 |
| <b>Correspondence Address</b>        | 203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India |
| <b>Tel No.</b>                       | 0141-4051000   |
| <b>E-mail</b>                        | ib@hemsecurities.com   |
| <b>Website</b>                       | www.hemsecurities.com  |
| <b>Contact Person</b>                | Ashok Soni   |
| <b>SEBI Registration No.</b>         | INZ000168034   |
| <b>Market Maker Registration No.</b> | SMEREG2020090906741  |

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

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

- The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the NSE EMERGE and SEBI from time to time.
- The minimum depth of the quote shall be ₹1,00,000/-. However, the investors with holdings of value less than ₹ 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the NSE EMERGE (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the NSE from time to time).
- 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 Offer Size. Any Equity Shares allotted to Market Maker under this Offer over and above 25% of Offer Size would not be taken in to consideration of computing the threshold of 25% of Offer Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Offer Size, the Market Maker will resume providing 2-way quotes.
- 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.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 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.
- On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 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
- The Market Maker(s) shall have the right to terminate said arrangement by giving a 3 (three) months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement. In case of termination of the above mentioned Market Making

agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM 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(1) of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the BRLM reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our office from 10.00 A.M. to 5.00 P.M. on working days.

- **Risk containment measures and monitoring for Market Makers:** NSE EMERGE will have all margins, which are applicable on NSE 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.
- **Punitive Action in case of default by Market Makers:** The Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties/ fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties/ fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities/ trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
- **Price Band and Spreads:** 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.
- 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 Offer size and as follows:

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

The SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Offer size up to ₹ 250 crores, the applicable price bands for the first day shall be:

- i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

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

## CAPITAL STRUCTURE

Set forth below are the details of the Equity Share Capital of our Company as on the date of this Red Herring Prospectus.  
(₹ in Lakhs, except share data)

| Sr. No. | Particulars  | Aggregate Value at Face Value | Aggregate Value at Offer Price |
|---------|--|-------------------------------|--------------------------------|
| A       | <b>Authorized Share Capital</b><br>70,00,000 Equity Shares having Face Value of ₹ 10/- each  | 700.00                        | -                              |
| B       | <b>Issued, Subscribed &amp; Paid-up Share Capital prior to the offer</b><br>50,00,000 Equity Shares having Face Value of ₹10/- each  | 500.00                        | -                              |
| C       | <b>Present Offer in terms of this Red Herring Prospectus</b><br>17,04,000 Equity Shares having Face Value of ₹ 10/-each at a Premium of ₹ [●] per share <sup>(1) (2) (3)</sup>                     | 170.40                        | [●]                            |
|         | <b>Consisting of:</b>  |                               |                                |
|         | Fresh Issue of 14,52,000 Equity Shares of face value of ₹ 10/-each at a Premium of ₹ [●] per share   | 145.20                        | [●]                            |
|         | Offer for Sale of 2,52,000 Equity Shares of face value of ₹ 10/-each at a Premium of ₹ [●] per share   | 25.20                         | [●]                            |
|         | <b>Which comprises of:</b>   |                               |                                |
| D       | <b>Reservation for Market Maker Portion</b><br>88,000 Equity Shares of ₹10/- each at a price of ₹[●] per Equity Share reserved as Market Maker Portion   | 8.80                          | [●]                            |
| E       | <b>Net Offer to Public</b><br>Net offer to Public of 16,16,000 Equity Shares of ₹10/- each at a price of ₹[●] per Equity Share to the Public   | 161.60                        | [●]                            |
|         | <b>Of which:</b>   |                               |                                |
|         | At least 5,66,000 Equity Shares aggregating up to ₹[●] lakhs will be available for allocation to Retail Individual Investors   | 56.60                         | [●]                            |
|         | At least 2,43,000 Equity Shares aggregating up to ₹[●] lakhs will be available for allocation to Non-Institutional Investors   | 24.30                         | [●]                            |
|         | Not more than 8,07,000 Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. of which shall be allocated to mutual funds. | 80.70                         | [●]                            |
| F       | <b>Issued, Subscribed and Paid- up Equity Share Capital after the Offer</b>  |                               |                                |
|         | 64,52,000 Equity Shares of face value of ₹10/- each  | 645.20                        |                                |
| G       | <b>Securities Premium Account</b>  |                               |                                |
|         | Before the Offer (as on date of this Red Herring Prospectus)   |                               | Nil                            |
|         | After the Offer  |                               | [●]                            |

1. To be updated upon finalization of the Offer Price.

2. The Present Offer of 17,04,000 Equity Shares in terms of this Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated April 22, 2024 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 April 25, 2024

3. The Offer for Sale has been authorized by the Selling Shareholders by their consent letter dated April 22, 2024.

| Sr. No. | Name of the Selling Shareholders | No of Equity Shares offered | % of the pre-Offer paid-up Equity Share capital |
|---------|----------------------------------|-----------------------------|---|
| 1.      | Rahul Virendra Chandalia         | 70,000                      | 1.40%   |
| 2.      | Saloni Rahul Chandalia           | 1,00,000                    | 2.00%   |
| 3.      | Pradeep Shripal Jain             | 47,000                      | 0.94%   |
| 4.      | Swati Pradeep Jain               | 35,000                      | 0.70%   |
|         | <b>Total</b>                     | <b>2,52,000</b>             | <b>5.04%</b>                                    |

Allocation to all categories shall be made on a proportionate basis subject to valid Applications received. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

**Classes of Shares: -**

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

**NOTES TO THE CAPITAL STRUCTURE:****1. Changes in Authorized Equity Share Capital of our Company:**

| Sr. No. | Particulars of increase  | Cumulative No. of Equity Shares | Face Value of Equity Share | Cumulative Authorized Share Capital ( ₹ in lakhs) | Date of Meeting    | Whether AGM/EGM |
|---------|--|---------------------------------|----------------------------|---|--------------------|-----------------|
| 1.      | On incorporation   | 50,000                          | 10                         | 5.00  | Upon Incorporation | N.A.            |
| 2.      | Increase in Authorized Share Capital from ₹ 5.00 Lakhs to ₹ 100.00 Lakhs   | 10,00,000                       | 10                         | 100.00  | January 31, 1992   | EGM             |
| 3.      | Increase in authorised share capital from ₹ 100.00 Lakhs to ₹ 400.00 Lakhs | 40,00,000                       | 10                         | 400.00  | August 22, 2022    | EGM             |
| 4.      | Increase in authorised share capital from ₹ 400.00 Lakhs to ₹ 700.00 Lakhs | 70,00,000                       | 10                         | 700.00  | March 18, 2024     | EGM             |

**2. Equity Share Capital History of our Company:**

a) The following table sets forth details of the history of the Paid-up Equity Share capital of our Company:

| Date of Allotment of Equity Shares | No. of Equity Shares allotted | Face Value (₹) | Issue Price (including Premium if applicable (₹)) | Consideration on Cash/ Other than Cash | Nature of Allotment                | Cumulative No. of Equity Shares | Cumulative Securities Premium (₹) | Cumulative Paid-Up Capital (₹) |
|------------------------------------|-------------------------------|----------------|---|--|------------------------------------|---------------------------------|-----------------------------------|--------------------------------|
| Upon Incorporation                 | 200                           | 10             | 10  | Cash                                   | Subscription to MOA <sup>(i)</sup> | 200                             | Nil                               | 2,000                          |
| December 01, 1988                  | 200                           | 10             | 10  | Cash                                   | Further issue <sup>(ii)</sup>      | 400                             | Nil                               | 4,000                          |
| February 26, 1992                  | 3,600                         | 10             | 10  | Cash                                   | Further issue <sup>(iii)</sup>     | 4,000                           | Nil                               | 40,000                         |
| *                                  | 600                           | 10             | 10  | Cash                                   | Further issue <sup>(iv)</sup>      | 4,600                           | Nil                               | 46,000                         |
| *                                  | 500                           | 10             | 10  | Cash                                   | Further issue <sup>(v)</sup>       | 5,100                           | Nil                               | 51,000                         |
| December 11, 2002                  | 4,900                         | 10             | 10  | Cash                                   | Further issue <sup>(iv)</sup>      | 10,000                          | Nil                               | 1,00,000                       |
| September 11, 2003                 | 9,90,000                      | 10             | 10  | Cash                                   | Further issue <sup>(vii)</sup>     | 10,00,000                       | Nil                               | 1,00,00,000                    |
| November 11, 2022                  | 20,00,000                     | 10             | Nil   | Other than Cash                        | Bonus Issue <sup>(viii)</sup>      | 30,00,000                       | Nil                               | 3,00,00,000                    |
| April 26, 2024                     | 20,00,000                     | 10             | Nil   | Other than Cash                        | Bonus Issue <sup>(ix)</sup>        | 50,00,000                       | Nil                               | 5,00,00,000                    |

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



*\*The form filed with the RoC for the said allotment is not available with the RoC and the Company, thus date of meeting cannot be traced. These details have been inserted here based on the information received from the statutory registers and other records available with the company.*

*(i) Initial Subscribers to the Memorandum of Association subscribed 200 Equity Shares of Face Value of ₹ 10/- each, details of which are given below:*

| S. No. | Name of Subscribers  | Number of Shares Subscribed |
|--------|----------------------|-----------------------------|
| 1.     | Ghevarchand M Parekh | 100                         |
| 2.     | Hasmukh M Parekh     | 100                         |
|        | <b>Total</b>         | <b>200</b>                  |

*(ii) Further Issue of 200 Equity Shares of Face Value of ₹10/- each fully paid as per the details mentioned below:*

| S. No. | Name of Allottees    | Number of Shares Allotted |
|--------|----------------------|---------------------------|
| 1.     | Ghevarchand M Parekh | 100                       |
| 2.     | Hasmukh M Parekh     | 100                       |
|        | <b>Total</b>         | <b>200</b>                |

*(iii) Further Issue of 3,600 Equity Shares of Face Value of ₹10/- each fully paid as per the details mentioned below:*

| S. No. | Name of Allottees    | Number of Shares Allotted |
|--------|----------------------|---------------------------|
| 1.     | Ghevarchand M Parekh | 1,800                     |
| 2.     | Hasmukh M Parekh     | 1,800                     |
|        | <b>Total</b>         | <b>3,600</b>              |

*(iv) Further Issue of 600 Equity Shares of Face Value of ₹10/- each fully paid as per the details mentioned below:*

| S. No. | Name of Allottees    | Number of Shares Allotted |
|--------|----------------------|---------------------------|
| 1.     | Ghevarchand M Parekh | 400                       |
| 2.     | Hasmukh M Parekh     | 200                       |
|        | <b>Total</b>         | <b>600</b>                |

*(v) Further Issue of 500 Equity Shares of Face Value of ₹10/- each fully paid as per the details mentioned below:*

| S. No. | Name of Allottees    | Number of Shares Allotted |
|--------|----------------------|---------------------------|
| 1.     | Ghevarchand M Parekh | 500                       |
|        | <b>Total</b>         | <b>500</b>                |

*(vi) Further Issue of 4,900 Equity Shares of Face Value of ₹10/- each fully paid as per the details mentioned below:*

| S. No. | Name of Allottees    | Number of Shares Allotted |
|--------|----------------------|---------------------------|
| 1.     | Rekha G Parekh       | 1,700                     |
| 2.     | Manekchand J. Parekh | 1,700                     |
| 3.     | Vinisha G Parekh     | 1,500                     |
|        | <b>Total</b>         | <b>4,900</b>              |

*(vii) Further Issue of 9,90,000 Equity Shares of Face Value of ₹10/- each fully paid as per the details mentioned below:*

| S. No. | Name of Allottees                 | Number of Shares Allotted |
|--------|-----------------------------------|---------------------------|
| 1.     | Virendra Mohanraj Chandalia       | 50,000                    |
| 2.     | Ratan Mohanraj Chandalia          | 50,000                    |
| 3.     | Sumitra Virendra Chandalia        | 50,000                    |
| 4.     | Indocity Infotech Ltd.            | 1,00,000                  |
| 5.     | Marudhra Mudra (P) Ltd.           | 2,40,000                  |
| 6.     | Om Procurements and Projects Ltd. | 3,00,000                  |
| 7.     | Kushal Software Ltd.              | 50,000                    |

|    |                            |                 |
|----|----------------------------|-----------------|
| 8. | Shreeji Herbals Limited    | 50,000          |
| 9. | Kushagara Software Limited | 1,00,000        |
|    | <b>Total</b>               | <b>9,90,000</b> |

(viii) Bonus Issue of 20,00,000 Equity Shares of Face Value of ₹10/- each in the ratio of 2:1 i.e. Two (2) Equity shares for every One (1) Equity shares held by shareholders. (refer point no.3 for allottee list)

(ix) Bonus Issue of 20,00,000 Equity Shares of Face Value of ₹10/- each in the ratio of 2:3 i.e. Two (2) Equity shares for every Three (3) Equity shares held by shareholders. (refer point no.3 for allottee list)

### b) Preference Share Capital

As on the date of this Red Herring Prospectus, our Company does not have any Preference Share Capital.

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

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

| Date of Allotment | Number of Equity Shares | Face Value (₹) | Issue Price (₹) | Reason for Allotment   | Benefits Accrued to our Company       | Name of Allottees   | No. of Shares Allotted |
|-------------------|-------------------------|----------------|-----------------|--|---------------------------------------|---|------------------------|
| November 11, 2022 | 20,00,000               | 10             | Nil             | Bonus in the ratio of 2:1 i.e. 2 Equity Share for every 1 Equity Shares held | Capitalization of Reserves & Surplus* | Pradeep Shripal Jain  | 2,72,800               |
|                   |                         |                |                 |  |                                       | Rahul Virendra Chandalia  | 5,00,000               |
|                   |                         |                |                 |  |                                       | Saloni Rahul Chandalia  | 4,65,600               |
|                   |                         |                |                 |  |                                       | Swati Pradeep Jain  | 4,92,800               |
|                   |                         |                |                 |  |                                       | Alpesh Babulal Shah HUF   | 40,000                 |
|                   |                         |                |                 |  |                                       | Kaushal Vinodkumar Kothari  | 3,200                  |
|                   |                         |                |                 |  |                                       | Ravi Shripal Jain   | 4,800                  |
|                   |                         |                |                 |  |                                       | Shilpa Alpesh Shah  | 40,000                 |
|                   |                         |                |                 |  |                                       | Shweta Ravi Jain  | 3,200                  |
|                   |                         |                |                 |  |                                       | Sri Impex Private Limited   | 16,000                 |
|                   |                         |                |                 |  |                                       | Paras Jadavjee Satra  | 4,800                  |
|                   |                         |                |                 |  |                                       | Rahul Anantrai Mehta  | 9,600                  |
|                   |                         |                |                 |  |                                       | Ronak Rajendra Jain HUF   | 6,400                  |
|                   |                         |                |                 |  |                                       | Shwet Pravin Savla  | 6,400                  |
|                   |                         |                |                 |  |                                       | Aditya Pankaj Doshi   | 6,400                  |
|                   |                         |                |                 |  |                                       | Alka Vinod Kothari  | 3,200                  |
|                   |                         |                |                 |  |                                       | Alpesh Babulal Shah   | 40,000                 |
|                   |                         |                |                 |  |                                       | Apurva Jayesh Porwal  | 1,600                  |
|                   |                         |                |                 |  |                                       | Ashwi Paresch Jain  | 1,600                  |
|                   |                         |                |                 |  |                                       | Chenraj M Chandalia   | 3,200                  |
|                   |                         |                |                 |  |                                       | Elixir Commercial and Advisory Services LLP (Formally known as Nirvaan Advisory Services LLP) | 6,400                  |
|                   |                         |                |                 |  |                                       | Payal Nirav Shah  | 4,800                  |
|                   |                         |                |                 |  |                                       | Rita Hiten Parekh   | 16,000                 |
|                   |                         |                |                 |  |                                       | Riya Alpesh Shah  | 40,000                 |
|                   |                         |                |                 |  |                                       | Sushila Chenraj Chandalia   | 3,200                  |
|                   |                         |                |                 |  |                                       | Vinodkumar Prithviraj Kothari   | 8,000                  |
|                   |                         |                |                 |  |                                       | <b>Total</b>  | <b>20,00,000</b>       |
| April 26, 2024    | 20,00,000               | 10             | Nil             | Bonus in the ratio of 2:3 i.e.2 Equity Share for every 3                     | Capitalization of Reserves & Surplus* | Swati Pradeep Jain  | 4,69,400               |
|                   |                         |                |                 |  |                                       | Rahul Virendra Chandalia  | 5,80,000               |
|                   |                         |                |                 |  |                                       | Pradeep Shripal Jain  | 3,09,468               |
|                   |                         |                |                 |  |                                       | Saloni Rahul Chandalia  | 4,00,316               |
|                   |                         |                |                 |  |                                       | Kaushal Vinodkumar Kothari  | 3,200                  |
|                   |                         |                |                 |  |                                       | Ravi Shripal Jain   | 4,800                  |

|              |  |  |  |                          |  |                               |                  |
|--------------|--|--|--|--------------------------|--|-------------------------------|------------------|
|              |  |  |  | Equity<br>Shares<br>held |  | Shweta Ravi Jain              | 3,200            |
|              |  |  |  |                          |  | S R I Impex Private Limited   | 16,000           |
|              |  |  |  |                          |  | Paras Jadavjee Satra          | 4,800            |
|              |  |  |  |                          |  | Rahul Anantrai Mehta          | 9,600            |
|              |  |  |  |                          |  | Shwet Pravin Savla            | 6,400            |
|              |  |  |  |                          |  | Aditya Pankaj Doshi           | 6,400            |
|              |  |  |  |                          |  | Alka Vinod Kothari            | 3,200            |
|              |  |  |  |                          |  | Apurva Jayesh Porwal          | 1,600            |
|              |  |  |  |                          |  | Ashwi Paresb Jain             | 1,600            |
|              |  |  |  |                          |  | Chenraj M Chandalia           | 3,200            |
|              |  |  |  |                          |  | Payal Nirav Shah              | 4,800            |
|              |  |  |  |                          |  | Rita Hiten Parekh             | 16,000           |
|              |  |  |  |                          |  | Sushila Chenraj Chandalia     | 3,200            |
|              |  |  |  |                          |  | Vinodkumar Prithviraj Kothari | 8,000            |
|              |  |  |  |                          |  | Rajvi Kamlesh Shah            | 3,334            |
|              |  |  |  |                          |  | Priyal Piyush Shah            | 3,334            |
|              |  |  |  |                          |  | Bhavesb Popatlal Shah         | 2                |
|              |  |  |  |                          |  | Kamlesh Popatlal Shah HUF     | 6,668            |
|              |  |  |  |                          |  | Rutvi Kamlesh Shah            | 6,400            |
|              |  |  |  |                          |  | Hetvi Kirit Nagda             | 3,734            |
|              |  |  |  |                          |  | Lata Ajit Parekh              | 16,668           |
|              |  |  |  |                          |  | Usha Naresh Parekh            | 16,668           |
|              |  |  |  |                          |  | Neena Dhanpal Parekh          | 16,668           |
|              |  |  |  |                          |  | Seema Pankaj Parekh           | 16,668           |
|              |  |  |  |                          |  | Varun Praveen Rathod          | 16,668           |
|              |  |  |  |                          |  | Tarang Praveen Rathod         | 16,668           |
|              |  |  |  |                          |  | Praveenchandra Rathod         | 18,668           |
|              |  |  |  |                          |  | Shripal Laxmichand Jain       | 2,668            |
| <b>Total</b> |  |  |  |                          |  |                               | <b>20,00,000</b> |

*\*Above allotment of shares has been made out of Reserve & Surplus available for distribution to shareholders and no part of revaluation reserve has been utilized for the purpose.*

#### **4. Details of Allotment made in the last two years preceding the date of Red Herring Prospectus:**

Except as mentioned in point 2 (viii) and (ix) above, we have not issued any Equity Share in the last two years preceding the date of Red Herring Prospectus.

- No Equity Shares have been allotted pursuant to any scheme approved under sections 230-234 of the Companies Act, 2013 or under the erstwhile corresponding provisions of the Companies Act, 1956.
- Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.
- Except for the Bonus Issue made on April 26, 2024 for 20,00,000 Equity shares as mentioned in point no. 3 above, no Equity shares have been issued at price below the Offer price within last one year from the date of the Red Herring Prospectus
- We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

#### **9. Shareholding Pattern of the Company**

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

**I - Our Shareholding Pattern:-**

| Category | Category of shareholder    | Nos. of shareholders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C 2) | Number of Voting Rights held in each class of securities* |             |           |                           | No. of Shares Underlying Outstanding convertible | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) As a % of (A+B+C2) | Number of Locked in shares |                                 | Number of Shares pledged or otherwise encumbered |                                 | Number of equity shares held in dematerialized form |
|----------|----------------------------|----------------------|---|--|--|------------------------|---|---|-------------|-----------|---------------------------|--|---|----------------------------|---------------------------------|--|---------------------------------|---|
|          |                            |                      |   |  |  |                        |   | No of Voting Rights                                       |             |           | Total as a % of (A+B + C) |  |   | No. (a)                    | As a % of total Shares held (b) | No. (a)  | As a % of total Shares held (b) |   |
|          |                            |                      |   |  |  |                        |   | Class Equity Shares of ₹10/- each^                        | Class eg: y | Total     |                           |  |   |                            |                                 |  |                                 |   |
| I        | II                         | II I                 | IV                                      | V  | VI   | VII = IV+V+VI          | VIII  | IX  |             |           |                           | X  | XI=VII+X  | XII                        |                                 | XIII   |                                 | XIV   |
| (A)      | Promoters & Promoter Group | 9                    | 44,76,630                               | -  | -  | 44,76,630              | 89.53   | 44,76,630   | -           | 44,76,630 | 89.53                     | -  | 89.53   | -                          | -                               | -  | -                               | 44,76,630   |
| (B)      | Public*                    | 25                   | 5,23,370                                | -  | -  | 5,23,370               | 10.47   | 5,23,370  | -           | 5,23,370  | 10.47                     | -  | 10.47   | -                          | -                               | -  | -                               | 5,16,170  |
| (C)      | Non-Promoter-Non-Public    | -                    | -                                       | -  | -  | -                      | -   | -   | -           | -         | -                         | -  | -   | -                          | -                               | -  | -                               | -   |
| (C1)     | Shares underlying DRs      | -                    | -                                       | -  | -  | -                      | -   | -   | -           | -         | -                         | -  | -   | -                          | -                               | -  | -                               | -   |
| (C2)     | Shares held by Emp. Trusts | -                    | -                                       | -  | -  | -                      | -   | -   | -           | -         | -                         | -  | -   | -                          | -                               | -  | -                               | -   |
|          | Total                      | 34                   | 50,00,000                               | -  | -  | 50,00,000              | 100   | 50,00,000   | -           | 50,00,000 | 100                       | -  | 100   | -                          | -                               | -  | -                               | 49,92,800   |

\*7200 equity shares held by Paras Jadavjee Satra, public shareholder is yet to be dematerialised

Notes-

1. As on date of this Red Herring Prospectus 1 Equity share holds 1 vote. We have only one class of Equity Shares of face value of ₹ 10/- each. We have entered into tripartite agreement with CDSL & NSDL.
2. Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the Stock Exchange before commencement of trading of such Equity Shares.

**10. List of Shareholders of the Company holding 1% or more of the paid-up Share Capital of the Company: -**

a) As on the date of filing of this Red Herring Prospectus: -

| Sr. N. | Names of Shareholder     | Shares Held (Face Value of ₹ 10 each) | % Pre-Offer paid up Share Capital* |
|--------|--------------------------|---------------------------------------|------------------------------------|
| 1      | Rahul Virendra Chandalia | 14,50,000                             | 29.00                              |
| 2      | Swati Pradeep Jain       | 11,73,500                             | 23.47                              |
| 3      | Saloni Rahul Chandalia   | 10,00,790                             | 20.02                              |
| 4      | Pradeep Shripal Jain     | 7,73,670                              | 15.47                              |
|        | <b>Total</b>             | <b>43,97,960</b>                      | <b>87.96</b>                       |

\* the % has been calculated based on existing (pre-offer) Paid up Capital of the Company

b) Ten days prior to the date of filing of this Red Herring Prospectus: -

| Sr. N. | Names of Shareholder     | Shares Held (Face Value of ₹ 10 each) | % Pre-Offer paid up Share Capital* |
|--------|--------------------------|---------------------------------------|------------------------------------|
| 1      | Rahul Virendra Chandalia | 14,50,000                             | 29.00                              |
| 2      | Swati Pradeep Jain       | 11,73,500                             | 23.47                              |
| 3      | Saloni Rahul Chandalia   | 10,00,790                             | 20.02                              |
| 4      | Pradeep Shripal Jain     | 7,73,670                              | 15.47                              |
|        | <b>Total</b>             | <b>43,97,960</b>                      | <b>87.96</b>                       |

\* the % has been calculated based on existing (pre-offer) Paid up Capital of the Company

c) One Year prior to the date of filling of this Red Herring Prospectus: -

| Sr. N. | Names of Shareholder      | Shares Held (Face Value of ₹ 10 each) | % Pre-Offer paid up Share Capital* |
|--------|---------------------------|---------------------------------------|------------------------------------|
| 1      | Saloni Rahul Chandalia    | 6,98,400                              | 23.28                              |
| 2      | Rahul Virendra Chandalia  | 7,50,000                              | 25.00                              |
| 3      | Swati Pradeep Jain        | 7,39,200                              | 24.64                              |
| 4      | Pradeep Shripal Jain      | 4,09,200                              | 13.64                              |
| 5      | Alpesh Babulal Shah (HUF) | 60,000                                | 2.00                               |
| 6      | Alpesh Babulal Shah       | 60,000                                | 2.00                               |
| 7      | Shilpa Alpesh Shah        | 60,000                                | 2.00                               |
| 8      | Riya Alpesh Shah          | 60,000                                | 2.00                               |
|        | <b>Total</b>              | <b>28,36,800</b>                      | <b>94.56</b>                       |

\*Details of shares held on September 10, 2023 and percentage held has been calculated based on the paid-up capital of our Company as on September 10, 2023

d) Two Year prior to the date of filling of this Red Herring Prospectus: -

| Sr. No. | Names of Shareholder      | Shares Held (Face Value of ₹ 10 each) | % Pre-Offer paid up Share Capital* |
|---------|---------------------------|---------------------------------------|------------------------------------|
| 1       | Saloni Rahul Chandalia    | 2,32,800                              | 23.28                              |
| 2       | Rahul Virendra Chandalia  | 2,50,000                              | 25.00                              |
| 3       | Swati Pradeep Jain        | 2,46,400                              | 24.64                              |
| 4       | Pradeep Shripal Jain      | 1,36,400                              | 13.64                              |
| 5       | Alpesh Babulal Shah (HUF) | 20,000                                | 2.00                               |
| 6       | Shilpa Alpesh Shah        | 20,000                                | 2.00                               |
| 7       | Alpesh Babulal Shah       | 20,000                                | 2.00                               |
| 8       | Riya Alpesh Shah          | 20,000                                | 2.00                               |
|         | <b>Total</b>              | <b>9,45,600</b>                       | <b>94.56</b>                       |

\*Details of shares held on September 10, 2022 and percentage held has been calculated based on the paid-up capital of our Company as on September 10, 2022

11. Our Company has not made any Initial Public Offer of specified securities in the preceding two years from the date of filing of this Red Herring Prospectus.

12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, 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 application money unblocked on account of failure of Offer. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the offer, by way of split/consolidation of the denomination of Equity Shares. However, our Company may further issue equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board 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.

### 13. Capital Buildup in respect of Shareholding of our Promoters

As on the date of this Red Herring Prospectus, Our Promoters, Rahul Virendra Chandalia, Saloni Rahul Chandalia, Pradeep Shripal Jain and Swati Pradeep Jain collectively holds 43,97,960 Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

Set forth below is the build-up of the shareholding of our Promoters in our Company since incorporation.

| Date of Allotment and made fully paid up/ Transfer | No. of Equity Shares | Face Value Per Share (₹) | Issue/ Acquisition /Transfer Price (₹) | Consideration   | Nature of Issue  | Pre-Offer Shareholding % | Post-Offer Shareholding % |
|--|----------------------|--------------------------|--|-----------------|--|--------------------------|---------------------------|
| <b>(A) Rahul Virendra Chandalia</b>                |                      |                          |  |                 |  |                          |                           |
| March 14, 2018                                     | 2,50,000             | 10                       | Nil                                    | Other than Cash | Acquisition by way of Gift <sup>(i)</sup>                    | 5.00                     | 3.87                      |
| November 11, 2022                                  | 5,00,000             | 10                       | Nil                                    | Other than Cash | Issue of Bonus Shares in ratio of 2:1                        | 10.00                    | 7.75                      |
| December 18, 2023                                  | 1,20,000             | 10                       | 21                                     | Cash            | Acquisition by way of Transfer of Shares <sup>(ii)</sup>     | 2.40                     | 1.86                      |
| April 26, 2024                                     | 5,80,000             | 10                       | Nil                                    | Other than Cash | Issue of Bonus Shares in ratio of 2:3                        | 11.60                    | 8.99                      |
| <b>Total (A)</b>                                   | <b>14,50,000</b>     |                          |  |                 |  | <b>29.00</b>             | <b>22.47</b>              |
| <b>(B) Saloni Rahul Chandalia</b>                  |                      |                          |  |                 |  |                          |                           |
| March 14, 2018                                     | 3,00,000             | 10                       | Nil                                    | Other than Cash | Acquisition by way of Gift <sup>(iii)</sup>                  | 6.00                     | 4.65                      |
| September 02, 2021                                 | (67,200)             | 10                       | 25                                     | Cash            | Disposal of shares by way Transfer of shares <sup>(iv)</sup> | (1.34)                   | (1.04)                    |
| November 11, 2022                                  | 4,65,600             | 10                       | Nil                                    | Other than Cash | Issue of Bonus Shares in ratio of 2:1                        | 9.31                     | 7.22                      |
| March 04, 2024                                     | (42,900)             | 10                       | 21                                     | Cash            | Disposal of shares by way sale of shares <sup>(v)</sup>      | (1.96)                   | (1.52)                    |
| March 15, 2024                                     | (55,000)             |                          |  |                 |  |                          |                           |
| April 01, 2024                                     | (15)                 | 10                       | 21                                     | Cash            | Disposal of shares by way sale of Shares <sup>(vi)</sup>     | (0.00)                   | (0.00)                    |
| April 02, 2024                                     | (4)                  |                          |  |                 |  |                          |                           |
| April 03, 2024                                     | (2)                  |                          |  |                 |  |                          |                           |
| April 08, 2024                                     | (5)                  |                          |  |                 |  |                          |                           |
| April 26, 2024                                     | 4,00,316             | 10                       | Nil                                    | Other than Cash | Issue of Bonus Shares in ratio of 2:3                        | 8.01                     | 6.20                      |
| <b>Total (B)</b>                                   | <b>10,00,790</b>     |                          |  |                 |  | <b>20.02</b>             | <b>15.51</b>              |

| <b>(C) Pradeep Shripal Jain</b> |                  |    |     |                 |   |              |              |
|---------------------------------|------------------|----|-----|-----------------|---|--------------|--------------|
| March 14, 2018                  | 1,50,000         | 10 | Nil | Other than Cash | Acquisition by way of Gift <sup>(vii)</sup>                       | 3.00         | 2.32         |
| September 02, 2021              | (13,600)         | 10 | 25  | Cash            | Disposal of shares by way of Transfer of Shares <sup>(viii)</sup> | (0.27)       | (0.21)       |
| November 11, 2022               | 2,72,800         | 10 | Nil | Other than Cash | Issue of Bonus Shares in ratio of 2:1                             | 5.45         | 4.23         |
| December 18, 2023               | 1,00,000         | 10 | 21  | Cash            | Acquisition by way of Transfer of Shares <sup>(ix)</sup>          | 2.00         | 1.55         |
| March 18, 2024                  | (25,000)         | 10 | 21  | Cash            | Disposal of shares by way of sale of Shares <sup>(x)</sup>        | (0.90)       | (0.70)       |
| March 19, 2024                  | (20,000)         |    |     |                 |   |              |              |
| April 02, 2024                  | 2                | 10 | 21  | Cash            | Acquisition by way of Transfer of Shares <sup>(vi)</sup>          | 0.00         | 0.00         |
| April 26, 2024                  | 3,09,468         | 10 | Nil | Other than Cash | Issue of Bonus Shares in ratio of 2:3                             | 6.19         | 4.80         |
| <b>Total (C)</b>                | <b>7,73,670</b>  |    |     |                 |   | <b>15.47</b> | <b>11.99</b> |
| <b>(D) Swati Pradeep Jain</b>   |                  |    |     |                 |   |              |              |
| July 22, 2003                   | 1,700            | 10 | 10  | Cash            | Acquisition by way of Transfer of Shares <sup>(xi)</sup>          | 0.03         | 0.03         |
| March 14, 2018                  | 2,98,300         | 10 | Nil | Other than Cash | Acquisition by way of Gift <sup>(xii)</sup>                       | 5.96         | 4.62         |
| September 02, 2021              | (53,600)         | 10 | 25  | Cash            | Disposal of shares by way of Transfer of Shares <sup>(xiii)</sup> | (1.07)       | (0.83)       |
| November 11, 2022               | 4,92,800         | 10 | Nil | Other than Cash | Issue of Bonus Shares in ratio of 2:1                             | 9.86         | 7.64         |
| March 27, 2024                  | (35,100)         | 10 | 21  | Cash            | Disposal of shares by way of Transfer of Shares <sup>(xiv)</sup>  | (0.70)       | (0.54)       |
| April 26, 2024                  | 4,69,400         | 10 | Nil | Other than Cash | Issue of Bonus Shares in ratio of 2:3                             | 9.39         | 7.28         |
| <b>Total</b>                    | <b>11,73,500</b> |    |     |                 |   | <b>23.47</b> | <b>18.19</b> |
| <b>Grand Total (A+B+C+D)</b>    | <b>43,97,960</b> |    |     |                 |   | <b>87.96</b> | <b>68.16</b> |

*Note: None of the Shares have been pledged by our Promoters.*

**(i) Details of Acquisition by Rahul Virendra Chandalia by way of gift of 2,50,000 Equity Shares dated March 14, 2018**

| Sr. No.      | Date of Transfer | Name of Transferor          | No. of Shares   | Name of Transferee       |
|--------------|------------------|-----------------------------|-----------------|--------------------------|
| 1.           | March 14, 2018   | Virendra Mohanraj Chandalia | 2,50,000        | Rahul Virendra Chandalia |
| <b>Total</b> |                  |                             | <b>2,50,000</b> |                          |

**(ii) Details of Acquisition of shares by Rahul Virendra Chandalia by way of transfer of 1,20,000 Equity Shares dated December 18, 2023**

| December 18, 2023 |                   |                     |               |                          |
|-------------------|-------------------|---------------------|---------------|--------------------------|
| Sr. No.           | Date of Transfer  | Name of Transferor  | No. of Shares | Name of Transferee       |
| 1.                | December 18, 2023 | Shilpa Alpesh Shah  | 60,000        | Rahul Virendra Chandalia |
| 2.                |                   | Alpesh Babulal Shah | 60,000        |                          |
| Total             |                   |                     | 1,20,000      |                          |

**(iii) Details of Acquisition by Saloni Rahul Chandalia by way of gift of 3,00,000 Equity Shares dated March 14, 2018**

| Sr. No.      | Date of Transfer | Name of Transferor          | No. of Shares   | Name of Transferee     |
|--------------|------------------|-----------------------------|-----------------|------------------------|
| 1.           | March 14, 2018   | Virendra Mohanraj Chandalia | 3,00,000        | Saloni Rahul Chandalia |
| <b>Total</b> |                  |                             | <b>3,00,000</b> |                        |

**(iv) Details of disposal of shares by Saloni Rahul Chandalia by way of sale of 67,200 Equity Shares dated September 02, 2021**

2, 2021

| Sr. No. | Date of Transfer   | Name of Transferor     | No. of Shares | Name of Transferee            |
|---------|--------------------|------------------------|---------------|-------------------------------|
| 1.      | September 02, 2021 | Saloni Rahul Chandalia | 3,200         | Aditya Pankaj Doshi           |
| 2.      |                    |                        | 1,600         | Alka Vinod Kothari            |
| 3.      |                    |                        | 20,000        | Alpesh Babulal Shah           |
| 4.      |                    |                        | 800           | Apurva Jayesh Porwal          |
| 5.      |                    |                        | 800           | Ashwi Paresh Jain             |
| 6.      |                    |                        | 1,600         | Chenraj M Chandalia           |
| 7.      |                    |                        | 2,400         | Payal Nirav Shah              |
| 8.      |                    |                        | 8,000         | Rita Hiren Parekh             |
| 9.      |                    |                        | 20,000        | Riya Alpesh Shah              |
| 10.     |                    |                        | 3,200         | Nirvaan Advisory Services LLP |
| 11.     |                    |                        | 1,600         | Sushila Chenraj Chandalia     |
| 12.     |                    |                        | 4,000         | Vinodkumar Prithviraj Kothari |
| Total   |                    |                        | 67,200        |                               |

**(v) Details of disposal of shares by Saloni Rahul Chandalia by way of sale of 97,900 Equity Shares dated March 04, 2024 and March 15, 2024**

| 2024 and March 15, 2024 |                  |                        |               |                        |
|-------------------------|------------------|------------------------|---------------|------------------------|
| Sr. No.                 | Date of Transfer | Name of Transferor     | No. of Shares | Name of Transferee     |
| 1.                      | March 04, 2024   | Saloni Rahul Chandalia | 17,900        | Praveen Chandra Rathod |
| 2.                      |                  |                        | 25,000        | Varun Praven Rathod    |
| 3.                      | March 15, 2024   |                        | 25,000        | Seema Pankaj Parekh    |
| 4.                      |                  |                        | 25,000        | Neena Dhanpal Parekh   |
| 5.                      |                  |                        | 5,000         | Usha Naresh Parekh     |
| Total                   |                  |                        | 97,900        |                        |

**(vi) Details of Disposal of shares by Saloni Rahul Chandalia by way of sale of 26 Equity Shares**

| Sr. No. | Date of Transfer | Name of Transferor     | No. of Shares | Name of Transferee        |
|---------|------------------|------------------------|---------------|---------------------------|
| 1       | April 01, 2024   | Saloni Rahul Chandalia | 1             | Rajvi Kamlesh Shah        |
| 2       | April 01, 2024   |                        | 1             | Priyal Piyush Shah        |
| 3       | April 01, 2024   |                        | 1             | Hetvi Kirit Nagda         |
| 4       | April 01, 2024   |                        | 2             | Usha Naresh Parekh        |
| 5       | April 01, 2024   |                        | 1             | Bhavesht Popatlal Shah    |
| 6       | April 01, 2024   |                        | 1             | Kamlesh Popatlal Shah HUF |
| 7       | April 01, 2024   |                        | 2             | Neena Dhanpal Parekh      |



|       |                |  |    |                           |
|-------|----------------|--|----|---------------------------|
| 8     | April 01, 2024 |  | 2  | Seema Pankaj Parekh       |
| 9     | April 01, 2024 |  | 2  | Praveen Chandra Rathod    |
| 10    | April 01, 2024 |  | 2  | Shripal Laxmichand Jain   |
| 11    | April 02, 2024 |  | 2  | Pradeep Shripal Jain      |
| 12    | April 02, 2024 |  | 2  | Lata Ajit Parekh          |
| 13    | April 03, 2024 |  | 2  | Varun Praveen Rathod      |
| 14    | April 08, 2024 |  | 2  | Tarang Praveen Rathod     |
| 15    | April 08, 2024 |  | 2  | Bhavesh Popatlal Shah     |
| 16    | April 08, 2024 |  | 1  | Kamlesh Popatlal Shah HUF |
| Total |                |  | 26 |                           |

**(vii) Details of Acquisition by Pradeep Shripal Jain by way of gift of 1,50,000 Equity Shares dated March 14, 2018**

| Sr. No.      | Date of Transfer | Name of Transferor          | No. of Shares   | Name of Transferee   |
|--------------|------------------|-----------------------------|-----------------|----------------------|
| 1.           | March 14, 2018   | Virendra Mohanraj Chandalia | 1,50,000        | Pradeep Shripal Jain |
| <b>Total</b> |                  |                             | <b>1,50,000</b> |                      |

**(viii) Details of disposal of shares by Pradeep Shripal Jain by way of sale of 13,600 Equity Shares dated September 02, 2021**

| 02, 2021 |                    |                      |               |                         |
|----------|--------------------|----------------------|---------------|-------------------------|
| Sr. No.  | Date of Transfer   | Name of Transferor   | No. of Shares | Name of Transferee      |
| 1.       | September 02, 2021 | Pradeep Shripal Jain | 2,400         | Paras Jadavjee Satra    |
| 2.       |                    |                      | 4,800         | Rahul Antrai Mehta      |
| 3.       |                    |                      | 3,200         | Ronak Rajendra Jain HUF |
| 4.       |                    |                      | 3,200         | Shwet Pravin Savla      |
| Total    |                    |                      | 13,600        |                         |

**(ix) Details of Acquisition by Pradeep Shripal Jain by way of sale of 1,00,000 Equity Shares dated December 18, 2023**

| Sr. No. | Date of Transfer  | Name of Transferor      | No. of Shares | Name of Transferee   |
|---------|-------------------|-------------------------|---------------|----------------------|
| 1.      | December 18, 2023 | Riya Alpesh Shah        | 60,000        | Pradeep Shripal Jain |
| 2.      |                   | Alpesh Babulal Shah HUF | 40,000        |                      |
| Total   |                   |                         | 1,00,000      |                      |

**(x) Details of disposal of shares by Pradeep Shripal Jain by way of sale of 45,000 Equity Shares dated March 18, 2024 and March 19, 2024**

| 2024 and March 19, 2024 |                  |                      |               |                    |
|-------------------------|------------------|----------------------|---------------|--------------------|
| Sr. No.                 | Date of Transfer | Name of Transferor   | No. of Shares | Name of Transferee |
| 1.                      | March 18, 2024   | Pradeep Shripal Jain | 25,000        | Lata Ajit Parekh   |
| 2.                      | March 19, 2024   |                      | 20,000        | Usha Naresh Parekh |
| Total                   |                  |                      | 45,000        |                    |

**(xi) Details of Acquisition by Swati Pradeep Jain by way of sale of 1,700 Equity Shares dated July 22, 2003**

| Sr. No.      | Date of Transfer | Name of Transferor  | No. of Shares | Name of Transferee |
|--------------|------------------|---------------------|---------------|--------------------|
| 1.           | July 22, 2003    | Manekchand J Parekh | 1,700         | Swati Pradeep Jain |
| <b>Total</b> |                  |                     | <b>1,700</b>  |                    |

**(xii) Details of Acquisition by Swati Pradeep Jain by way of gift of 2,98,300 Equity Shares dated March 14, 2018**

| Sr. No. | Date of Transfer | Name of Transferor          | No. of Shares | Name of Transferee |
|---------|------------------|-----------------------------|---------------|--------------------|
| 1.      | March 14, 2018   | Shweta Bhavesh Kataria      | 1,700         | Swati Pradeep Jain |
| 2.      |                  | Sumita Virendra Chandalia   | 52,200        |                    |
| 3.      |                  | Virendra Mohanraj Chandalia | 2,44,400      |                    |
| Total   |                  |                             | 2,98,300      |                    |

**(xiii) Details of disposal of shares by Swati Pradeep Jain by way of sale of 53,600 Equity Shares dated September 02, 2021**

| Sr. No. | Date of Transfer   | Name of Transferor | No. of Shares | Name of Transferee         |
|---------|--------------------|--------------------|---------------|----------------------------|
| 1.      | September 02, 2021 | Swati Pradeep Jain | 20,000        | Alpesh Babulal Shah (HUF)  |
| 2.      |                    |                    | 1,600         | Kaushal Vinodkumar Kothari |

|              |  |  |               |                           |
|--------------|--|--|---------------|---------------------------|
| 3.           |  |  | 2,400         | Ravi Shripal Jain         |
| 4.           |  |  | 20,000        | Shilpa Alpesh Shah        |
| 5.           |  |  | 1,600         | Shweta Ravi Jain          |
| 6.           |  |  | 8,000         | Sri Impex Private Limited |
| <b>Total</b> |  |  | <b>53,600</b> |                           |

(xiv) Details of disposal of shares by Swati Pradeep Jain by way of sale of 35,100 Equity Shares dated March 27, 2024

| 2024    |                  |                    |               |                        |
|---------|------------------|--------------------|---------------|------------------------|
| Sr. No. | Date of Transfer | Name of Transferor | No. of Shares | Name of Transferee     |
| 1.      | March 27, 2024   | Swati Pradeep Jain | 25,000        | Tarang Praveen Rathod  |
| 2.      |                  |                    | 10,100        | Praveen Chandra Rathod |
| Total   |                  |                    | 35,100        |                        |

14. The average cost of acquisition of or subscription of shares by our Promoters is set forth in the table below:

| Sr. No. | Name of the Promoters    | No. of Shares held | Average cost of Acquisition (in ₹) |
|---------|--------------------------|--------------------|------------------------------------|
| 1       | Rahul Virendra Chandalia | 14,50,000          | 1.74                               |
| 2       | Saloni Rahul Chandalia   | 10,00,790          | Nil                                |
| 3       | Pradeep Shripal Jain     | 7,73,670           | 1.05                               |
| 4       | Swati Pradeep Jain       | 11,73,500          | Nil                                |

#### 15. Shareholding of Promoters & Promoter Group

Following are the details of pre and post offer shareholding of persons belonging to the category “Promoters and Promoter Group”:

| Sr. No. | Names                    | Pre IPO          |              | Post IPO         |              |
|---------|--------------------------|------------------|--------------|------------------|--------------|
|         |                          | Shares Held      | %            | Shares Held      | %            |
|         | <b>Promoters</b>         |                  |              |                  |              |
| 1       | Rahul Virendra Chandalia | 14,50,000        | 29.00        | 13,80,000        | 21.39        |
| 2       | Saloni Rahul Chandalia   | 10,00,790        | 20.02        | 9,00,790         | 13.96        |
| 3       | Pradeep Shripal Jain     | 7,73,670         | 15.47        | 7,26,670         | 11.26        |
| 4       | Swati Pradeep Jain       | 11,73,500        | 23.47        | 11,38,500        | 17.65        |
|         | <b>Sub Total (A)</b>     | <b>43,97,960</b> | <b>87.96</b> | <b>41,45,960</b> | <b>64.26</b> |
|         | <b>Promoter Group</b>    |                  |              |                  |              |
| 5       | Ravi Shripal Jain        | 12,000           | 0.24         | 12,000           | 0.19         |
| 6       | Shweta Ravi Jain         | 8,000            | 0.16         | 8,000            | 0.12         |
| 7       | Payal Nirav Shah         | 12,000           | 0.24         | 12,000           | 0.19         |
| 8       | Rita Hiten Parekh        | 40,000           | 0.80         | 40,000           | 0.62         |
| 9       | Shripal Laxmichand Jain  | 6,670            | 0.13         | 6,670            | 0.10         |
|         | <b>Sub Total (B)</b>     | <b>78,670</b>    | <b>1.57</b>  | <b>78,670</b>    | <b>1.22</b>  |
|         | <b>Grand Total (A+B)</b> | <b>44,76,630</b> | <b>89.53</b> | <b>42,24,630</b> | <b>65.48</b> |

16. Except as provided below, no Equity Shares were acquired/ purchased/ sold by the Promoters and Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Red Herring Prospectus.

| Date of Allotment/ Transfer | Name of Shareholders     | No. of Equity Share | % of Pre offer Capital | Subscribed/ Acquire/ Transfer        | Category of Allottees (Promoters/ Promoter Group/ Director) |
|-----------------------------|--------------------------|---------------------|------------------------|--------------------------------------|---|
| December 18, 2023           | Rahul Virendra Chandalia | 1,20,000            | 2.40                   | Acquire by way of transfer of shares | Promoter and Director                                       |
| December 18, 2023           | Pradeep Shripal Jain     | 1,00,000            | 2.00                   | Acquire by way of transfer of shares | Promoter and Director                                       |
| March 04, 2024              | Saloni Rahul Chandalia   | (42,900)            | (1.96)                 | Disposal by way of sale of shares    | Promoter and Director                                       |
| March 15, 2024              |                          | (55,000)            |                        |                                      |   |
| March 18, 2024              | Pradeep Shripal Jain     | (45,000)            | (0.90)                 | Disposal by way of sale of shares    | Promoter and Director                                       |
| March 19, 2024              |                          |                     |                        |                                      |   |

|                |                          |          |        |   |                       |
|----------------|--------------------------|----------|--------|---|-----------------------|
| March 27, 2024 | Swati Pradeep Jain       | (35,100) | (1.60) | Disposal by way of sale of shares                     | Promoter and Director |
| April 01, 2024 | Saloni Rahul Chandalia   | (15)     | (0.00) | Disposal by way of sale of shares                     | Promoter and Director |
| April 02, 2024 |                          | (4)      |        |   |                       |
| April 03, 2024 |                          | (2)      |        |   |                       |
| April 08, 2024 |                          | (5)      |        |   |                       |
| April 02, 2024 | Pradeep Shripal Jain     | 2        | 0.00   | Acquire by way of transfer of shares                  | Promoter and Director |
| April 26, 2024 | Swati Pradeep Jain       | 4,69,400 | 9.39   | Acquire by way of Bonus Allotment in the ratio of 2:3 | Promoter and Director |
|                | Rahul Virendra Chandalia | 5,80,000 | 11.60  |   | Promoter and Director |
|                | Pradeep Shripal Jain     | 3,09,468 | 6.19   |   | Promoter and Director |
|                | Saloni Rahul Chandalia   | 4,00,316 | 8.01   |   | Promoter and Director |
|                | Ravi Shripal Jain        | 4,800    | 0.10   |   | Promoter Group        |
|                | Shweta Ravi Jain         | 3,200    | 0.06   |   | Promoter Group        |
|                | Payal Nirav Shah         | 4,800    | 0.10   |   | Promoter Group        |
|                | Rita Hiten Parekh        | 16,000   | 0.32   |   | Promoter Group        |
|                | Shripal Laxmichand Jain  | 2,668    | 0.05   |   | Promoter Group        |

17. None of our Promoters, Promoter Group, our Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Red Herring Prospectus.

#### 18. Details of Promoter's Contribution Locked-in for Three Years

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post offer capital held by our Promoters shall be considered as Promoter's Contribution ("**Promoter's Contribution**") and shall be locked-in for a period of three years from the date of allotment of Equity shares issued pursuant to this Offer. The lock in of Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Red Herring Prospectus, our Promoters hold 43,97,960 Equity Shares constituting 68.16 % of the Post-Issued, subscribed and paid up Equity Share Capital of our Company, which are eligible for the Promoter's contribution.

Our Promoters have given written consent to include 13,60,000 Equity Shares held by them and subscribed and held by them as part of Promoter's Contribution constituting 21.08% of the post offer Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's contribution, for a period of three years from the date of allotment in the Offer.

| Date of Allotment/ transfer and made fully paid up | No. of Equity Shares locked-in* | Face Value Per Share (₹) | Issue/ Acquisition/ Transfer Price (₹) | Nature of transaction        | Post-Offer Shareholding % | Lock in Period |
|--|---------------------------------|--------------------------|--|------------------------------|---------------------------|----------------|
| <b>Rahul Virendra Chandalia</b>                    |                                 |                          |  |                              |                           |                |
| November 11, 2022                                  | 3,60,000                        | 10                       | Nil                                    | Bonus Issue in the ratio 2:1 | 5.58                      | 3 years        |
| <b>Saloni Rahul Chandalia</b>                      |                                 |                          |  |                              |                           |                |
| November 11, 2022                                  | 3,60,000                        | 10                       | Nil                                    | Bonus Issue in the ratio 2:1 | 5.58                      | 3 years        |
| <b>Pradeep Shripal Jain</b>                        |                                 |                          |  |                              |                           |                |

|                           |          |    |     |                                    |      |         |
|---------------------------|----------|----|-----|------------------------------------|------|---------|
| November 11, 2022         | 2,40,000 | 10 | Nil | Bonus Issue<br>in the ratio<br>2:1 | 3.72 | 3 years |
| <b>Swati Pradeep Jain</b> |          |    |     |                                    |      |         |
| November 11, 2022         | 4,00,000 | 10 | Nil | Bonus Issue<br>in the ratio<br>2:1 | 6.20 | 3 years |

\*Assuming full subscription to the offer.

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as **"Promoter"** under the SEBI (ICDR) Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoter's Contribution as per Regulation 237 of the SEBI (ICDR) Regulations and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this offer.

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

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

**Eligibility of Share for "Minimum Promoter's Contribution in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018**

| Reg. No.         | Promoter's Minimum Contribution Conditions  | Eligibility Status of Equity Shares forming part of Promoter's Contribution   |
|------------------|---|---|
| 237(1) (a) (i)   | Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction   | The Minimum Promoter's contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. <b>Hence Eligible</b> |
| 237 (1) (a) (ii) | Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoter's contribution  | The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible</b>   |
| 237 (1) (b)      | Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer  | The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible.</b>  |
| 237(1) (c)       | Specified securities allotted to promoter during the preceding one year at a price less than the offer 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 | The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible.</b>  |
| 237 (1) (d)      | Specified securities pledged with any creditor.   | Our Promoters have not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible.</b>   |

### **Details of Promoter's Contribution Locked-in for One Year**

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoter's contribution which is locked in for three years, as specified above, the entire pre-offer equity share capital constituting 33,88,000 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Offer.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription '**non-transferable**' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

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

In terms of Regulation 242 of the SEBI (ICDR) Regulations, the locked in Equity Shares held by the Promoters as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important non-banking finance company or a housing finance company as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter's contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the offer.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Offer may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 239 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Further in terms of Regulation 243 of the SEBI (ICDR) Regulations, the specified securities held by the promoters and locked-in as per regulation 238 may be transferred to another promoters or any person of the promoter group or a new promoters or a person in control of the issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

19. Neither, we nor our Promoters, Directors and the BRLM to this Offer have entered into any buyback and/ or standby arrangements and/ or similar arrangements for the purchase of our Equity Shares from any person.
20. As on the date of this Red Herring Prospectus, the entire Issued Share, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire Offer price in respect of the offer is payable on application, all the successful applicants will be allotted fully paid- up Equity shares.
21. The BRLM i.e. Hem Securities Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of this Red Herring Prospectus.
22. As on the date of this Red Herring Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan from the proposed offer. 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, 2014.
23. We have 34 (Thirty- Four) shareholders as on the date of filing of this Red Herring Prospectus.
24. As on the date of filing of this Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer
25. Our Company has not raised any bridge loan against the proceeds of the offer.
26. As on the date of this Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are subject to any pledge.

27. We hereby confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Red Herring Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of offer.
28. An over-subscription to the extent of 1% of the Offer, subject to the maximum post offer paid up capital of Rs. 25 cr. can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Offer. Consequently, the actual allotment may go up by a maximum of 1% of the Offer, as a result of which, the post-offer paid up capital after the Offer would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to 3 year lock-in shall be suitably increased; so as to ensure that 20% of the post offer paid-up capital is locked in.
29. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
30. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
31. There are no Equity Shares against which depository receipts have been issued.
32. Other than the Equity Shares, there is no other class of securities issued by our Company.
33. There are no safety net arrangements for this public Offer.
34. As per RBI regulations, OCBs are not allowed to participate in this Offer.
35. Our Promoters and Promoter Group will not participate in this Offer.
36. This Offer is being made through Book Building Method.
37. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
38. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Offer is being made for at least 25% of the post-offer paid-up Equity Share capital of our Company. Further, this Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
39. No person connected with the Offer shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.

We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of filing the Red Herring Prospectus with the RoC and the Offer Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

## **OBJECTS OF THE OFFER**

This Offer includes a fresh Issue of 14,52,000 Equity Shares and Offer for Sale of 2,52,000 equity shares by the selling shareholders of our Company at an offer Price of Rs. [●] per Equity Share.

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 NSE Emerge Platform. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause of our Memorandum enables our Company to undertake its existing activities.

### **Offer for Sale**

Our Company will not receive any proceeds of the Offer for Sale by the Selling Shareholders. Each of the selling Shareholders will be entitled to the respective proportion of the proceeds of the Offer for Sale after deducting their portion of the Offer related expenses and relevant taxes thereon. Other than the listing fees for the Offer, all cost, fees and expenses in respect of the Offer will be shared amongst our Company and Selling Shareholders, respectively, in proportion to the proceeds received for the Fresh issue and their respective portion of Offered Shares, as may be applicable, upon the successful completion of the Offer.

### **Fresh Issue**

Our Company proposes to utilize the funds which are being raised through the Fresh Issue, up to ₹ [●] lakhs, after deducting the Offer related expenses to the extent payable by our Company with respect to the Fresh Issue, towards funding the following objects:

1. Repayment in full or in part, of certain of our outstanding borrowings;
  2. To meet Working Capital requirements
  3. General Corporate Purpose
- (Collectively referred as the “**Objects**”)

### **Net Proceeds**

The details of the Net Proceeds are set forth below:

| <b>Particulars</b>                                 | <b>Amt (₹ in Lacs)</b> |
|--|------------------------|
| Gross Proceeds of the Offer                        | [●]                    |
| Less: Offer related expenses in relation to Offer* | [●]                    |
| Net Proceeds                                       | [●]                    |

\* Except for the Listing fees, which will be borne by our Company, all other expenses relating to the Offer as mentioned above will be borne by our Company and the Selling Shareholder in proportion to the Equity Shares contributed / issued in the offer.

### **Requirement of Funds and Utilization of Net Proceeds**

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

| <b>Sr. No</b> | <b>Particulars</b>   | <b>Amt (Rs. in Lacs)</b> |
|---------------|--|--------------------------|
| 1.            | Repayment in full or in part, of certain of our outstanding borrowings | 300.00                   |
| 2.            | Funding to meet working capital requirements                           | 1450.00                  |
| 3.            | General Corporate Purpose  | [●]                      |
|               | <b>Total</b>   | [●]                      |

Our fund requirements and deployment thereof are based on internal management estimates of our current business plans and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy, as discussed further below.

## Means of Finance

We intend to finance our Objects of Offer through Net Offer Proceeds which is as follows:

| Particulars        | Amt (Rs. in Lacs) |
|--------------------|-------------------|
| Net offer Proceeds | [•]               |
| <b>Total</b>       | <b>[•]</b>        |

*Since, the entire fund requirement are to be funded from the proceeds of the Offer, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Offer.*

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 Offer, our Company may deploy certain amounts towards any of the abovementioned 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 Offer Proceeds.

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 29 of the Red Herring Prospectus.

## Details of Utilization of Net Proceeds

The details of utilization of the Net Proceeds are set forth herein below:

### 1. Repayment in full or in part, of certain of our outstanding borrowings

Our Company has entered into various borrowing arrangements with banks including borrowings in the form of Term Loan, and Overdraft facility for working capital facilities. For details of our outstanding financial indebtedness, see **'Statement of Financial Indebtedness'** on page 201. As at March 31, 2024 we had various borrowings facilities with total outstanding of Rs 361.14 Lakhs

We propose to utilise an estimated amount of Rs. 300.00 Lakhs from the Net Proceeds to repay in part or full certain borrowing, listed below, availed from the lender by our Company. Pursuant to the terms of the financing arrangements, prepayment of certain borrowings may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, will be funded from the internal accruals of our Company.

We believe that such repayment will help reduce our outstanding indebtedness and debt servicing costs and enable utilisation of our internal accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

The details of the borrowings availed by our Company, which are proposed to be fully or partially repaid from the Net Proceeds is mentioned below: -



| Name of Lender  | Purpose  | A/c No.  | Sanctioned Amount (Rs in lakhs) | Rate of interest | Primary & Collateral Security | Re-Payment Schedule                            | Outstanding amount as on 31.03.2024 | Date of Loan      |
|-----------------|--|----------|---------------------------------|------------------|-------------------------------|--|-------------------------------------|-------------------|
| IDFC FIRST Bank | Term Loan- Capital Expenditure and Working capital | 62736345 | 379.00                          | 7.05%            | Refer Note 1                  | 180 monthly Instalments of Rs. 3.46 Lakhs Each | 361.14                              | February 19, 2022 |
|                 | <b>Total</b>                                       |          |                                 |                  |                               |  | <b>361.14</b>                       |                   |

Note 1 –

**Co-Applicant:**

- Rahul Virendra Chandalia
- Saloni Rahul Chandalia
- Swati Pradeep Jain
- Sumitra Virendrakumar Chandalia

**Property Mortgage:**

Loan is Secured against Directors Personal Property (flat No. 601,602 Anand Apartment CHS 6<sup>th</sup> Floor, seth Motisha Cross Lane Byculla East Mumbai, 400027, Maharastra.).

*Note: In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purposed availed, our Company has obtained the requisite certificate from our Statutory Auditors by way of their certificate dated September 12, 2024.*

## 2. Funding to meet working capital requirements

Our business requires working capital majorly for investment in trade receivables, inventories and payment to trade payables and funding day to day operations. Our Company proposes to utilize ₹ 1,450.00 lakhs of the Net Proceeds in Fiscal 2025 towards our Company's working capital requirements. The balance portion of our Company working capital requirement shall be met from the working capital facilities availed and internal accruals.

*Details of Estimation of Working Capital requirement are as follows:*

*(Rs. In Lakhs)*

| S. No.     | Particulars                             | Actual (Restated) |                 |                 |                 |
|------------|---|-------------------|-----------------|-----------------|-----------------|
|            |   | March 31, 2022    | March 31, 2023  | March 31, 2024  | March 31, 2025  |
| <b>I</b>   | <b>Current Assets</b>                   |                   |                 |                 |                 |
|            | Inventories                             | 613.23            | 681.63          | 1,680.65        | 2,679.50        |
|            | Trade receivables                       | 187.83            | 449.15          | 400.95          | 1,471.84        |
|            | Short term loans and Advances           | 42.28             | 118.94          | 135.27          | 377.39          |
|            | Other Current Assets                    | 10.94             | 18.05           | 44.48           | 150.96          |
|            | <b>Total (A)</b>                        | <b>854.28</b>     | <b>1,267.77</b> | <b>2,261.34</b> | <b>4,679.69</b> |
| <b>II</b>  | <b>Current Liabilities</b>              |                   |                 |                 |                 |
|            | Trade payables                          | 71.79             | -               | 509.88          | 470.99          |
|            | Other Current Liabilities               | 85.67             | 118.39          | 166.96          | 226.44          |
|            | Short Term Provisions                   | 7.21              | 23.26           | 137.97          | 264.18          |
|            | <b>Total (B)</b>                        | <b>164.67</b>     | <b>141.65</b>   | <b>814.81</b>   | <b>961.60</b>   |
| <b>III</b> | <b>Total Working Capital Gap (A-B)</b>  | <b>689.61</b>     | <b>1,126.12</b> | <b>1446.54</b>  | <b>3,718.09</b> |
| <b>IV</b>  | <b>Funding Pattern</b>                  |                   |                 |                 |                 |
|            | Short Term borrowings& Internal accrual | <b>689.61</b>     | <b>1,126.12</b> | <b>1446.54</b>  | <b>2,268.09</b> |
|            | <b>IPO Proceeds</b>                     |                   |                 |                 | <b>1,450.00</b> |

The increase in working capital requirements is driven by the company's expansion initiatives, particularly in setting up additional filament extrusion line, as well as strategic efforts to optimize working capital management through the utilization of IPO funds. These measures are aimed at supporting its growth trajectory, enhancing operational efficiency, and maximizing shareholder value.

1. Increase in Business and additional filament extrusion line: The Company's expansion in business operations, particularly setting up of additional machinery for increasing the production capacity, necessitates additional working capital. With the increase in volume of business, there is a corresponding need for more funds to finance inventory, labour, and other operational expenses. To accommodate this growth, we aim to maintain our debtor cycle which require adequate working capital to support extended credit facilities to our customers. This expansion is crucial for meeting the rising demand in the market and seizing new opportunities for growth in untapped market.
2. Utilization of IPO Funds: The inflow of funds from our recent initial public offering (IPO) presents an opportunity to optimize our working capital management. By leveraging these funds, we aim to streamline our payables process, reducing settlement times and maximizing cash flow efficiency. This proactive approach allows us to negotiate more favourable terms and conditions with suppliers, enabling us to secure better discounts and deals on procurement. Ultimately, this strategy enhances our profitability and strengthens our competitive position in the market.

### Key Assumptions for working capital requirements

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for the financial years ended March 31, 2024, 2023 and 2022, as well as projections for financial year ended March 31, 2025.

| Particulars | Unit | FY 22   | FY 23   | FY 24   | FY 25     |
|-------------|------|---------|---------|---------|-----------|
|             |      | Audited | Audited | Audited | Projected |
| Debtors     | Days | 25      | 50      | 39      | 60        |
| Creditors   | Days | 8       | 8       | 27      | 30        |
| Inventories | Days | 126     | 151     | 172     | 150       |

**Justification:**

|                    |  |
|--------------------|--|
| <b>Debtors</b>     | The historical holding days of trade receivables has been ranging from 25 days to 50 days during Fiscal 2022 to Fiscal 2024. As per the current credit terms and prevalent trend of the industry & in order to expand company's operations, the holding level for debtors is anticipated at 60 days of total revenue from operations during Fiscal 2025. We are planning to set up an additional filament extrusion line in our factory which will increase our overall plant capacity to approximately 288 Tones. Such manufacturing set up will generate higher revenue from operations and we will be required to offer extended credit periods to our customers, allowing them more time to settle their invoices and capture larger customer base in the industry. By offering this flexibility, we expect to stimulate increased sales volume and foster stronger customer relationships. This adjustment aligns with our strategy to expand operations while ensuring financial sustainability.   |
| <b>Creditors</b>   | Past trend of Trade payables holding days has been low which extended upto 27 days approximately during Fiscal 2024. As the company is expanding its operations it is required to maintain working capital efficiency by extending trade payable days in order to optimize working capital management. The holding level for trade payable is anticipated at 30 days during Fiscal 2025. We purchase raw materials, hardware, components and spare parts. Extending credit terms allows the company to use its cash resources more effectively elsewhere in the business, such as for growth initiatives or to fund operations. Historically the company's trade payables days extended to 8 days in Fiscal 2022 and is expected to close at approx. 27 days in FY 2024. We have projected the trade payable days to be on same or reduced lines at 30 days during FY 2025. Thus, by offering similar and quicker payment terms we expect to maintain leverage in supplier negotiations.   |
| <b>Inventories</b> | Inventories include raw materials, spares and finished goods. The historical holding days of inventories has been in range of 126 days to 172 days during Fiscal 2022 to Fiscal 2024. With the perspective to increase business operations and start additional filament extrusion line the Company estimates inventories holding days to be around 150 days in Fiscal 25. The establishment of additional filament extrusion line in our factory will require additional levels of inventory. With increase in executable orders, we would need higher levels of working capital funds. Moreover, we will have to maintain higher lead time of few components because the turn-around time from purchase order to execution can be of 1 to 3 months or above, therefore to successfully deliver all our order we may need to maintain reasonable levels of inventories which is usually collected at the initiation of the orders. This strategic approach aligns with our goal of sustaining growth while efficiently managing inventory levels to meet order demands effectively. |

**a. Detailed rationale for increase in working capital requirement of the Company for FY 2023**

During the FY 2023, the Revenue from operations increased by 18.38% from Rs 1,969.25 lakhs in FY 2022 to Rs 2,331.11 lakhs in FY 2023. Out of which the revenue from B2B business increased by 19.67% from Rs 1315.05 lakhs in FY 22 to Rs 1573.71 lakhs in FY 23 and to Rs 2494.63 lakhs in FY 24. Expansion of business specially the B2B segment required extension of higher credit days which resulted in increase in Trade receivables by 139.13% from Rs 187.83 lakhs in FY 2022 to Rs 449.15 lakhs in FY 2023. Thus, larger funds were blocked in trade receivables which resulted in increase in working capital requirements by 63.30% from Rs 689.61 lakhs in FY 2022 to Rs 1,126.12 lakhs in FY 2023.

The below table exhibits the revenue bifurcation into various customer segment in the last 3 years.

| Particulars               | March 31, 2023 | % of Total Revenue | Incremental Increase from FY 24 | Fiscal 2023    | % of Total Revenue | Incremental Increase from FY 23 | Fiscal 2022    | % of Total Revenue |
|---------------------------|----------------|--------------------|---------------------------------|----------------|--------------------|---------------------------------|----------------|--------------------|
| B2B                       | 2494.63        | 63.02%             | 58.52%                          | 1573.71        | 67.51%             | 19.67%                          | 1315.05        | 66.78%             |
| B2C                       | 394.08         | 9.95%              | 101.45%                         | 195.62         | 8.39%              | 87.68%                          | 104.23         | 5.29%              |
| E commerce Platform sales | 1069.91        | 27.03%             | 90.45%                          | 561.79         | 24.10%             | 2.15%                           | 549.98         | 27.93%             |
| <b>Total</b>              | <b>3958.62</b> | <b>100.00%</b>     | <b>69.82%</b>                   | <b>2331.11</b> | <b>100.00%</b>     | <b>18.38%</b>                   | <b>1969.25</b> | <b>100.00%</b>     |

During the FY 2023, the Revenue from operations increased by 18.38% from Rs 1,969.25 lakhs in FY 2022 to Rs 2,331.11 lakhs in FY 2023. Although the revenue from B2B Segment has been the major portion of revenue past financial years, the company has further expanded its revenue in the B2B vertical year on year. There has been incremental growth in revenue from B2B segment in absolute amount. The revenue from B2B business increased by 19.67% from Rs 1315.05 lakhs in FY 22 to Rs 1573.71 lakhs in FY 23. The same increased by 58.52% from Rs 1572.71 lakhs in FY 23 to Rs 2494.63 lakhs in FY 24. Expansion of business specially the B2B segment required extension of higher credit days which resulted in increase in Trade receivables by 139.13% from Rs 187.83 lakhs in FY 2022 to Rs 449.15 lakhs in FY 2023. Thus, larger funds were blocked in trade receivables which resulted in increase in working capital requirements by 63.30% from Rs 689.61 lakhs in FY 2022 to Rs 1,126.12 lakhs in FY 2023. However, during Fiscal 2024 the company also expanded its revenue from B2C vertical by 101.45% to Rs 394.08 lakhs in March 31, 2024 from Rs 195.62 lakhs in FY 23.

**b. Detailed rationale for increase in working capital requirement of the Company for estimated and projected FY 25 respectively.**

The company has installed additional filament extrusion line in its factory which has increased the overall plant capacity to approximately 288 Tones. The investment in new machineries has led to expansion in the overall volume of the business and requirements of additional levels of inventories. Thus, the marketing efforts and the increasing demand for 3D printing technology in the market has led to increase the revenue from operations by approx. 69.82% to Rs 3958.62 lakhs in FY 24. Expanded business operations will require the company to maintain optimum levels of inventory to address customers orders in short span of time and avoid any supply chain shortages. The Company therefore require additional working capital to cater additional customer base. Accordingly larger funds got parked in the current assets like:

1. Inventories were Rs 1680.65 lakhs in FY 2024 and is projected to increase to Rs 2,679.50 lakhs in FY 2025.
2. Trade Receivables was Rs 400.95 lakhs in FY 2024 and is projected to increase to Rs 1471.84 lakhs in FY 2025.

**3. General Corporate Purpose**

Our Company intends to deploy the balance Net Proceeds towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in accordance with Regulation 230(2) of the SEBI ICDR Regulations, to drive our business growth, including, amongst other things, (i) funding growth opportunities, including strategic initiatives; (ii) meeting any expenses incurred in the ordinary course of business by the Company; (iii) servicing of borrowings including payment of interest; (iv) brand building and other marketing expenses; (v) meeting of exigencies which our Company may face in the course of any business; and (vi) any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof.

We confirm that any offer related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual offer expenses turn to be lesser than the estimated offer expenses of ₹ [●] lakhs, such surplus amount shall be utilized for General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Red Herring Prospectus, shall not exceed 25% of the amount raised by our Company through this Offer.

**Public Offer Expenses**

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

| Activity   | (Rs. in Lakh) * | As a % of Estimates Offer Expenses | As a % of Offer Size |
|--|-----------------|------------------------------------|----------------------|
| Lead Manger Fees   | [●]             | [●]                                | [●]                  |
| Fees Payable to Registrar to the Offer   | [●]             | [●]                                | [●]                  |
| Fees Payable for Advertising and Publishing Expenses   | [●]             | [●]                                | [●]                  |
| Fees Payable to Regulators including Stock Exchanges   | [●]             | [●]                                | [●]                  |
| Payment for Printing & Stationery, Postage, etc.   | [●]             | [●]                                | [●]                  |
| Fees Payable to Auditor, Legal Advisors and other Professionals  | [●]             | [●]                                | [●]                  |
| Others (Fees payable for Marketing & distribution expenses, Selling Commission, Brokerage, Processing Fees*, Underwriting fees and Miscellaneous Expenses) | [●]             | [●]                                | [●]                  |
| <b>Total</b>   | [●]             | [●]                                | [●]                  |

*\*Offer expenses will be finalized on determination of Offer Price and incorporated at the time of filing of the Prospectus. Offer expenses are estimates and are subject to change.*

*(1) Amounts will be finalised and incorporated in the Prospectus on determination of Offer Price. Offer expenses include applicable taxes, where applicable. Offer expenses are estimates and are subject to change.*

*(2) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders, Eligible Employees, Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows*

|   |   |
|---|---|
| <i>Portion for Retail Individual Bidders*</i> | <i>0.10 % of the Amount Allotted* (plus applicable taxes)</i> |
| <i>Portion for Eligible Employees*</i>        | <i>0.10 % of the Amount Allotted* (plus applicable taxes)</i> |
| <i>Portion for Non-Institutional Bidders*</i> | <i>0.10 % of the Amount Allotted* (plus applicable taxes)</i> |

*\*Amount allotted is the product of the number of Equity Shares Allotted and the Offer Price. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE or NSE*

*(3) No uploading/ processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders which are procured by the members of the Syndicate/ sub-Syndicate/ Registered Broker/ CRTAs/ CDPs and submitted to SCSB for blocking, would be as follows:*

|  |  |
|--|--|
| <i>Portion for Retail Individual Bidders</i> | <i>₹ 10 per valid Bid cum Application Form (plus applicable taxes)</i> |
| <i>Portion for Eligible Employees</i>        | <i>₹ 10 per valid Bid cum Application Form (plus applicable taxes)</i> |
| <i>Portion for Non-Institutional Bidders</i> | <i>₹ 10 per valid Bid cum Application Form (plus applicable taxes)</i> |

*Notwithstanding anything contained above the total processing fee payable under this clause will not exceed 1 lakh (plus applicable taxes) and in case if the total processing fees exceeds 1 lakh (plus applicable taxes) then processing fees will be paid on pro-rata basis.*

*(4) The processing fees for applications made by UPI Bidders using the UPI Mechanism would be as follows:*

|   |   |
|---|---|
| <i>Members of the Syndicate/ RTAs/ CDPs (uploading charges)</i> | <i>₹ 10 per valid application (plus applicable taxes)</i>   |
| <i>Sponsor Bank – Axis Bank Limited</i>                         | <i>₹ Nil till 50,000 UPI Applications<br/>₹ 6 per valid Bid cum Application Form* (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.</i> |

*\*For each valid application by respective Sponsor Bank*

*Notwithstanding anything contained above in this clause the total Uploading charges/ Processing fees payable to Members of the Syndicate/ RTAs/ CDPs for applications made by RIBs (up to ₹200,000), Non-Institutional Bidders (for an amount more than ₹200,000 and up to ₹500,000) using the UPI Mechanism and in case if the total uploading charges/ processing fees exceeds 1 lakh (plus applicable taxes) then uploading charges/ processing fees using UPI Mechanism will be paid on pro-rata basis.*

*(5) Selling commission on the portion for Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their Sub-Syndicate Members) would be as follows:*

|  |   |
|--|---|
| <i>Portion for Retail Individual Bidders</i> | <i>0.10 % of the Amount Allotted* (plus applicable taxes)</i> |
| <i>Portion for Eligible Employees</i>        | <i>0.10 % of the Amount Allotted* (plus applicable taxes)</i> |
| <i>Portion for Non-Institutional Bidders</i> | <i>0.10 % of the Amount Allotted* (plus applicable taxes)</i> |

*\*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

*Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the applications made by RIBs using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in- 1 accounts, would be as follows: 0.10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.*

*Bidding charges payable to the Registered Brokers, CRTAs/ CDPs on the portion for RIBs and Non-Institutional Bidders which are directly procured by the Registered Brokers or CRTAs or CDPs and submitted to SCSB for processing, would be as follows:*

|  |  |
|--|--|
| Portion for Retail Individual Bidders* | 0.10 per valid application (plus applicable taxes) |
| Portion for Non-Institutional Bidders* | 0.10 per valid application (plus applicable taxes) |

\* Based on valid applications

Notwithstanding anything contained above the total uploading/ bidding charges payable under this clause will not exceed 1 lakh (plus applicable taxes) and in case if the total uploading/ bidding charges exceeds 1 lakh (plus applicable taxes) then uploading charges will be paid on pro-rata basis.

The Selling Commission payable to the Syndicate/ Sub-Syndicate Members will be determined on the basis of the application form number/ series, provided that the application is also bid by the respective Syndicate/ Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number/ series of a Syndicate/ Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate/ Sub-Syndicate Member. Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the portion for RIBs and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: ₹ 10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers the CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE or NSE

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement. Further, the processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI 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.

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

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

| (Rs. In Lacs) |  |  |
|---------------|--|--|
| S. No.        | Particulars  | Amount to be deployed and utilized in F.Y. 2024-25 |
| 1.            | Repayment in full or in part, of certain of our outstanding borrowings | 300.00   |
| 2.            | Funding to meet working capital requirements                           | 1450.00  |
| 3.            | General Corporate Purpose  | [•]  |
|               | <b>Total</b>   | <b>[•]</b>   |

#### **Appraisal**

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Offer are currently based on available quotations and management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including but not limited to variations in interest rate structures, changes in our financial condition and current commercial conditions of our Business and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

#### **Shortfall of Funds**

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

#### **Bridge Financing Facilities**

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

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

As the size of the offer will not exceed Rs.10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the

Net Offer Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Offer. 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 offer have been utilized in full.

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

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

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

#### **Variation in Objects**

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

#### **Other confirmations**

There are no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our directors or key managerial personnel except in the normal course of business and in compliance with the applicable laws.

## **BASIS FOR OFFER PRICE**

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the section titled “**Our Business**” and its financial statements under the section titled “**Financial Information of the Company**” beginning on page 29, 113 and 165 respectively of the Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

Price Band/ Offer Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹ 10/- each and the Offer Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

For the purpose of making an informed investment decision, the investors should also refer “**Risk Factors**”, “**Our Business**” and “**Financial Statement as restated**” beginning on page 29, 113 and 165 respectively of this Red Herring Prospectus.

## **QUALITATIVE FACTORS**

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

- Established 3D Printing Ecosystem.
- Widespread, well connected distribution network with a presence across multiple cities, retail channels and online e-commerce platforms
- Dedicated after-sales network
- Established filament manufacturing capability for efficient backward integration
- Consistent focus on quality
- Experienced Promoter and management team

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “**Our Business**” beginning on page 113 of this Red Herring Prospectus.

## **QUANTITATIVE FACTORS**

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled “**Financial Information of the Company**” on page 165 of this Red Herring Prospectus.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

### **1. Basic & Diluted Earnings per share (EPS) (Face value of ₹ 10 each):**

As per the Restated Financial Statements:

| Sr. No | Period                   | Basic & Diluted (₹) | Weights |
|--------|--------------------------|---------------------|---------|
| 1.     | Financial Year 2021-2022 | 1.69                | 1       |
| 2.     | Financial Year 2022-2023 | 4.81                | 2       |
| 3.     | Financial Year 2023-2024 | 10.07               | 3       |
|        | <b>Weighted Average</b>  | 6.92                | 6       |

#### **Notes:**

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- The face value of each Equity Share is ₹10.00.
- Earnings per Share has been calculated in accordance with **Accounting Standard 20 – “Earnings per Share”** issued by the Institute of Chartered Accountants of India.
- The above statement should be read with **Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.**
- Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders/ Weighted average number of equity shares outstanding during the year/ period.
- Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders/ Weighted average number of diluted potential equity shares outstanding during the year/ period.



**2. Price Earning (P/E) Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share of Face Value of ₹ 10/- each fully paid up**

| Particulars  | (P/E) Ratio at the Floor Price | (P/E) Ratio at the Cap Price |
|--|--------------------------------|------------------------------|
| P/E ratio based on the Basic & Diluted EPS, as restated for Financial Year 2023-2024 | [●]                            | [●]                          |
| P/E ratio based on the Weighted Average EPS, as restated.                            | [●]                            | [●]                          |

**3. Average Return on Return on Net worth (RoNW)\***

| Sr. No | Period                   | RoNW (%)     | Weights  |
|--------|--------------------------|--------------|----------|
| 1      | Financial Year 2021-2022 | 25.88        | 1        |
| 2      | Financial Year 2022-2023 | 42.44        | 2        |
| 3      | Financial Year 2023-2024 | 47.43        | 3        |
|        | <b>Weighted Average</b>  | <b>42.17</b> | <b>6</b> |

**Note:**

- The RoNW has been computed by dividing net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/ period
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/ Total of weights.

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

(₹ in lakhs)

| Sr. No. | NAV per Equity Share                 | Outstanding at the end of the year |
|---------|--------------------------------------|------------------------------------|
| 1.      | As at March 31, 2022                 | 6.52                               |
| 2.      | As at March 31, 2023                 | 11.34                              |
| 3.      | As at March 31, 2024                 | 21.22                              |
| 4.      | NAV per Equity Share after the Offer |                                    |
|         | I. Floor Price                       | [●]                                |
|         | II. Cap Price                        | [●]                                |
| 5.      | Offer Price                          | [●]                                |

**Notes: -**

- NAV per share = Restated Net worth at the end of the year/period divided by Weighted average number of equity shares outstanding at the end of the year/ period.
- Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares.
- Offer Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.

**5. Comparison of Accounting Ratios with Industry Peers:**

There are no listed companies in India that are engaged in a business similar to that of our company accordingly it is not possible to provide an industry comparison in relation to our company.

**6. Key Performance Indicators**

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated May 07, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our 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 this RHP. Further, the KPIs herein have been certified by M/s A D V & Associates, Chartered Accountants, by their certificate dated May 07, 2024.

The KPIs of our Company have been disclosed in the sections titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators*” on pages 113 and 204 respectively. We have described and defined the KPIs, as applicable, in “*Definitions and Abbreviations*” 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. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

#### Key Performance Indicators of our Company

(Rs. In Lakhs except percentages and ratios)

| Key Financial Performance              | FY 2023-24 | FY 2022-23 | FY 2021-22 |
|--|------------|------------|------------|
| Revenue from operations <sup>(1)</sup> | 3958.62    | 2331.11    | 1969.25    |
| EBITDA <sup>(2)</sup>                  | 694.37     | 355.55     | 113.28     |
| EBITDA Margin <sup>(3)</sup>           | 17.54%     | 15.25%     | 5.75%      |
| PAT                                    | 503.30     | 240.56     | 84.42      |
| PAT Margin <sup>(4)</sup>              | 12.71%     | 10.32%     | 4.29%      |
| Net Worth <sup>(5)</sup>               | 1061.22    | 566.80     | 326.25     |
| Return on Net Worth <sup>(6)</sup>     | 47.43%     | 42.44%     | 25.88%     |
| RoCE (%) <sup>(7)</sup>                | 42.50%     | 28.54%     | 13.55%     |

\*Not Annualized

#### Notes:

<sup>(1)</sup>Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

<sup>(2)</sup>EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> ‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations.

<sup>(5)</sup> Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company.

<sup>(6)</sup> Return on Net Worth is ratio of Profit after Tax and Net Worth.

<sup>(7)</sup>Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders’ equity plus total borrowings {current & non-current}.

#### Explanation for KPI metrics

| KPI                     | Explanations   |
|-------------------------|--|
| Revenue from Operations | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business |
| EBITDA                  | 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   |
| PAT                     | Profit after tax provides information regarding the overall profitability of the business.   |
| PAT Margin (%)          | PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.   |
| Net Worth               | Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.  |
| 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.  |

#### 7. Set forth below are the details of comparison of key performance of indicators with our listed industry peers:

There are no listed companies in India that is engaged in a business similar to that of our Company. Accordingly, it is not possible to provide a comparison of key performance indicators of industry with our Company.

#### 8. 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, other than Equity Shares issued pursuant to a bonus issue on November 22, 2022 and April 26, 2024 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-Offer 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 30 days are as follows.

- b) The price per share of our Company based on the secondary sale / acquisition of shares (equity shares)

There have been no secondary sale/ acquisitions of Equity Shares, 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 of shares), during the 18 months preceding the date of this certificate, 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-offer 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) Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities 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 certificate irrespective of the size of transactions, is as below:

**Primary Transactions:**

| Date of Allotment | No. of equity shares allotted | Issue Price per equity shares (₹) | Nature of Allotment | Nature of consideration | Total Consideration |
|-------------------|-------------------------------|-----------------------------------|---------------------|-------------------------|---------------------|
| April 26, 2024    | 20,00,000                     | Nil                               | Bonus Issue         | Other than Cash         | Nil                 |

**Secondary Transactions:**

| Date of Transfer | Name of transferor     | Name of transferee        | No. of equity shares allotted | Issue Price per equity shares (₹) | Nature of Allotment | Nature of consideration | Total Consideration |
|------------------|------------------------|---------------------------|-------------------------------|-----------------------------------|---------------------|-------------------------|---------------------|
| April 01, 2024   | Saloni Rahul Chandalia | Rajvi Kamlesh Shah        | 1                             | 21                                | Sale                | Cash                    | 546                 |
|                  |                        | Priyal Piyush Shah        | 1                             |                                   |                     |                         |                     |
|                  |                        | Hetvi Kirit Nagda         | 1                             |                                   |                     |                         |                     |
|                  |                        | Usha Naresh Parekh        | 2                             |                                   |                     |                         |                     |
|                  |                        | Bhavesht Popatlal Shah    | 1                             |                                   |                     |                         |                     |
|                  |                        | Kamlesh Popatlal Shah HUF | 1                             |                                   |                     |                         |                     |
|                  |                        | Neena Dhanpal Parekh      | 2                             |                                   |                     |                         |                     |
|                  |                        | Seema Pankaj Parekh       | 2                             |                                   |                     |                         |                     |
|                  |                        | Praveen Chandra Rathod    | 2                             |                                   |                     |                         |                     |
|                  |                        | Shripal Laxmichand Jain   | 2                             |                                   |                     |                         |                     |
| April 02, 2024   | Saloni Rahul Chandalia | Pradeep Shripal Jain      | 2                             | 21                                | Sale                | Cash                    | 546                 |
| April 03, 2024   |                        | Lata Ajit Parekh          | 2                             |                                   |                     |                         |                     |
|                  |                        | Varun Praveen Rathod      | 2                             |                                   |                     |                         |                     |
| April 08, 2024   |                        | Tarang Praveen Rathod     | 2                             |                                   |                     |                         |                     |
|                  |                        | Bhavesht Popatlal Shah    | 2                             |                                   |                     |                         |                     |
|                  |                        | Kamlesh Popatlal Shah HUF | 1                             |                                   |                     |                         |                     |

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

| Types of transactions | Weighted average cost of acquisition (₹ per Equity Shares) | Floor price* (i.e. ₹ [●]) | Cap price* (i.e. ₹ [●]) |
|-----------------------|--|---------------------------|-------------------------|
|-----------------------|--|---------------------------|-------------------------|

|  |      |             |             |
|--|------|-------------|-------------|
| Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.           | Nil  | NA          | NA          |
| Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above. | NA   | NA          | NA          |
| Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(c) above. | 0.00 | Not Defined | Not Defined |

*Note:*

*\* To be updated at Prospectus stage.*

Wol 3D India Limited is a Book Built Offer and the price band for the same shall be published 2 working days before opening of the Offer in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard, and Marathi Edition of Regional newspaper Pratahkal, where the registered office of the company is situated each with wide circulation.

The Price Band/ Floor Price/ Offer Price shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the above mentioned information along with **“Our Business”**, **“Risk Factors”** and **“Restated Financial Statements”** on pages 113, 29 and 165 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in **“Risk Factors”** or any other factors that may arise in the future and you may lose all or part of your investments.

## **STATEMENT OF SPECIAL TAX BENEFITS**

**To**

**The Board of Directors**

**WOL 3D INDIA LIMITED**

18, Ground Floor, Bombay Cotton Mill Estate,  
Dattaram Lad Marg, Kalachowky, Mumbai,  
Maharashtra, India, 400033

Dear Sirs,

**Sub: Statement of Special Tax Benefit ('the Statement') available to WOL 3D INDIA LIMITED (previously known as "WOL 3D INDIA PVT LIMITED") and its shareholders prepared in accordance with the requirements under Schedule VI-Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the 'Regulations')**

We hereby confirm that the enclosed annexure, prepared by the management of Wol 3D India Limited ('the Company') (previously known as "Wol 3D India Pvt Limited") states the special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 ('Act') as amended from time to time, 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 (collectively the "GST Act") presently in force in India, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits. Further, these benefits are neither exhaustive nor conclusive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

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

- the Company or its Shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable have been/would be met.

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

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

We shall not be liable to Company for 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 of intentional misconduct. The enclosed Annexure is intended solely for your information and for inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus or any other issue related material in connection with the proposed issue of

equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent. Signed in terms of our separate report of even date.

Yours faithfully

**M/s A D V & Associates**

**Chartered Accountants**

**Firm Registration No: 128045W**

**Pratik Kabra**

**Partner**

**M. No.: 611401**

**UDIN: 24611401BKCKUJ8883**

**Date: May 07, 2024**

**Place: Mumbai**

### **Annexure to the statement of special Tax Benefits**

Outlined below are the Special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961, presently forced in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have 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.**

**1. Special Tax Benefits available to the Company under the Act:**

The Company is not entitled to any Special tax benefits under the Act.

**2. Special Tax Benefits available to the shareholders of the Company**

**The Shareholders of the company are not entitled to any Special tax benefits under the Act.**

**Notes:**

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

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

## **SECTION V – 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 offer 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.*

*Investors should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this Red Herring Prospectus, including the information in “**Our Business**” and “**Financial Information**” beginning on pages 113 and 165 respectively of this Red Herring Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, see “**Risk Factors**” beginning on page 29 of this Red Herring Prospectus.*

#### **Global Economic Environment**

Global growth is expected to slow to 2.4 percent in 2024—the third consecutive year of deceleration—reflecting the lagged and ongoing effects of tight monetary policies to rein in decades-high inflation, restrictive credit conditions, and anemic global trade and investment. Near-term prospects are diverging, with subdued growth in major economies alongside improving conditions in emerging market and developing economies (EMDEs) with solid fundamentals. Meanwhile, the outlook for EMDEs with pronounced vulnerabilities remains precarious amid elevated debt and financing costs. Downside risks to the outlook predominate. The recent conflict in the Middle East, coming on top of the Russian Federation’s invasion of Ukraine, has heightened geopolitical risks. Conflict escalation could lead to surging energy prices, with broader implications for global activity and inflation. Other risks include financial stress related to elevated real interest rates, persistent inflation, weaker-than-expected growth in China, further trade fragmentation, and climate change-related disasters. Against this backdrop, policy makers face enormous challenges and difficult trade-offs. International cooperation needs to be strengthened to provide debt relief, especially for the poorest countries; tackle climate change and foster the energy transition; facilitate trade flows; and alleviate food insecurity. EMDE central banks need to ensure that inflation expectations remain well anchored and that financial systems are resilient.

Elevated public debt and borrowing costs limit fiscal space and pose significant challenges to EMDEs—particularly those with weak credit ratings—seeking to improve fiscal sustainability while meeting investment needs. Commodity exporters face the additional challenge of coping with commodity price fluctuations, underscoring the need for strong policy frameworks. To boost longer-term growth, structural reforms are needed to accelerate investment, improve productivity growth, and close gender gaps in labor markets.

Global economic activity continues to soften, amid the effects of tight monetary policies, restrictive financial conditions, and weak global trade growth. After a sharp slowdown in 2022 and another decline last year, global output growth is set to edge down in 2024, marking the third consecutive year of deceleration. The recent conflict in the Middle East has heightened geopolitical risks and raised uncertainty in commodity markets, with potential adverse implications for global growth. This comes while the world economy is continuing to cope with the lingering effects of the overlapping shocks of the past four years—the COVID-19 pandemic, the Russian Federation’s invasion of Ukraine, and the rise in inflation and subsequent sharp tightening of global monetary conditions.

Source: <https://openknowledge.worldbank.org/server/api/core/bitstreams/7fe97e0a-52c5-4655-9207-c176eb9fb66a/content>

#### **Indian Economy**

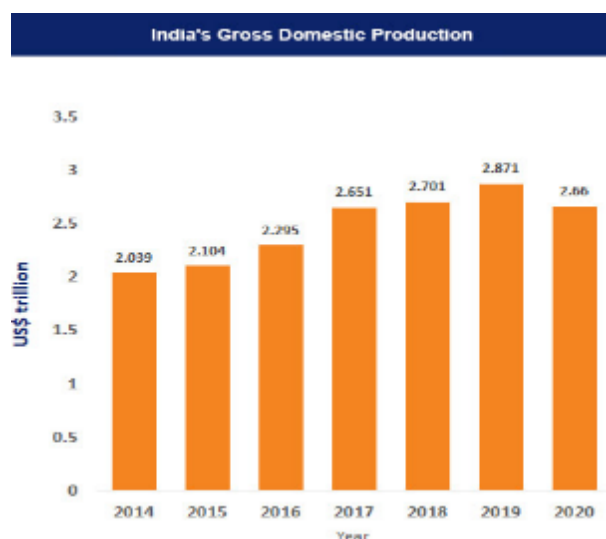
Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. India's gross domestic product (GDP) at current prices in the second quarter (Q2) of 2023-24 is estimated to be Rs. 71.66 trillion (US\$ 861.2 billion), as against Rs. 65.67 trillion (US\$ 789.2 billion) in Q2 of 2022-23, showing a growth rate of 9.1%. Strong domestic demand for consumption and investment, along with Government’s continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24.



In 2023-24 (April-December), India's service exports stood at US\$ 247.92 billion. Furthermore, India's overall exports (services and merchandise) in 2023-24 (April-December) were estimated at US\$ 565.04 billion. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

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

India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 296.58 trillion (US\$ 3.56 trillion) in 2023-24. Additionally, the Nominal GDP at current prices in Q2 of 2023-24 was Rs. 71.66 trillion (US\$ 861.2 billion), as against Rs. 65.67 trillion (US\$ 789.2 billion) in 2022-23, estimating a growth of 9.1%. As of 03rd October 2023, India is home to 111 unicorns with a total valuation of US\$ 349.67 Billion. Out of the total number of unicorns, 45 unicorns with a total valuation of US\$ 102.30 Billion were born in 2021 and 22 unicorns with a total valuation of \$ 29.20 Billion were born in 2022. India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.



Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

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

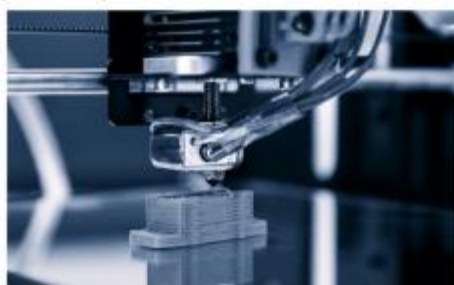
## **INDUSTRY**

### **ADDITIVE MANUFACTURING INDUSTRY**

#### **Next Generation Digital Manufacturing**

Additive Manufacturing (AM), also known as 3D printing, is the process of manufacturing an object, layer by layer. It differs from the traditional subtractive manufacturing techniques involving cutting large blocks of material to form the desired object. AM has the potential to transform manufacturing due to design freedom, shape optimisation potential, reduced time-to-market, ease of making changes and low capex requirements. Furthermore, AM plays a key role in bringing about Industrial Revolution 4.0.

India has an excellent opportunity as the world begins to adopt AM techniques. Additive manufacturing development and adoption can help India in become a leading manufacturing hub. To achieve this, the Ministry of Electronics and Information Technology (MeitY) formulated the 'National Strategy on Additive Manufacturing'. The strategy aims to increase India's share in global AM to 5% in the next three years. Meity estimates that AM can add US\$ 1 billion to India's GDP by that time.



Source: <https://www.ibef.org/blogs/national-strategy-on-additive-manufacturing>

Additive Manufacturing is ushering the world into an Industrial Revolution 4.0, offering immense potential that could revolutionize India's manufacturing and industrial production landscape through digital processes, communication, imaging, architecture and engineering that provide digital flexibility and efficiency. Valued above US\$ 7 billion<sup>1</sup> in 2017, the industry is growing rapidly, and is expected to be at USD 35.6 billion by 2023<sup>2</sup> As countries and companies choose to diversify and recalibrate their supply chains, thus restructuring the global manufacturing order, India is also facing generational opportunity to strengthen its value proposition and realign its global positioning. A strategic effort is, therefore, required to develop indigenous technological capabilities, as also, fully tap and leverage the potential opportunities of the Fourth Industrial Revolution. Collective focus on Additive Manufacturing can immensely augment India's efforts to position itself as Manufacturing Hub of the world. Globally, Governments are closely evaluating the impact of AM technologies on their economies, skills and capability development; and thus developing their National Manufacturing Strategies. In this backdrop, National Strategy on Additive Manufacturing is extremely pertinent to aspire for India's Manufacturing Value Add to 1 Trillion USD per annum.

This strategy document has been formulated to promote all sub-sectors, such as, machines, materials, software and design within the Additive Manufacturing. It will further accelerate the adoption of untapped potential business opportunities, and strengthen execution of recommendations laid in the National Electronics Policy, 2019.

### Global Market Trend

Global spending on AM in 2019 was nearly \$13.8 Bn with a growth of 23.5% per annum and expected to reach \$34.8 Bn by 2024, which is growing at CAGR of 23.25%. SmarTech Publishing had estimated the global AM market at \$14Bn in 2020 and would reach to \$41 Bn by 2027, with a year on year growth of 27%. USA's market share on AM is 36%, followed by EU as 26% and China 14% and India holding a meagre 1.4 % of the global market share.

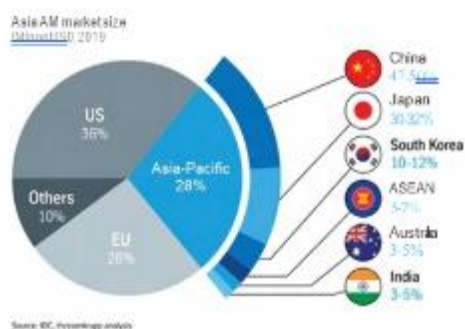


Fig.1 Global Additive Manufacturing Market Distribution\*

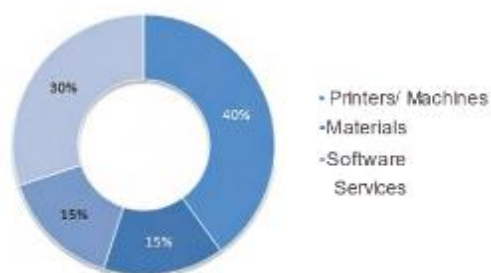


Fig 2 Businesswise Market Distribution>

As per International Development Corporation (IDC), Asia's AM spending is estimated at US\$ 3.8 billion for 2019, after the United States and Western Europe which account for nearly two-thirds of the overall market (US\$ 8.6 billion).

Despite this impressive growth, Additive Manufacturing accounts for only around 1% of the global manufacturing revenue, and may eventually account for only 5%-10% of total global manufacturing. However, given its revolutionary potential and inherent advantages, a necessary ecosystem must be created and nurtured for maximum adoption and proliferation.

The AM market globally focused on the sectors including automotive, consumer products, medical, business machines, aerospace, government/military, academic and others. Automotive or motor vehicles account for the largest share in this

market due to its easy applications in the production of end-products (engines, spare parts, other interior, and exterior parts) as compared to other segments such as consumer products and business machines, which have limited usage in manufacturing of end-products.

The major drivers to propel global AM market are new and improved technologies, financial support from governments, large application area, rapid product development at a low cost, and ease of development of custom products.

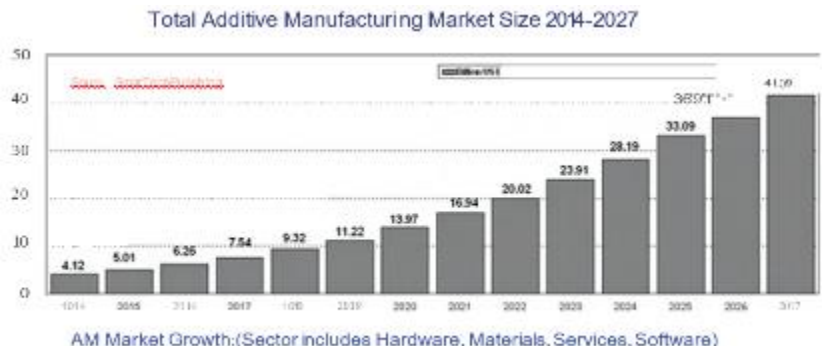


Fig.3 Growth path of Global Additive Manufacturing Market

## Geographic Trends

The global online 3D printing demand is primarily generated by USA, and UK US alone amounts to nearly 50% of the worldwide demand for 3D printed parts while UK stands at -18%. Other demands are mostly coming from developed countries of North America, Europe and Australia. India along with China is still producing low demands for AM printed parts as compared to developed countries.



Fig.4 Global Online 3D printing demand by country

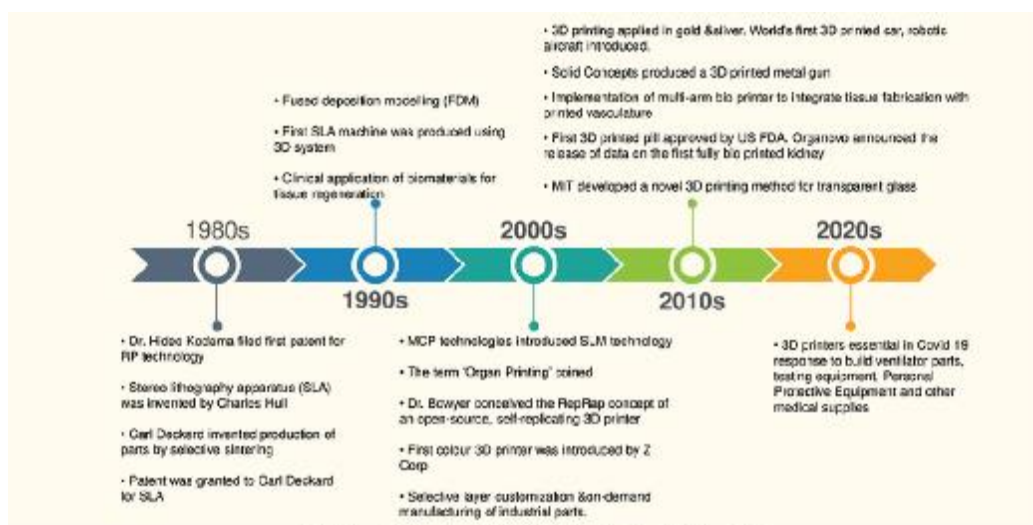


Fig.5 Historical Timeline for Additive Manufacturing Technologies

## Industrial Applications and Advantages of AM Technologies

A transformational, cross-sectoral and, inter-disciplinary technology, AM is revolutionizing product design and on-location manufacturing globally, enabling radical product design and re-design, which further accelerate development of new material properties, and transformation of business capabilities through production of more sustainable designs realised at lower cost.

Industrial applications and advantages unique to AM include:

| Industry            | Application  | Advantages  |
|---------------------|--|---|
| Aerospace & Defence | Landing gears, Thrust reverser doors, Small surveillance drones, Gimbal eye, Grenade Launchers, Complex Brackets, and Jet Engine components. Repair of turbine blades and high-value components.   | <ul style="list-style-type: none"> <li>• Low volume production of high value products with complex geometries.</li> <li>• Fuel efficiency through weight reduction of parts.</li> <li>• Improved product utility through on-demand production of replacement parts.</li> </ul>  |
| Automotive          | Engine bay parts, intake valves, engine components, gear boxes, air inlet, engine control unit and lower fairing baffle.   | <ul style="list-style-type: none"> <li>• Cost effective solution for Customization of luxury vehicles.</li> <li>• Obsolescence Management for defective parts.</li> <li>• Testing &amp; Production of lightweight, high strength parts</li> </ul>   |
| Electronics         | Wearable devices, soft robots, structural monitoring & building elements and RFID (Radio Frequency Identification) devices embedded inside solid substrates.   | <ul style="list-style-type: none"> <li>• High resolution, multi-material, large area fabrication of electronic devices that are free of printed circuit boards (PCBs).</li> <li>• Production of Complex, lightweight impact resistant surfaces with multiple functionality.</li> <li>• Designing of complex geometry parts with embedded electronics, sensors and antennas, which cannot be produced by conventional manufacturing process.</li> <li>• Internal manufacturing of circuits and circuit boards which reduces procurement time and eliminates intellectual property related issues.</li> </ul> |
| Healthcare          | <p><b>Surgical Models:</b> Organs, Vasculature, Tumor Models, and Disease Models.</p> <p><b>Surgical Instruments:</b> Forceps, retractors, medical clamps, and scalpel handles</p> <p><b>Implants:</b> Limbs, Craniofacial implants, Casts, and Stents.</p> <p><b>Dental:</b> crown, bridges, and splints.</p> | <ul style="list-style-type: none"> <li>• Production of customized implants, devices, dental crowns etc.</li> <li>• Reduction in healthcare costs due to minimal re-intervention enabled by accurate diagnosis.</li> <li>• Rapid response time during emergencies through rapid scaling of production.</li> <li>• Staff training in specific applications, leveraging datasets of patients affected by rare pathologies.</li> <li>• Patient centric healthcare through personalisation of drugs for complex patient specific release profiles.</li> </ul>  |

|                |   |   |
|----------------|---|---|
| Consumer Goods | Consumer electronics, jewellery, shoes, clothing, cosmetics products, toys, figurines, furniture, office accessories, musical instruments, bicycles and food products | <ul style="list-style-type: none"> <li>• Fabrication of complex internal and external structures compels innovative product design.</li> <li>• Faster time to market and cost-effective customization of customer centric products</li> <li>• Decentralized manufacturing reducing transferred costs to consumers.</li> </ul> |
|----------------|---|---|

Note: This table is not exhaustive

Source: <https://www.meity.gov.in/content/national-strategy-additive-manufacturing>

### AM Advantages

Some of the advantages of AM are explained below:

**Simplified Supply Chains:** The world is still reeling under the supply chain disruptions after the pandemic. AM is likely to simplify supply chains as semi-fabricated products substitute raw materials and suppliers consolidate. Procurements and labour costs will also decrease. This will help make the Make in India campaign and the Atma nirbhar Bharat Abhiyan successful.

**Gross Value Addition Growth:** AM can lead to democratisation in innovation by empowering individuals to create and actively participate in the global value chain. Many product designs are freely available and individuals can purchase a 3D printer and start manufacturing and selling products.

**Employment Opportunities:** AM is expected to increase productivity which may lead to reduction in employment. However, higher productivity and new products create new employment opportunities. Workers may need to be provided upskilling opportunities to ensure they remain competent.

**Sustainable Development:** AM is likely to lead to significant reduction in raw material, due to material-efficient designs; reduced wastage; and less need for manufacturing tools, moulds and dies. Furthermore, products will be more energy-efficient. This will help India reduce its carbon footprint and lead to sustainable development of the nation.

**Ease of Redesigning:** AM technologies allow manufacturers the ease to redesign their products. This reduces design constraints and associated costs. This will allow small businesses to innovate and experiment, thus making their products more efficient and enabling product differentiation.



Source: <https://www.ibef.org/blogs/national-strategy-on-additive-manufacturing>

### Additive Manufacturing Process

Additive Manufacturing technologies are essentially classified into virtual and physical models. The virtual model represents computational models and applications for simulation and optimization. The physical model represents three-dimensional virtual design models that are then speedily fabricated into a physical object. This process is known as rapid prototyping.



The Additive Manufacturing process is detailed below:

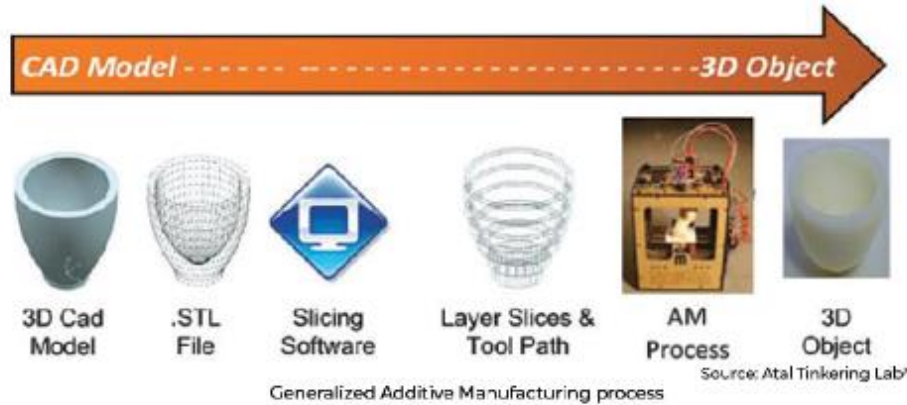
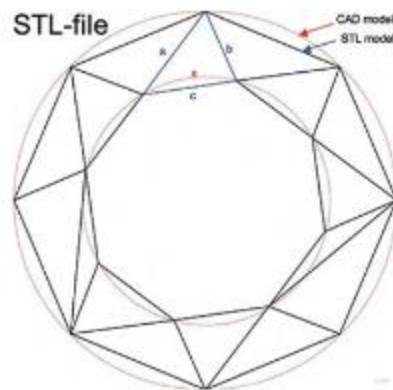


Fig.6 Basic Additive Manufacturing process

## Design

The Additive Manufacturing process begins with a software programme used to design a digital model for prototyping a physical object, a process referred to as Computer Aided Design. A digital model may also be created through reverse engineering using a 3D scanner. The validation of the technical and commercial feasibility of producing components at pre-production volumes is allowed under AM. Related simulations tools along with production planning are used to capture the shape distortion in the building of a component so geometric adjustments are understood in advance; to find the melt pool dynamic and residual stress state in the ready component which can be disastrous to its load carrying capacity; to improve the building sequence and/or energy deposition in order to improve the state of the component.



## STL conversion and file manipulation

The digital model is then converted to a Stereolithography file (.STL). STL breaks it down into a series of polygons, which represent surfaces of an object, and the model is then fed to a slicer programme/ Computer Aided Manufacturing software (CAM). CAM converts the STL file into a numerical control (NC) programming language - G Code, through which it directly communicates with the machine. This allows customization of design parameters like part orientation, layer height etc.

## Printing

American Society for Testing and Materials (ASTM) has classified Additive Manufacturing processes, broadly into seven categories, each supported by specific materials and laser-based technologies. As defined by ASTM Committee F42, the 7 categories of AM process are summarized below:

| Process  | Technology   | Material      | Applications  |
|--|--|---------------|---|
| Vat Photopolymerization: a process to selectively cure liquid photopolymer | Stereo lithography (SLA), digital light processing (DLP) | Photopolymers | Prototyping, Consumer Toys, Electronics, Guides and Fixtures. |

|   |   |                  |   |
|---|---|------------------|---|
| in a vat by light-activated polymerization.   |   |                  |   |
| Binder Jetting: a process to selectively deposit liquid bonding agent to join powder materials  | Powder bed and inkjet head (PBIH), plaster-based 3D printing (PP)   | Polymers, Waxes  | Prototyping and Tooling   |
| Directed Energy Deposition: process in which focused thermal energy (e.g. laser, electron beam, or plasma arc) is used to fuse materials by melting as they are being deposited | Laser metal deposition (LMD)  | Metals           | Repairing or building-up of high-volume parts   |
| Material Extrusion: a process to selectively dispense material through a nozzle or orifice  | Fused deposition modelling (FDM)  | Polymers         | Prototyping, Tooling and Office Manufacturing   |
| Material Jetting: process in which droplets of build material are selectively deposited   | Multi-jet modelling (MJM)   | Polymers, Waxes  | High Resolution Prototypes, Circuit Boards and other electronics, Consumer products and Tooling |
| Powder Bed Fusion: process in which thermal energy selectively fuses regions of a powder bed  | Electron beam melting (EBM), selective laser sintering (SLS), selective heat sintering (SHS), and direct metal laser sintering (DMLS) | Metals, Polymers | Aerospace, Automotive, Medical products, Tooling and Dental implants                            |
| Sheet Lamination: a process to bond sheets of material to form an object  | Laminated object manufacturing (LOM), ultrasonic consolidation (UC)   | Paper, Metals    | Large parts and Tooling   |

Source: Wohler's Report 2014, [www.womnexus.specialchem.com](http://www.womnexus.specialchem.com)

### Additive Manufacturing Materials

In myriad applications, the following material categories have been revolutionary in Additive Manufacturing.

#### Thermoplastics

Thermoplastic polymers are the most popular types of AM materials. Acrylonitrile butadiene styrene (ABS), polycarbonate (PC) and polylactic acid (PLA) each offer distinct advantages in different applications. Water-soluble polyvinyl alcohol (PVA) is typically used to create temporary support structures, which are later dissolved away.

#### Metals

Different metals and metal alloys are used in additive manufacturing, which include precious metals like gold and silver to strategic metals like stainless steel and titanium.

#### Ceramics

A variety of ceramics including zirconia, alumina and tricalcium phosphate are also used in additive manufacturing. Also, alternate layers of powdered glass and adhesive are baked together to develop entirely new classes of glass products.

#### Bio Materials

The biomaterials used in AM applications include the hardened material like silicon, calcium phosphate and zinc to support bone structures as new bone growth occurs. The bio-inks fabricated from stem cells are also being explored by researchers to form blood vessels, bladders and many other human organs. Also 3D Printing of human organs such as liver tissues, kidney, heart etc are being printed using biomaterials and living cells.

#### Post-Processing

The material needs to be heat treated after AM to get the desired microstructure and mechanical properties. Further reduction of porosity by hot isostatic pressing (HIP) may additionally be required for some applications. The post-process treatments, generally used on conventionally produced parts, are also applicable to AM produced parts. Post processing has the following five major stages like stress relieving, part separation from supports, post heat treatment (to achieve required metallurgical properties), surface roughness improvement, and final machining (to achieve profiles and geometries).



## Key International Developments

Detailed below are some key initiatives undertaken by Governments of countries at the forefront of adopting and advancing AM technologies.

## International Strategies & Projects

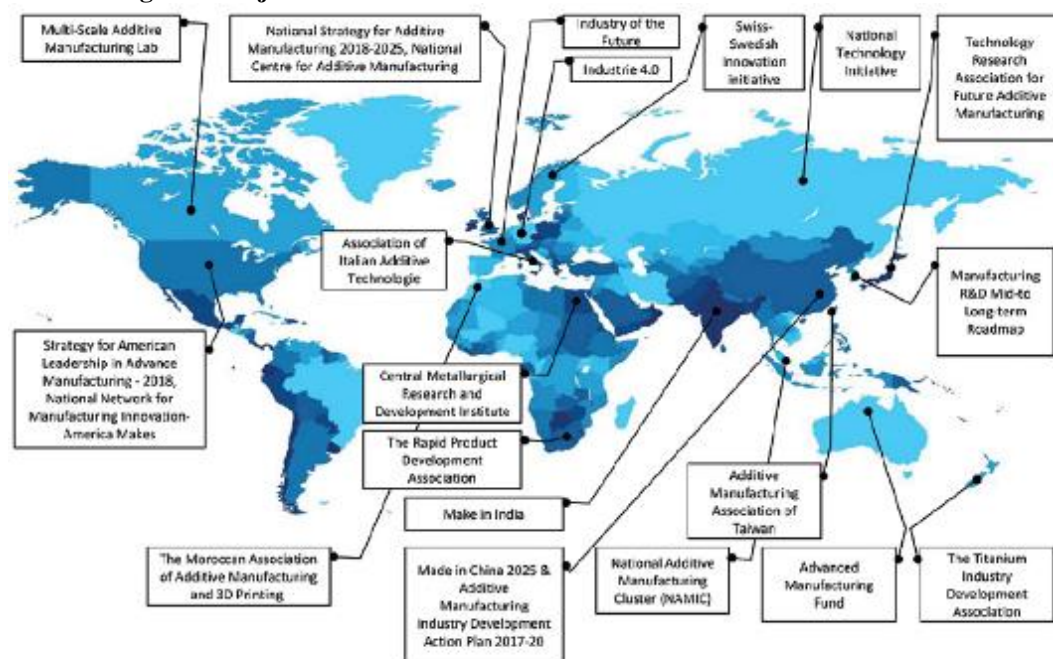


Fig.10 Country wise initiatives on additive manufacturing

Source: <https://www.meity.gov.in/content/national-strategy-additive-manufacturing>

## National Scenario

### Genesis of the National Strategy in India

To keep pace with rapid global manufacturing prowess, India needs to adopt an integrated approach to additive manufacturing in all segments including defence and public sectors, especially within the nation's small, medium and large-scale industries. The National Strategy on Additive manufacturing (AM) will aim to create a conducive ecosystem for



design, development and deployment, and to overcome technical and economic barriers for Global AM leaders to set up their operations with supporting ancillaries in India, facilitating development of the domestic market and enhancement of global market share. It will also seek to encourage and promote local manufacturers to seamlessly adopt this emerging technology, creating a support base for foreign companies. Attempts will be made to bring together industry, academia, Government and user organizations on a single platform for information exchange on national priorities, latest innovation and research outcomes, international standards etc., ensuring India optimises the benefits from the commercialization of Additive manufacturing (AM) technologies.



Additive manufacturing (AM) is the digital revolution of industrial production that embraces innovation in digital processes, communications, imaging, architecture and engineering to provide digital flexibility and efficiency to manufacturing operations. The computer-aided-design (CAD) software data is used directly to the hardware under this technology to deposit material layer upon layer in precise geometric shapes. Presently, digital Technology involves CADs to make products using subtractive processes. Future of digital manufacturing will use additive processes, which can sustain agile environment in mass production of hi-tech products and to reduce significant process wastes

Ministry of Electronics and Information Technology (MeitY), being a nodal agency for Digital Technology, has evolved a strategy to promote all the verticals of the AM sector, including machines, materials, software and designs to leverage the untapped business opportunities in this emerging technology that will unfold in the near future.

## **Vision, Mission and Objectives**

### **Vision**

The National Strategy for Additive Manufacturing aspires to postulate the tenets of 'Make in India' and 'AtmaNirbhar Bharat Abhiyan' that advocate self-reliance through technological transformation of the production paradigm. It aims to inspire maximum economic benefits from future growth opportunities, while minimizing risks and mitigating associated challenges.

The key goals envisaged are to:

- Position India as a global hub for Additive Manufacturing development and deployment
- Create and protect the integrity of India's AM intellectual properties

### **Mission**

- Ensure creation of a sustainable ecosystem for the AM industry to compete globally
- Encourage AM transformation and driving capabilities in the country for developing core competencies
- Position India as a global Innovation and Research hub for Additive Manufacturing
- Ensure AM manufactured end-user functional components for domestic and export markets
- Promote creation of Indian IPR
- Ensure adequate measures for the protection of AM technology

### **Objective**

- Encourage domestic manufacturing across the value-chain to promote 'Make in India' and 'AtmaNirbhar Bharat'.
- Increase domestic value addition in core and ancillary components, machines, materials and software
- Reduce import dependency of domestic market by developing local skill, technology, scale of production etc.
- Encourage global market leaders to establish global bases for manufacturing AM components and sub-assemblies in India, further strengthening India's domestic manufacturing ecosystem.
- Nurture domestic additive manufacturing industries.
- Establish a "National Centre on AM" for harnessing AM transformation and driving capabilities by continuously engaging all key stakeholders.

- Promote Innovation and Research infrastructure for commercialization of end-user application based industrial AM products suited for domestic and global markets.
- Strengthen India's collaborations with global AM organisations and Innovation and Research Centres.
- Create and update innovation roadmap for AM technologies.
- Promote ease of adoption of AM in India by introducing policy interventions that provide enhancing manufacturing capabilities and encouraging manufacturing with foreign technology in India.
- encouraging and further incentivizing manufactures with indigenous technology that promote a sustainable AM eco-system, both nationally and globally.
- encouraging export and re-export of machines, materials, AM produced goods and services
- discouraging import for domestic AM market

### Principles

- Focus on opportunities and corresponding challenges in higher- grade industrial AM technology.
- Long-term economic viability and market dominance of domestic AM companies in strategic sectors and areas of national security.
- Long-term technological leadership through prevention of threats in disruptive AM technologies.
- Gaining user confidence and trust via AM software utility, reliability and ease of access.

Source: <https://www.meity.gov.in/content/national-strategy-additive-manufacturing>

### Government Initiatives to Strengthen AM

The Government of India has taken initiatives to strengthen the adoption of AM in Indian manufacturing. These initiatives are described below:

**Atal Innovation Mission (AIM):** AIM is the government's flagship initiative to create and promote entrepreneurship and innovation across the country. AIM has developed several programmes to achieve its objective, one of which is the Atal Tinkering Labs (ATL) initiative. ATL aims to foster creativity and innovation in young minds and focuses on Science, Technology, Engineering and Math (STEM) concepts. Dedicated workspaces have been set up with do-it-yourself (DIY) kits including 3D printers, robotics and miniaturised electronics are installed. Some initiatives such as 3D design were also undertaken. AIM is also being complimented by the Digital India initiative.

**State Government Initiatives:** The Gujarat government signed an MoU with US Institute of 3D Technology and OEM 3D Systems to set up seven 3D printing Centres of Excellence in technical institutes and engineering colleges. Additionally, the Andhra Pradesh MedTech Zone collaborated with the University of Wollongong to establish a 3D bioprinting lab. The Department of Heavy Industries COE at IISc Bengaluru collaborated with Wipro to build India's first industrial grade 3D printer. Moreover, the Andhra Pradesh government and HP Inc. signed an MOU to build a Centre for Excellence for 3D printing.

### Recommendations

The National Strategy on AM aims to create a conducive environment for the development, design and deployment of AM technologies. The recommendations made by the strategy to achieve this goal are summarised below.

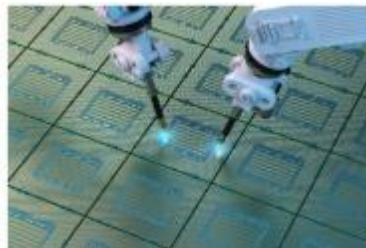
- **National Additive Manufacturing Centre (NAMC):** The strategy recommends the establishment of a dedicated agency to promote the adoption of AM technologies, through a public-private partnership (PPP) model. Subject-matter experts and industry leaders should be members of that agency and initiatives could be taken in consultation with all members. International collaboration may also be undertaken. It further recommends undertaking a detailed study to analyse the manufacturing sector and gauge its adoption potential. The centre could also support the adoption through initiatives such as formulation of standards on quality control, safety, etc.; focusing development on advanced material; development of design tools; strengthening of cyber laws and setting up a legal framework.
- **Strengthening Technology Leadership:** The strategy recommends addressing the need for skilled workforce. This can be developed by updating the curriculum of students of different classes ranging from school degree to engineering degree and diplomas. The establishment of facilities and conferences to enable upskilling of workforce is also recommended. This can be developed on a PPP framework and modelled around the 'Maker Village, a collaboration between MeitY, IITM-K, Government of Kerala and Kerala Start-up Mission.

- **Research and IP Creation:** The strategy focuses on promoting R&D in AM, encouraging competition, and creating a next generation workforce. Research efforts may be funded in the form of grants and aid. Furthermore, funding agencies can have a dedicated budget for AM. The government may also provide tax incentives and other benefits. The Centre for Promotion of Additive Manufacturing (CPAM) shall be initiated to develop indigenous AM technologies and function as the hub for end-to-end innovation. This will also help in e-governance. In addition, international R&D partnerships are suggested.
- **Supply Chain Development:** The strategy recommends procurement policies to include AM machines. Furthermore, the government can provide incentives to small businesses aligned with the AM Technology Advancement Plan and include AM in various schemes and incentives.



## Conclusion

AM is among the most revolutionary scientific innovations & discoveries. It enables access to cost-effective and flexible manufacturing and designing techniques. It is a boon for small businesses as they can adapt to the changing demand environment due to simplified supply chains and grow faster through innovation and product differentiation. The National Strategy on AM is thus crucial in helping the Indian industry remain competitive. The strategy aims to create an ecosystem comprising 100 start-ups, 1 lakh new skilled manpower, 10 AM sectors and 50 AM products and technologies. It also aims to create an ecosystem for adopting the latest developments. The PPP model will help procure the best of private and public resources. India is currently a nascent market for AM and, given the strategy, has immense potential to become a world leader in revolutionising manufacturing with AM.

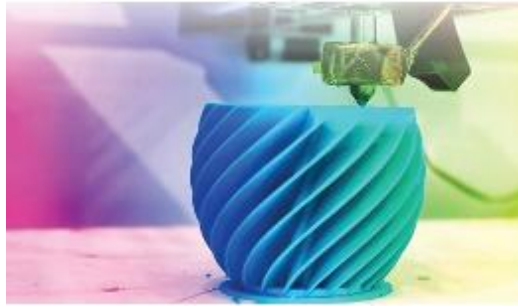


Source: <https://www.ibef.org/blogs/national-strategy-on-additive-manufacturing>

The National Strategy for Additive Manufacturing aspires to enhance India's AM market share to 5% of Global market with a target to add nearly US\$ 1Bn to the GDP by 2025. This growth will aspire to achieve the following specific targets:

The strategy would address key sector specific technical challenges for making 30 printing economically viable for MSMEs, which include:

- Properties of Materials
- Limited types of options on AM suitable materials
- Process technology and performance
- Limited in-process, in-situ monitoring mechanism
- Qualification & certification of AM processes and parts
- Part accuracy
- Surface finish of contoured surfaces
- Fabrication speed
- Build volumes/part size
- Data formats
- AM Standards



### Private Sector Initiatives

- INTECH Additive Solutions, Bengaluru is pioneering in metal 3D Printing in India and has the largest commercial set up available. INTECH has developed new software called OptoMet for development of new parameters and alloys. They have also developed process software called AMBuilder for building quality parts at lower cost and user friendly. Also has succeeded in design and development of India's first metal printer under MAKE IN INDIA scheme. INTECH has also started digital academy enabling orientation and training for industry, academia and R&D organisations. Design for Additive Manufacturing (DfAM) is part of the digital academy activities enabling customers to identify design and re-design parts for AM.



- Wipro has launched 'Addwize' - An additive technology Adoption & Acceleration programme with an aim to enable organizations and institutions to systematically adopt and scale the usage of metal Additive Manufacturing for tangible business benefits.
- Bengaluru based start-up, Accreate Additive Labs Private Limited, announced that it will produce user interface panels for ISRO operated GSLV.

### Collaborative Efforts

Department of Heavy Industries' COE at IISc Bengaluru (Additive Manufacturing for High Performance Metallic Alloys) collaborated with Wipro to build India's first industrial grade 3D printer.

HP Inc has signed an MoU with the Government of AP to build a Centre of Excellence for 3D printing

Stratasys has announced a collaboration with NTT (Nettural Technical Training Foundation) to launch India's first additive manufacturing certification course. The training programme aims to help students learn new technologies in 3D printing, plugging-in skill gaps in the industry.

### Academia and Research organisations

AM technology is presently being used in Indian institutions like:

- International Advanced Research Centre for Powder Metallurgy & New Materials (ARC/), Hyderabad (SLM and OED)
- Defence Metallurgical Research Laboratory (DMRL) (LENS)
- Raja Ramana Centre for Advanced Technology (RRCAT), Indore (LENS)
- Central Mechanical Engineering Research Institute (CMERI), Durgapur

- Central Glass and Ceramic Research Institute {CGCRI}, Kolkata (SLM)
- Central Electrochemical Research Centre {CECRI}, Karaikudi
- Central Manufacturing Technology Institute {CMTI} Bengaluru {SLM, OED}
- Indian Institute of Technology Mumbai (I/TB) {wire-LAM, CMTJ}
- Indian Institute of Technology Hyderabad (I/TH) {Wire ARC} /IT Kharagpur {SLM}
- Raja Ramana Centre for Advanced Technology (RRCATJ, Indore (LENS) and Central Glass and Ceramic Research Institute {CGCRI}, Kolkata {SLM} have been carrying out AM research on components using Ni and Ti alloys. A research group of DMRL had attempted to build discrete and compositionally graded dual materials based on SS316 and IN625 alloys using LENS<sup>TM</sup> process. A laser group from RRCAT has developed indigenous laser engineered coaxial powder fed AM system and investigated few alloys at coupon level to study microstructural and mechanical properties.
- International Advanced Research Centre for Powder Metallurgy and New Materials (ARC/) and SLM have established a joint demonstration centre at ARC/ Hyderabad to develop AM based technologies. Various technologies in aerospace, defence, and automotive sectors are being developed. ARC/ also has unique facilities that can cover all the aspects of AM such as software for design for AM, numerical simulation for design optimization, powder development, AM process development using laser powder bed fusion system, HIP and vacuum furnace for post heat treatment and state of the art characterization facilities. It is also actively working on the development of AM technologies for components for various industrial applications and already has obtained expertise in AM of steels, nickel-based superalloys, aluminium, and titanium alloys.

The research being carried out in these institutions is at a nascent stage and has not yet evolved for strategic industrial integration in sectors like aerospace. Private industries too are exploring plastic and metal AM technologies such as laser wire deposition, TIG, LENS and direct metal deposition, along with laser powder bed methods such as laser sintering, laser melting and electron beam melting. The production of components through AM by these companies is based on technical parameters given by the suppliers.

## POTENTIAL IMPACT OF ADDITIVE MANUFACTURING

Evidently, Additive Manufacturing is expected to impact the manufacturing ecosystem significantly. The technology is likely to have a relatively different impact across different sectors.

### Economic Competitiveness

- **Supply Chains**

Upstream Supply Chains will be flattened and simplified as semi-fabricated products replace raw materials. AM will enable supplier consolidation as a single source may suffice for a variety of parts, increasing production agility. Consequently, procurement costs will decrease due to lower labour costs associated with fewer manufacturing touch points.

Production AM technologies will enable fast and cost-effective manufacturing of smaller batches, and greater product customisation thereby eliminating the need for tooling and moulds. Traditional manufacturing processes may be reduced to a single step process.

Downstream Supply Chains will also consolidate as warehousing and distribution channels rationalize due to on-demand manufacturing of multifunctional products and spare parts, thus reducing physical inventory and associated costs. Direct customer delivery will also become feasible for manufacturers.

- **Increase in Gross Value Addition (GVA)**

AM will ensure democratization of innovation by empowering individuals to create and actively participate in the global value chain thereby developing new technology-driven industries and jobs. This will also accelerate the growth of new support industries. The growth and assimilation of AM technology in the Indian manufacturing sector will have important effects on Indian macroeconomic statistics and enhance India's economic power.

- **Workforce**

Increased productivity is a contributor to the reduction of employment in manufacturing. Even if, AM results in a significant increase in productivity that attracts other jobs, it may fail to net increase employment in manufacturing. AM may, however, facilitate a net increase in employment through new products and other means. Effective measures must be adopted to proactively provide skilling and upskilling programmes on AM to ensure a technically competent, readily available workforce.



## Social Implications

AM has significant potential to contribute to sustainable development. It results in a considerable reduction in use of raw materials due to material efficient designs and obviating (or significantly reducing) the need for manufacturing tools, dies and moulds. Indirectly, AM also facilitates development of new materials and technologies which are more energy and resource efficient. These advantages would enable India to alleviate its carbon footprint and increase its energy security by minimizing its dependence on fossil fuel imports.

## Innovation Diffusion

AM enables greater design flexibility through modification of virtual designs models and new material properties. It allows for limited design constraints without the risk of high expenditure thereby boosting innovation in the product development process. Enhanced product differentiation and flexibility in design innovation through AM enables ease of access for smaller businesses to new and high value markets.

## Healthcare

Additive manufacturing has the potential to fabricate biomedical implants, prosthetics, skin and tissues and intricate organs. Specialised surgical instruments and medical devices can be manufactured quickly and cost effectively. In this way AM technology is going to create the patient specific medical care in the future.

## Military Superiority

Technological advancements in AM have the potential to fortify India against military and cyber warfare. AM technology also promises to transform the Indian military supply chain system. In place of storing important stocks, our military entities will only require adequate AM facility and important raw materials to help the manufacturing process even in the remote places. Transformation of physical inventory into a digital one will help in reduction of supply chain overhead, conveyance costs and additional logistical challenges faced by military forces in the battleground.

## Focus Sectors

The potential of AM is growing very rapidly, and the global value of the industry has increased from US\$1.71 Bn in 2011 to US\$ 13.8 Bn in 2019, a rate of more than 25% per year since 1989. The 5-year growth outlook for these technologies' averages to 23.5% per annum, almost doubling every three years. This is the next wave of technology driven industrial growth and to achieve self-reliance in its manufacturing ecosystem, India must focus on accelerating this adoption.

Detailed below are sectors where potential application of AM technologies may reap digital dividends that will further strengthen and facilitate India's supply chains.



## Electronics

Electronics sector suffers a disability ranging between 8.5-11%<sup>34</sup> on account of inadequate infrastructure, high cost of finance; domestic supply chain and logistics; unavailability of quality power; limited design capabilities and focus on R&D by the industry; and inadequacies in skill development. The import dependency on electronic components has a significant impact on cost of production of allied industries like Automotive, Defence and Aerospace, Medical Devices etc., thereby hindering India's capabilities to develop a self-reliant manufacturing ecosystem.

Electronics is a high-volume manufacturing sector. As AM manufactured electronics is only suitable low volume prototyping, its proliferation in electronics has been relatively slow. The demand for 3D printed electronics is coming from many applications areas such as regular and special circuit boards, high frequency antenna for satcoms, anechoic chambers and mobile handset. Other key application areas are smart glass, power electronics, sensors and non-electronic components in electronics such as mobile accessories, computer motherboard backplane, decorative lamps etc. Normally, AM for electronics involves jetting of material, in which conductive and insulating inks are jetted on to a platform in microns and ultraviolet light solidifies the inks. The significant feature of this jetting process is that it helps in multi material jetting. This helps the electronics industry in fabrication of functional circuits and enclosures at once, thereby simplifying and shortening the process of assembly.

The recent development of low viscosity techniques such as aerosol printing has been able to demonstrate a faster process and could be suitable for commercial products such as mobile antenna. Since most of the electronic components are nanometre-sized, there is a need to develop nanoscale materials for additive manufacturing.

Additive Manufacturing is generally used for prototyping applications in the electronic industry. However, the layer-based process provides potential applications in real-time health care and automotive industry too, as it provides access to individual layers during fabrication, also supports a unique architecture for a single object with multiple materials and embedded components.

Apart from applications, advancements in design software is imperative as it describes the arrangement of electronic components that can be printed inside the component itself. Although it is at a nascent stage of development, it shows potential for industrial use cases.

### **Electronics for AM Machines**

With advancement in industrial application of AM in various sectors including aerospace, building construction, military, defence, and healthcare, supporting industries such as electronic components and photonics used for developing these AM machines will also see a commensurate growth. Electronics materials such as metals, ceramics, polymers, glass and semiconductors have been printed with minimum dimension of few microns and all basic components of electronics such as resistor, capacitor, inductor, filters, PCB substrates, waveguides, transformers, ferrite core, motor, electromagnet and so on had been successfully demonstrated. The fundamental electronics required in AM machines include modules (including special types of printed circuits boards), passive and active components, SMD components and so on.

The Ministry of Electronics and Information Technology has reinforced its commitment to develop the domestic electronics ecosystem by introducing schemes such as the Production Linked Incentive (PLI) for mobile handset manufacturers, Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECs), and Electronic Manufacturing Clusters (2.0). These schemes aim to anchor part of the production base of global electronics manufacturers and their downstream suppliers to India and help India integrate into global supply chains. This provides an opportunity for Indian electronics component manufactures to adopt advanced technology from foreign OEMs, actively adapt to market demands and strengthen the national manufacturing base of electronic circuits, antennas, sensors, moulded interconnected devices, resistors, conductors and semiconductors for product development and advancement of functional applications of AM machines.



<https://www.meity.gov.in/content/national-strategy-additive-manufacturing>

## **OUR BUSINESS**

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition, or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year. In this section, a reference to the “WOL3D”, “Company” or “we”, “us” or “our” means WOL 3D India Limited.*

*All financial information included herein is based on our “Financial information of the Company” included on page 165 of this Red Herring Prospectus.*

### **OVERVIEW**

We are engaged in the business of providing 3D Printing solutions enabling easier prototyping finding its application in various sectors like manufacturing, education, engineering, architecture, interior designing, fashion designing, product designing, medical, dental etc. We are a 3D Printing Solutions Company aimed at bridging gap between ideation and manufacturing by providing high quality and cost-effective 3D Printing solutions with cutting edge technology. Our portfolio of offerings includes (i) Hardwares like: 3D printers, 3D Scanners, Laser Engravers and 3D pens (ii) Consumables like: 3D Filaments, 3D Resins, (iii) 3D Prototyping services and (iv) Other services. 3D Printing is used for additive manufacturing (AM) which is a computer-controlled process that creates three dimensional objects by depositing materials, usually in layers. 3D-printing allows materials to be created without joints and with minimal post-processing. Multiple materials can be used during this process, which makes it easy to create new products with minimal waste and lower materials costs.

Ventured into the innovative business since 2019, our product portfolio includes wide range of 3D Printers offering various solutions comprising of: Desktop 3D Printer, Industrial 3D Printer, Resin 3D Printer, DIY 3D Printer, Multi Color 3D Printer, etc. Furthermore, our product portfolio includes 3D Pens which are used to draw three-dimensional objects. These 3D Pens are available in safe, multi-color, easy to operate, plug & play, LED Screen in 8 designs out of which three are patented by the company. This was a new milestone in 2023 when our company received Patent registration for the design of its 3D Pens. Currently, we are the distributors for International 3D Printer brands like Flashforge, Creality, Bambu lab, Phrozen and Elegoo. We largely import these printers and we have got trademark registrations in India for some of the popular 3D Printer brands like: Flashforge, Fila-tech, Wol3D, Qidi Technology, X-smart 4.0s, I Tech 4.0s, itouch3D, Hismart4.0s, Creality 3D, Creality and Pixel 3D.

Expanding our operations towards back integration, we also manufacture 3D filaments used in additive manufacturing process. We manufacture these thermoplastic filaments used in 3D printers made from Acrylonitrile Butadiene Styrene (ABS) and Polylactic Acid (PLA) plastic. Our range of products are offered at different pricing points to meet diverse customer requirements. Additionally, we design, develop, manufacture, and sell a wide range of aesthetic products made out of 3D Printing technology. We also provide Prototyping services using FDM, SLA and SLS technology. Our prototyping solutions include services through (i) CAD/CAM model, (ii) Reverse Engineering and (iii) Vacuum casting

Over the years we have expanded our operations through our branch offices and franchisee agreements. As on date of the Red Herring Prospectus, we have our 4 branch offices located in Delhi, Hyderabad, Bangalore and Mumbai and 5 franchisee offices located in Pune, Chennai, Coimbatore, Rajkot and Nagarcoil. Moreover, we have successfully built a 3D Printing Experience Centre at all these locations where anyone can walk in and experience this technology that can be easily used in everyday lives and in all industries. This facility demonstrates that high-end technology can be both simply understood and used in industrial applications and in everyday life. We have our manufacturing facility located at Bhiwandi, Maharashtra with the focus on manufacturing of filaments used in 3D Printing solutions. Our manufacturing facility is accredited with ISO 9001:2015, ROHS, CE and BIS Certificate.

Our products are largely sold through our experience centres or are sold online through e-commerce platforms such as Flipkart India Private Limited, Jiomart, Firstcry, Indiamart, Snapdeal, Moglix and Amazon Seller Services Private Limited or through retail chains outlets like CROMA and Crosswords. Our company was aired on Shark Tank India in year 2023, which gathered recognition and awareness of our products and its application.

This business was founded by our 1<sup>st</sup> generation Promoters, Rahul Virendra Chandalia, Saloni Rahul Chandalia, Pradeep Shripal Jain and Swati Pradeep Jain who have been associated with our Company since 2019 and have an experience of around 13 years, 13 years, 20 years and 3 years respectively. We believe that the sector-specific experience and expertise



of our promoters has contributed significantly in the growth of our Company. The innovative ideas of and quality delivery by our promoters bear testimony to the customer confidence that we have gained for our products. Recently our company was aired at the live TV Show Shark Tank Season 2 which gathered recognition and awareness of our products and its application.

### Key Performance Indicators of our Company

(₹ in Lakhs except percentages and ratios)

| Key Financial Performance              | FY 2023-24 | FY 2022-23 | FY 2021-22 |
|--|------------|------------|------------|
| Revenue from operations <sup>(1)</sup> | 3958.62    | 2331.11    | 1969.25    |
| EBITDA <sup>(2)</sup>                  | 694.37     | 355.55     | 113.28     |
| EBITDA Margin <sup>(3)</sup>           | 17.54%     | 15.25%     | 5.75%      |
| PAT                                    | 503.30     | 240.56     | 84.42      |
| PAT Margin <sup>(4)</sup>              | 12.71%     | 10.32%     | 4.29%      |
| Net Worth <sup>(5)</sup>               | 1061.22    | 566.80     | 326.25     |
| Return on Net Worth <sup>(6)</sup>     | 47.43%     | 42.44%     | 25.88%     |
| RoCE (%) <sup>(7)</sup>                | 42.50%     | 28.54%     | 13.55%     |

\*Not Annualized

### Notes:

<sup>(1)</sup>Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

<sup>(2)</sup>EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

<sup>(5)</sup> Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company.

<sup>(6)</sup>Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup>Return on Capital Employed is calculated as EBITDA divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

### OUR COMPETITIVE STRENGTHS

#### Established 3D Printing Ecosystem

WOL3D is a 3D Printing solutions provider across India. We are offering Hardwares like: 3DPrinters, 3D Scanners, Laser engravers and 3d Pens, Consumables like: 3D Filaments and 3D Resins, Prototyping Services involving development of product prototype and designing and other services like: installation, AMC and After sales services. We are one stop solution for just everything about 3D Printing technology all under one roof. Commenced our operations in 2019 we have developed a wide range of products and services with revenue from operations of ₹ 3958.62, ₹ 2331.11 lakhs and ₹ 1969.25 lakhs and Fiscal 2024, Fiscal 2023 and 2022. The 3D printing industry is offering its customers to engage with the products specifically designed for their budget, rapid prototyping, production of functional or aesthetic products. Furthermore, as a result of our co-branding initiatives as distributors for products of various international companies like: Flashforge Corporation, Creality, Bambu lab, Phrozen Tech Co Ltd, Elegoo to utilize their brand recognition, sale and distribution channels, our company has enjoyed a wide customer outreach. We have got trademark registrations for some of the popular brands like: Flashforge, Fila-tech, Wol3D, Qidi Technology, X-smart 4.0s, I Tech 4.0s, itouch3D, Hismart4.0s, Creality 3D, Creality and Pixel 3D. These Printers are strong, dependable, and affordable, with high-quality parts that enable makers, innovators, designers, and dreamers to create, innovate, and improve their ideas. These printers simplify the user experience for hassle-free 3D model manufacturing and prototyping.

We have introduced wide range of 3D printers that are quick and simple to assemble and don't require previous knowledge for new users. Many of our printers have dual hands-free auto-leveling feature that may automatically make up for the unevenness of the heat bed. WOL3D's 3D printers offer online printing, SD, USB, and USB-C. With the tools to generate 3D things, any DIY projects or even straightforward sketches become intriguing. Additionally, we manufacture thermoplastic filaments used in 3D printers made from Acrylonitrile Butadiene Styrene (ABS) and Polylactic Acid (PLA) plastic. Our Company achieved a new milestone in 2023 when our company received Patent registration for the design of its 3D Pens.

Further the launch of our experience centers at our branch and franchisee offices has significantly enhanced our 3D printing ecosystem by providing a physical space for users to engage with our technology and fostering a community-driven approach to digital, data-driven, model-based environments. The experience center is interactive and engaging, allowing visitors to explore the capabilities of our 3D printing ecosystem firsthand. 3D Printing solutions provide an effective way to connect everyone early in the innovation process giving customers access to a range of products and services for both,

commercial and personal use. Our 3D printing solution caters to a wide range of users and finds its application in various sectors like manufacturing, education, engineering, architecture, interior designing, fashion designing, product designing, medical, dental etc., enabling easier prototyping.

We believe that we have undertaken the diversification of our product and services on the basis of the needs of the customers, and we regularly seek their insights and feedback to ensure that our product range is optimized to ensure customer satisfaction.



***Widespread, well connected distribution network with a presence across multiple cities, retail channels and online e-commerce platforms.***

We believe that the integration of our supply chain and distribution network with our manufacturing facility provides us with a competitive advantage over other players in the Indian 3D Printing industry. Over the years we have expanded our operations through our branch offices and franchisee agreements. As on date of the Red Herring Prospectus, we have 4 branch offices located in Delhi, Hyderabad, Bangalore, Mumbai and 5 franchisee offices located in Pune, Chennai, Coimbatore, Rajkot and Nagarcoil. Our products are largely sold through our experience centres at these locations or are sold online through e-commerce platforms such as Flipkart India Private Limited, Jiomart, Firstcry, Indiamart, Snapdeal, Moglix and Amazon Seller Services Private Limited, or through retail chains outlets like CROMA and Crossword. We engage in a wide range of marketing and advertising activities, including exhibitions like: “Inside 3d Printing Conference Expo”, “Plast India 2018”, “Rajkot Machine Tools Show”, “Amtech Expo”, “Jamnagar Tech Fest”, “Iamp Meet Up 2021”, “Didac India 2023”, “Giftex 2023”, marketing at platforms of Indiamart, Justdial, Google Adwords etc, social media branding at Facebook, Instagram and by way of unboxing videos on Youtube etc. We have also started in-store branding like: we have set up a kiosk at one of the stores of Crossword, Mumbai. We were aired at the live TV Show Shark tank Season 2 which gathered recognition and awareness of our products and its application. We believe that with our expanded geographical outreach across India, our operations have the ability to quickly respond to a complex web of customers, changing consumer preferences and constantly fluctuating demand.

### ***Dedicated after-sales network***

We have a dedicated after-sales network for providing excellent customer support and ensuring the success and satisfaction of our 3D printing customers. We have a Customer Support Team addressing troubleshooting, training or installation of 3D printer, scanners or any spares required to be replaced in our products. Our after sales team includes Engineers who ensure successful for onsite training, installation and working of machine. We also offer AMC services for Cleaning of machines and maintain requisite spare parts to close any possible wear and tear. We offer after sales through various channels, including phone, email, live chat through Interactive voice response service (IVR) etc. We have a ticketing system to track and manage customer inquiries efficiently. We attempt to hold spare parts for almost all type of printers such that our inventory of spare parts facilitates quick replacements. As on Fiscal 2024, 2023 and 2022 we hold inventory of spare parts for Rs 282.47, Rs 32.15, Rs 34.20 respectively.

We provide warranty for some of our products. Any manufacturing defects in our products during the warranty period are required to be repaired or replaced by us at our expense. Our Company has a dedicated service team to address after sales service calls. As of August 31, 2024 our after-sales service team comprised of 5 service technicians and engineers.

### ***Established filament manufacturing capability for efficient backward integration***

We have our manufacturing facility located at Bhiwandi, Maharashtra. Our manufacturing facility is accredited with ISO 9001:2015 for quality management system, ROHS, CE Certificate focused towards manufacturing of 3D Filaments with no jamming, no bubbles, user friendly with various colour pellets. As of March 31, 2024 our manufacturing facility has an aggregate production capacity of 144 tonnes per annum to manufacture 3D Filaments.

We manufacture 3D filaments used in additive manufacturing process. We manufacture these thermoplastic filaments used in 3D printers made from Acrylonitrile Butadiene Styrene (ABS) and Polylactic Acid (PLA) plastic. We believe the backward integration of our manufacturing facility has reduced our dependence on third party suppliers for raw materials required in our 3D Printers resulting greater control. Backward integration also provides upper edge in designing of our products, enhanced quality of products and customer retention capability. Our manufacturing facility is equipped with filament extrusion line extruder machine.

### ***Consistent focus on quality***

We believe that quality is a pre-requisite for a positive consumer experience and long-term brand loyalty. This philosophy has formed the foundation of the expansion and diversification of our product portfolio since our inception. Our focus on quality is maintained at all stages right from the sourcing of raw materials, which is undertaken from manufacturers to the product manufacturing and assembly stage, which is subject to a rigorous review and monitoring process undertaken at our manufacturing facilities. For products which are sourced by us from third party suppliers, we have a dedicated sourcing team and quality assurance team, which closely monitors the quality of such products.

### ***Experienced Promoter and management team***

Our Promoters Rahul Virendra Chandalia, Saloni Rahul Chandalia, Pradeep Shripal Jain and Swati Pradeep Jain have been associated with our Company since 2019 and have an overall experience of around 13 years, 13 years, 20 years and 3 years respectively. Our promoters sought advantage of an early entrant in the 3D printing industry since 2016 and therefore gathered experience over the years which further helped us to promote the company's brand, develop its technology and build a customer base. We have a dedicated management team with a strong understanding of the industry that enables us to effectively identify and take advantage of market opportunities. Our resources together with our management team have enabled us to successfully implement our growth plans. Moreover, the Independent Director on the Board of our Company, Bipin Moolchand Kothari is a B.E. in electronics and Keyur Keshavji Karia is a member of CPA have an experience of 7 years and 12 years respectively. Their advisory services are a value addition to our performance, compliance and overall operations. We believe that our motivated team of management and key managerial personnel along with our internal systems and processes complement each other to enable us deliver high levels of client satisfaction.

## **OUR BUSINESS STRATEGIES**

### ***Increase our geographical reach and expansion of addressable market***

We seek to expand our geographical reach and address a broader market through expanded marketing, distribution, and customer engagement. We continually seek to enhance our addressable market through our network of resellers. Moreover we intend to expand our franchisee business model and develop distributors and dealers across the country. We plan to

continue our strategy of diversifying and expanding our presence in other regions of the country for the growth of our business. Moreover, optimization of our online presence, including e-commerce platforms and digital marketing will further help to reach customers across India and globally.

Through further diversification of our operations geographically, we hope to hedge against risks of operations in only specific areas and protection from fluctuations resulting from business concentration in limited geographical areas. Appointment of franchisee partners, distributors and dealers to undertake our stocking and distribution, enables us to reach our customers faster by reducing transportation time, optimise inventory, and limit trade over-dues. Furthermore, we intend to add a greater number of experience centre in newer offices across India to facilitate client's engagement by exposure towards learning and experiencing the 3D Printing technology.

The customer base in India is witnessing rising income levels and improvement in overall employment. India's 1.3 billion people make it the second most populous country in the world, but with an average age of 29 years, it has one of the youngest populations globally. With this vast resource of young citizens entering the workforce, it could create a 'demographic dividend.

(Source: [https://www.mospi.gov.in/sites/default/files/publication\\_reports/Youth\\_in\\_India\\_2022/Overview.pdf](https://www.mospi.gov.in/sites/default/files/publication_reports/Youth_in_India_2022/Overview.pdf)). Given the demographic trends and economic indicators, there is larger room for expanding our 3D printing ecosystem in India.

#### ***Scale up branding, promotional and digital activities***

The nature of our business requires us to increasingly focus on branding and promotional activities to enhance our visibility in the industry. We seek to continue to enhance our brand awareness and customer loyalty through our promotional and marketing efforts substantially increasing our digital presence and engagements.

We make our products available to our customers through omni-channel distribution networks across both online and offline touchpoints. India today has 830 million internet users, and is the world's largest "digitally connected democracy" (Source: <https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1926443>). Therefore there is access to information and the digital platform and social media has enabled us to reach and engage with a wider audience and also customize product offering to our prospective customers. We believe that our consumer-focused products and product information increase customer confidence in our products and influences our customers' buying decisions. We intend to continue our offline and online marketing initiatives including in-shop displays, distribution of freebies, marketing at platforms of Indiamart, Justdial, Google Adwords etc, social media branding at Facebook, Instagram and by way of unboxing videos on Youtube etc. to focus on brand building initiatives of the company.

Host regular networking events, seminars, and conferences within the experience centres to bring together professionals, enthusiasts, and experts in the 3D printing industry. We conduct live demonstrations, workshops, and training sessions to educate users on the benefits and applications of 3D printing

#### ***Continue to strengthen our existing product portfolio.***

We cater to a wide range of products and services including products from various brands like: Flashforge, Fila-tech, Wol3D, Qidi Technology, X-smart 4.0s, I Tech 4.0s, itouch3D, Hismart4.0s, Creality 3D, Creality and Pixel 3D, thereby aiding different functions and utilities in the 3D Printing Solutions. We have consistently focused on expanding and optimising our product range to offer utility, a range of features and value for money. We seek to develop new products to cater to the evolving requirements of a large customer base and cover newer customer segments. Currently, we are distributors of various brands like: Flashforge Corporation, Creality, Bambu lab, Phrozen Tech Co Ltd, Elegoo. We intend to add products from various other international brands to become Indian Distributors for them and meet customer demands. During Fiscals 2024, 2023 and 2022 traded products contribute to approximately 89.09%, 93.73% and 91.05% of our revenue from operations respectively. We propose to expand our presence in existing product categories by increasing the emphasis on manufacturing a greater proportion of our products, and reducing our reliance on traded products.

#### ***Continue to expand our manufacturing facility and invest in additional plant and machinery and increase backward integration in the plant***

Our manufacturing facility situated at Gala No. 110/ Bldg No. B-5 Floor 1, Radhe Krishna Industrial Park, House no. 764, Village Pimplas, Bhiwandi Thane is equipped to manufacture a wide and diverse range of filaments. We are in the process of setting up an additional filament extrusion line in our factory which will increase our overall plant capacity to approximately 288 Tones. We believe these backward integration measures will allow us to reduce our dependence on third party suppliers, better manage our material inventory and also contribute to higher margins. We have placed order for purchase of these associated machineries. These investments in new machineries will lead to reduction in cost and increase








in production efficiency. We will continue to pursue such opportunities where we believe they will add value to our business, our stakeholders and our customers.

### ***Continue to strive for cost efficiency***

Achieving cost efficiency in our 3D printing solution involves optimizing various aspects of our operations, from production and materials to software and customer support. We aim to continue to maintain our focus on cost management, including in-house integrated manufacturing capabilities across our business to deliver growth as well as to achieve economies of scale. Further we will be able to negotiate better deals with suppliers and other manufacturers as our production levels rise. We will continue to Invest in employee training to enhance skills and productivity and seek to manage our supply chain costs through optimal inventory levels, backward integration, economic orders and other measures. Economies of scale will also enable us to continuously improve our operational efficiencies.

## **OUR OFFERINGS**

### **➤ HARDWARES**

| <b>3D PRINTER</b>  |  |  |   |  |
|--|--|--|---|--|
| <b>Desktop 3D printer</b>  | <b>Industrial 3D printer</b>   | <b>Resin 3D Printer</b>  | <b>DIY 3D printer</b>   | <b>Multi-color 3D Printer</b>  |
|  |  |  |  |  |

**Desktop 3D Printer** - Desktop 3D printer generally have a smaller build volume and produce smaller, high-quality 3D printed parts. This kind of Printers usually takes about a 1.5 Sq ft (approx.) area which is lesser as compare to any other types. These printers are usually plug-n-play models and mainly caters to school and colleges for educational purpose. We have 40+ Desktop printers based on various nozzle temperatures, Build volume, Bed temperature and WIFI connectivity options.

**Industrial 3D printer** - Industrial 3D printing is a manufacturing method for the creation of a physical product from a computer-aided design (CAD) digital file. Thin layers of material are deposited incrementally until the object is complete. This kind of Printers Usually takes about 6 to 7 Sq ft area which helps to prepare big object easily. These printers are usually used in industries like Aerospace, Automobile, engineering and Defence etc. We have 30+ Industrial grade models catering to various industries based on different filaments printers can print, Chamber temperature, Cooling fans and types of industrial materials.

**Resin 3D Printer** - Resin printing is an option for highly detailed prototypes requiring tight tolerances and smooth surfaces, such as moulds, patterns, and functional parts. Resin 3D printing is widely used in various industries like: engineering, dentistry, jewellery, model making, and education. These printers use liquid polymer as its raw material instead of filaments used in FDM technology. We have 20+ Models in Resin Printers which vary based on technology such as SLA, MSLA, DLP etc. It mainly varies based on source of light projection.

**DIY 3D Printer** - Build your own 3D object with DIY 3D printer kits, containing all the necessary components, tools, and instructions to assemble your own printer with ease based out of FDM technology. Our DIY 3D Printer is based on different features like: build volume, automated levelling sensors, Type of extrusion (Direct drive or Bowden tube) camera features etc. We have 40+ DIY Printer Models.

**Multi-colour 3D Printer** - Multi-colour printing is a 3D printing technique that uses a single print head or nozzle to extrude multiple colors or materials. This is achieved by either mixing the colours or materials in the nozzle, or by switching between different filaments during the printing process. These printers help to print 4 colour prints at a time which help users to reduce time for Switching filaments manually. We have 9 Models in Multicolour segment which vary based on technology such as powder based 3d printing (CMYK), FDM 3d printing, Multiple extruders printing in 2 colours, AMS (4 to 16 colour printing) etc.

### 3D SCANNERS

3D scanner to make an STL file easy to use for new users



3D scanning is a technology for creating high-precision 3D models of real-world objects. 3D scanner takes multiple snapshots of an object which are then fused into a 3D model to provide an exact three-dimensional copy of the object which can be rotated and viewed from different angles on the computer. 3D Scanner makes 3D printing much easier and help to save cost of designing. We sell scanners of certain international brands like Creality, Einscan etc. There is industrial as well as entry level Scanners which can be used in Turn table and Hand-held Modes catering to various industrial needs.

### LASER ENGRAVERS



A laser engraving machine is a piece of equipment that performs laser engraving, which is the process of engraving designs, letters or numbers on materials using a laser beam. These engraving machines use automation to achieve precise cuts and engravings on various materials, including metal, wood, glass and plastic. Added accessories like smoke filters help to reduce carbon emersion during print which saves user from Bad smoke. We have Laser engravers and cutters of different Power such as 5w, 10w, 22w, 40w. Each used for different applications depending on the material to be engraved

### 3D PENS

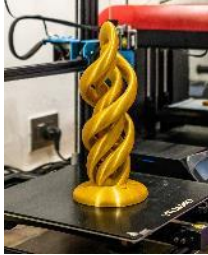


|                         |                         |                          |                         |                |                          |                    |               |
|-------------------------|-------------------------|--------------------------|-------------------------|----------------|--------------------------|--------------------|---------------|
|                         |                         |                          |                         |                |                          |                    |               |
| <b>I touch<br/>pace</b> | <b>I touch<br/>Play</b> | <b>I touch<br/>Prime</b> | <b>I touch<br/>plus</b> | <b>I touch</b> | <b>I touch Signature</b> | <b>I touch pro</b> | <b>I-Tech</b> |

With a 3D pen one can draw a raised graphic on a piece of paper or any flat surface. But what makes a 3D pen truly unique is its ability to “draw” in mid-air, allowing to instantly form 3D structures right in front of its user, which you can be picked up and held in hand. We have 8 different models in 3d pens. We sell 3d pens under our Brand name I touch and I tech. I tech caters to a price sensitive market and is an affordable product which has lesser features compared to our premium brand I touch. In I touch series we provide a leather pouch, stencils, adapter etc inside our package that adds value for the user compared to the only 3d pen offered in i-tech series and also, I touch pens comes with a quality nozzle protector which makes it more user friendly.

### ➤ PROTOTYPING SERVICES

We provide several types of Prototyping Service in 3D printing Technology using Fused Deposition Modelling (FDM), Stereo lithography (SLA) and Selective laser sintering (SLS) technology. We provide prototyping services to all clients

and help clients make designs from scratch (Idea generation as per requirement), production (Single and in quantity), packaging (as per material), and delivery at the doorstep.

| 3D PROTOTYPING SERVICE |  |   |  |
|------------------------|--|---|--|
| SLA<br>Prototyping     |   |   |  |
| FDM<br>Prototyping     |   |  |  |
| SLS<br>Prototyping     |  |  |  |



We offer 3 types of prototyping services like: CAD-CAM design service, vacuum casting & reverse-engineering service.




**CAD CAM DESIGN:** We provide product development of new products from scratch. It involves a complete product development cycle from idea generation to the end of the product life cycle. Our CAD/CAM design prototype service is gateway to innovation. We work towards turning concepts into tangible prototypes, utilizing advanced techniques and precision engineering. Explore the possibilities with CAD/CAM, shaping ideas into reality. Elevate design process with our cutting-edge prototype service.

**Reverse Engineering:** Our Design Services includes offering reverse engineering and prototyping solutions. We make use of the latest prototyping technologies, such as stereo lithography and FDM. These are two of the most widely used technologies in the industry. Reverse engineering sometimes called back engineering, is a process in which machines, architectural structures and other products are deconstructed to extract design information from them. Often, reverse engineering involves deconstructing individual components of larger products.

**Vacuum casting:** Vacuum casting, sometimes referred to as Urethane casting or Polyurethane casting uses silicone moulds to make plastic and rubber components under vacuum. It is an extremely adaptable manufacturing process capable of mimicking the injection moulding to produce complex parts in polyurethane resins and cast nylon. Vacuum casting can be extremely useful in rapid prototyping injection moulding parts and worth considering when selecting rapid prototyping processes for plastic or rubber parts.

## ➤ CONSUMABLES

| 3D FILAMENTS  |  |
|---|--|
|    |  |
| <p>We cater to wide range of 3D Filaments like:</p> <ul style="list-style-type: none"> <li>➤ <b>Standard 3D Filament</b> made out of polylactic acid (PLA), acrylonitrile butadiene styrene (ABS), Nylon, Polycarbonate etc. Standard 3D Filament we do in house manufacturing at our own manufacturing set up at Bhiwandi, Mumbai.</li> <li>➤ <b>Exotic 3D Filaments</b> which include: Wood infill, metal infill, conductive ABS, glow in dark filaments, marble infill, twinkling filaments, carbon fibre PLA, silk fill etc. We import these exotic 3D filaments and supply it to our customers.</li> <li>➤ <b>Professional 3D Filaments</b> made out of Polycarbonate ABS alloy, High impact Polystyrene, Polyvinyl alcohol, ceramic infill, flame retardant ABS etc. We import these exotic 3D filaments and supply it to our customers.</li> </ul> |  |

| 3D RESINS   |   |   |
|---|---|---|
| Standard Resin  | Flexible resin  | ABS like resin  |
| High transparency resin   | Engineering Pro Resin   | Castable Resin  |
| Wax Like Resin, Dental Resin  | Glow in the dark  | Water washable  |
|  |  |  |

Resin printing facilitates engineers, designers, artists and hobbyists with 3D printing solutions that develop high-quality objects that cannot be created from filament-based fused deposition modelling (FDM) printers. The process beams ultraviolet (UV) light into a tank of liquid, resin, triggering a reaction that solidifies the resin into a hard plastic.

## ➤ OTHER SERVICES

### ❖ INSTALLATION

We conduct Pre-Installation Assessment which include site visit or consultation to assess the client's requirements, usage, space availability, and power supply. Develop a detailed installation plan, including timelines, resource requirements, and any special considerations. We assemble the 3D printer according to manufacturer guidelines and safety standards. Install any additional hardware components, such as extruders, heated beds, or enclosure systems. Position the printer in the designated location and secure it properly. Our scope of services include calibration and set up wherein we calibrate the printer's mechanical components, such as the bed leveling and axis alignment, configure software settings, including slicing parameters, print resolutions, and material profiles. We test print a calibration object to verify the printer's functionality and fine-tune settings as needed. Thereafter provide basic training to the client on operating the printer, loading filament, initiating prints, and troubleshooting common issues. Offer guidance on maintenance tasks, such as cleaning, lubrication, and part replacement. Conduct a final inspection of the installation to ensure everything is functioning correct and meets the client's expectations. Hand over the completed installation to the client and address any remaining questions or concerns.

### ❖ AMC

The scope of Annual Maintenance Contract (AMC) services for our 3D printing hardwares typically includes comprehensive support and maintenance to ensure the optimal performance and longevity of the equipment. AMC



includes: Scheduled Preventive Maintenance, Software Updates and Calibration, Troubleshooting and Repairs, Training and Technical Support. By offering comprehensive AMC services we ensure the equipment remains in optimal condition and minimizing the risk of costly downtime.

#### ❖ AFTER SALES SERVICE

We provide after-sales service to our customers to ensure customer satisfaction, maintain long-term relationships, and differentiate our brand. Our after sales services include Technical Support, Training and Education, Warranty and Service Agreements, Upgrades and Accessories, Feedback and Continuous Improvement etc.

| Product             | FY 2024         | FY 2023         | FY2022          |
|---------------------|-----------------|-----------------|-----------------|
| Sale of Product     | 3,803.76        | 2,276.20        | 1,965.90        |
| After Sale services | 154.86          | 54.91           | 3.35            |
| <b>Total</b>        | <b>3,958.62</b> | <b>2,331.11</b> | <b>1,969.25</b> |

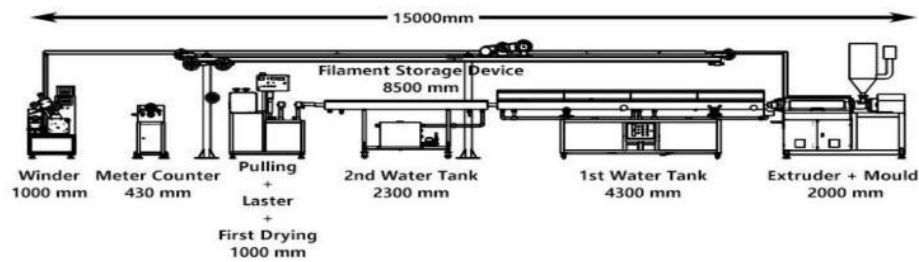
#### PRODUCTWISE REVENUE BIFURCATION

| Sr<br>No | Product Category  | Fiscal 2024     |                | Fiscal 23      |              | Fiscal 2022    |              |
|----------|---|-----------------|----------------|----------------|--------------|----------------|--------------|
|          |   | Amt             | % of Revenue   | Amt            | % of Revenue | Amt            | % of Revenue |
| 1        | Hardware (such as printers, 3D Pens, Scanner)   | 3,247.78        | 82.04%         | 1582.74        | 68.00%       | 1532.00        | 78%          |
| 2        | Consumables (such as Filaments, Resins, Spare parts)  | 555.98          | 14.04%         | 622.43         | 27.00%       | 421.88         | 21%          |
| 3        | Prototyping services (such as SLA Prototyping, FDM Prototyping, SLS Prototyping)                                    | 33.60           | 0.85%          | 9.68           | 0.00%        | 0.00           | 0%           |
| 4        | Other Services (such as Delivery Charges Received, Training & Installation Charges, Amazon Claim, sales commission) | 121.26          | 3.06%          | 116.27         | 5.00%        | 15.38          | 1%           |
|          | <b>Total</b>  | <b>3,958.62</b> | <b>100.00%</b> | <b>2331.11</b> | <b>100%</b>  | <b>1969.25</b> | <b>100%</b>  |

#### MANUFACTURING PROCESSES OF FILAMENTS



**Machine Drawing :**



**Pre-Drying of Pellets:** Pre-drying pellets involves drying the feed material in a hopper at a temperature of 60-80 degrees Celsius for 2 to 2.5 hours before using it. This process helps remove moisture from the material, ensuring better quality and performance in subsequent processes or applications.

**Extrusion:** The PLA pellets are fed into an extruder, which heats and melts them into a viscous liquid form. This molten PLA is then forced through a small opening to create a continuous filament strand of the desired diameter.

**Hot Bath:** The freshly extruded filament passes through a hot bath or chamber. This step helps in maintaining the filament's temperature and ensures uniformity in its diameter and properties.

**Cold Bath:** After the hot bath, the filament is rapidly cooled down in a cold bath or water-cooled chamber. This rapid cooling process helps in solidifying the filament and setting its dimensions accurately.

**Roller for Winding:** Once cooled and solidified, the filament is passed through rollers that control its tension and winding speed. This step is crucial for winding the filament onto a spool in an organized and even manner.

**Compensator:** A compensator mechanism is employed to adjust the tension and speed of the filament as it is wound onto the spool. This ensures that the filament is wound tightly and evenly without any twists or tangles.

**Coiling:** The filament is coiled onto a spool, which is a cylindrical holder for the filament. This spooling process is automated and precise to create neatly wound filaments ready for packaging.

**Packaging:** Once the spool is loaded with filament, it is sealed in a protective sheet to prevent dust, moisture, and other contaminants from affecting the filament quality. Additionally, a packet of silica gel is often included to absorb any residual moisture.

**Vacuum Packaging:** The sealed spool is then placed in a plastic bag and vacuum-sealed to remove any remaining air. This airtight packaging further protects the filament from humidity and ensures its shelf life.

**Final Box Packaging:** Finally, the vacuum-sealed filament spools are packed into sturdy boxes for shipping and storage. These boxes are labeled with relevant information such as filament type, diameter, color, and batch number for easy identification.

This comprehensive manufacturing process ensures that filaments maintain their quality, dimensional accuracy, and usability throughout storage and transportation until they reach the end user.

## OUR MANUFACURING FACILITY



## OUR GEOGRAPHICAL PRESENCE



## CAPACITY UTILIZATION

(In Ton)

| Sr No | Product Category | FY 23-24           |                   |                        | FY 22-23           |                   |                        | FY 21-22           |                   |                        |
|-------|------------------|--------------------|-------------------|------------------------|--------------------|-------------------|------------------------|--------------------|-------------------|------------------------|
|       |                  | Installed Capacity | Actual production | Capacity Utilization % | Installed Capacity | Actual production | Capacity Utilization % | Installed Capacity | Actual production | Capacity Utilization % |
| 1     | 3D Filament      | 144                | 56.60             | 39.30                  | 144                | 32.8              | 22.78                  | 144                | 32.5              | 22.57                  |

Based on capacity utilization certificate received from Chartered Engineer and Valuer Mukesh Gandhi (M no. 7021797413), vide certificate dated September 10, 2024.

\* Installed capacity is based on assumption that machine can work for 25 days for 24 hours in a month.

Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Red Herring Prospectus is based on certain assumptions and has been subjected to rounding off, and future production and capacity utilization may vary. For details, please refer to Chapter titled “Risk factors” page 29 of this Red Herring Prospectus.

## SALES & MARKETING

We have a sales and marketing team focusing on customer development and maintaining customer relationship. This team is also responsible for the marketing of our products, negotiating prices, procuring repeat orders and ensuring timely dispatch and deliveries. Our sales team has built long-term relationships with a number of our customers.

We undertake various advertising and marketing activities for the creative awareness of our brands and products. We ensure that our product packaging design includes images and written content on the product features, specifications, highlights, etc. Our marketing initiatives comprise of in-shop displays, distribution of freebies, marketing at platforms of Indiamart, Justdial, Google Adwords etc, social media branding at Facebook, Instagram and by way of unboxing videos on Youtube etc. to focus on brand building initiatives of the company. Our products are largely sold through our experience centre at Mumbai or are sold online through e-commerce platforms such as Flipkart India Private Limited, Jiomart, Firstcry, Indiamart, Snapdeal, Moglix and Amazon Seller Services Private Limited or through retail chains outlets like CROMA and Crosswords. Our company was aired on Shark Tank India which gathered recognition and awareness of our products and its application.

## REVENUE BIFURCATION – CUSTOMER SEGMENT

| Particulars               | Fiscal 24 | Fiscal 23 | Fiscal 2022 |
|---------------------------|-----------|-----------|-------------|
| B2B                       | 2,494.63  | 1573.71   | 1315.05     |
| B2C                       | 394.08    | 195.62    | 104.23      |
| E commerce Platform sales | 1,069.91  | 561.79    | 549.98      |
| Total                     | 3,958.62  | 2331.11   | 1969.25     |

## COMPETITION

Our company operates in a very niche Industry and is well placed, informed and trained to conclude timely and quality delivery of its products. We believe the principal elements of competition in our industry are product features, design, quality, price, delivery, general customer experience, time to market and relationships between manufacturers and customers. While there are various large and small manufactures and distributors who sell similar products that we sell, we do not have any direct listed competitor of our business.

## INFRASTRUCTURE & UTILITIES:

**Raw Materials:** The main raw materials required in our manufacturing process of filaments are Acrylonitrile Butadiene Styrene (ABS) and Polylactic Acid (PLA) plastic, Colour master batch granuals, Spool, Silica Gel, Vaccum Pouching, Packing Material, Printed Box, shrink wrap, Master Carton, Sticker etc We source the raw materials required for manufacturing filaments locally and import hardwares from China. Details of our domestic and international purchases are as under:

| Particulars      | For the year ended March 31, |         |          |         |          |         |
|------------------|------------------------------|---------|----------|---------|----------|---------|
|                  | 2024                         |         | 2023     |         | 2022     |         |
|                  | Amount                       | %       | Amount   | %       | Amount   | %       |
| <b>Purchases</b> |                              |         |          |         |          |         |
| Domestic         | 521.04                       | 14.84%  | 146.73   | 8.97%   | 126.75   | 7.66%   |
| International    | 2989.86                      | 85.16%  | 1,489.77 | 91.03%  | 1,528.42 | 92.34%  |
| <b>Total</b>     | 3510.91                      | 100.00% | 1,636.50 | 100.00% | 1,655.16 | 100.00% |

**Power:** The requirement of power for our operations in our Manufacturing facilities at Bhiwandi and at our office is met through Torrent Power and Brihanmumbai Electric Supply and Transport.

**Water:** Water requirement for our factory is met through local sources.

**Manpower:** We believe that our employees are key contributors to our business success and thus we focus on attracting and retaining the best possible talent. As on August 31, 2024, our Company has employed approximately 77 employees at various levels of the Organization.

## INSURANCE

Our operations are subject to accidents which are inherent to any manufacturing process such as risks of machinery/equipment failure, worker accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including accidents that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environment. We have insured our factory including registered office and warehouse with Business Guard - Bharat Laghu Udyam Suraksha Insurance Policy against fire and burglary in relation to Raw material, Furniture & Fixtures, Fittings and other Equipment, Computers and Laptops. Also we have obtained Marine Open Certificate Policy pertaining to insured trade anywhere in the world or/and anywhere in India and Group Personal Accident policy for our employees. However, we are not insured against risk related to Building, Plant and machinery breakdown, stock, product's liability or third-party claims, cash in transit, domestic and import shipments covering comprehensive risks. For further details, please refer to Risk factor ***“Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial conditions”*** on page 39. of this Red Herring Prospectus.

## INTELLECTUAL PROPERTIES

We have registered certain business names, domain names and logos as trademarks under various classes with the Registrar of Trademarks in India, under the Trade Marks Act, 1999. As on the date of this Red Herring Prospectus, we have 10 trademark registrations and 2 Patent registrations in India. Further, we have 3 trademark applications in India which have been objected by the trademark registry and 1 trademark in Abandoned status. For details of our intellectual property rights, see ***“Government and Other Statutory Approvals”*** on page 217 of this Red Herring Prospectus.

## IMMOVABLE PROPERTIES

Details of our immovable properties are as below:

| Sr. No | Details of the Property   | Actual Use        | Owned/<br>Rented |
|--------|---|-------------------|------------------|
| 1.     | Gala No. / Block No. 18 on the Ground Floor, 77/ 87, Dataram lad Marg, Mumbai-400033  | Registered Office | Rented           |
| 2.     | Gala No. / Block No. 48A on the Mezzanine Floor, Dataram lad Marg, Kalachowki, Mumbai   | Office            | Rented           |
| 3.     | Gala No. / Block No. 19/B on the Ground Floor, 77/ 87, Dataram lad Marg, Mumbai-400033  | Office            | Rented           |
| 4.     | Gala No. 110/ Bldg No. B-5 Floor 1, Radhe Krishna Industrial Park, House no. 764, Village Pimplas, Bhiwandi Thane   | Factory           | Rented           |
| 5.     | Gala No. 210/ Bldg No. B-5 Floor 1, Radhe Krishna Industrial Park, House no. 764, Village Pimplas, Bhiwandi Thane   | Warehouse         | Rented           |
| 6.     | Block No. 2 (II), C. S. No. 829, Ground Floor Mazgaon Division, Bombay Cotton Mills Estate, Dataram lad Marg, kalachowki Road, Mumbai-400030 admeasuring 1162 sq. ft. | Office            | Rented           |
| 7.     | Flat No. 203, Hemkunt Tower, 98, Nehru Place, New Delhi-110019 Area- 403 sq. feet   | Office            | Rented           |
| 8.     | Unit No. 101 A, First Floor, Meera Mansion, MCH No. 6-3-655/1, Somajiguda, Hyderabad.   | Office            | Rented           |
| 9.     | 2nd Floor Front North Facing, Globe House, 105/4, Richmond Road, Bangalore, Karnataka   | Office            | Rented           |

## **KEY INDUSTRY REGULATIONS AND POLICIES**

*Except as otherwise specified in this Red Herring Prospectus, we are subject to several central and state legislations which regulate substantive and procedural aspects of our business.*

*Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business of manufacturing of 3 D printers and Filaments. Taxation statutes such as the I.T. Act, GST and applicable Labour laws, contractual laws, and intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

*The regulations set out below may not be exhaustive and are only intended to provide general information to Investors and is neither designed nor intended to be a substitute for professional legal advice.*

### **APPROVALS**

For the purpose of the business undertaken by our Company, it is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “**Government and Other Statutory Approvals**” beginning on page number 217 of this Red Herring Prospectus.

### **BUSINESS AND/OR KEY INDUSTRY AND/OR TRADE RELATED LAWS AND REGULATIONS:**

Our business of operating as 3D printing Solutions company and manufacturing of filaments is being regulated by many laws, which are being elaborated hereunder:

#### **THE FACTORIES ACT, 1948**

The Factories Act, 1948, as amended, defines a “factory” to cover any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power or any premises where at least 20 workers are employed, and where a manufacturing process is carried on without the aid of power. Each state government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration/licensing thereof. The Factories Act provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

#### **Maharashtra Factories Rules, 1963**

Maharashtra Factories Rules deal with provisions regarding grant, amendment and renewal of Factory Licenses. They also prohibit running of a factory without a valid licence.

### **ENVIRONMENTAL LAWS**

#### **(i) The Environment (Protection) Act, 1986 (“EPA”)**

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emit any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants and hazardous wastes, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution. The EPA is applicable to our Company in general and to the extent of applicability of the Hazardous Waste Rules.

**(ii) Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “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. The Hazardous Waste Rules are applicable to our Company only to the extent of maintenance services provided to our customers and the arrangements entered into with recyclers to treat the hazardous waste.

**(iii) Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)**

The Air Act was enacted to provide for the prevention, control and abatement of air pollution in India. It is a specialised piece of legislation which was enacted to take appropriate steps for the preservation of natural resources of the earth, which among other things include the preservation of the quality of air and control of air pollution. Not all provisions of the Air Act apply automatically to all parts of India, and the state pollution control board must notify an area as an “air pollution control area” before the restrictions under the Air Act apply. 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. Further, such an industrial plant shall not be permitted to emit air pollutants in excess of the standards laid down by the state pollution control board.

**(iv) Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)**

The Water Act was enacted to control and prevent water pollution and for maintaining or restoring of wholesomeness of water in the country. The objective of this legislation is to ensure that the domestic and industrial pollutants are not discharged into rivers and lakes without adequate treatment. The reason is that such a discharge renders the water unsuitable as a source of drinking water as well as for the purposes of irrigation and support of marine life. In order to achieve its objectives, the Pollution Control Boards at Central and State levels were created to establish and enforce standards for factories discharging pollutants into water bodies. Further, 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.

**(v) Environment Protection Rules, 1986 (the “EP Rules”) and Environmental Impact Assessment Notification, 2006 (“EIA Notification”)**

Further, the EP Rules specifies, among other things, the standards for emission or discharge of environmental pollutants, restrictions on the location of industries and restrictions on the handling of hazardous substances in different areas. For contravention of any of the provisions of the EP Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

**(vi) Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 (The “MSIHC Rules”)**

The MSIHC Rules are applicable to an industrial activity in which a hazardous chemical is involved or stored isolated in a quantity equal to or more than the threshold quantity as per the given specification. The occupier shall notify the concerned authority within 48 hours in case of a major accident on site or in a pipeline and furnish thereafter to the concerned authority a report related to the accident. The occupier shall also notify the precautionary steps taken to avoid any repetition of such occurrence on a site.



### **(vii) E-Waste Management Rules, 2022:**

Ministry of Environment, Forest and Climate Change notified the E-Waste Management Rules, 2022 on 2nd November 2022 to ensure 'environmentally sound management of e-waste' by taking all steps required to ensure that e-waste is managed in a manner which shall protect health and environment against any adverse effects, which may result from such e-waste. The term 'e-waste' has been defined to mean electrical and electronic equipment, including solar photo-voltaic modules or panels or cells, whole or in part discarded as waste, as well as rejects from manufacturing, refurbishment and repair processes. The entities shall register on the portal in any of the following category, namely: (a) manufacturer; (b) producer; (c) re-furbisher; or (d) recycler. No entity, falling under aforesaid categories shall carry out any business without registration. On registration, these entities shall not deal with any unregistered manufacturer, producer, recycler and re-furbisher. These Rules have detailed the Responsibilities of the manufacturers, producers, re-furbishers, and recyclers. The Department of Industry in the State and Union territory or any other government agency authorised in this regard by the State Government or the Union territory, as the case may be, shall ensure earmarking or allocation of industrial space or shed for e-waste dismantling and recycling in the existing and upcoming industrial park, estate and industrial clusters. Any person, who provides incorrect information required under these rules for obtaining extended producer responsibility certificates, uses or causes to be used false or forged extended producer responsibility certificates in any manner, willfully violates the directions given under these rules or fails to cooperate in the verification and audit proceedings, may be prosecuted under section 15 of the Act, 1986.

### **Plastic Waste Management Rules, 2016**

Plastic Waste Management Rules, 2016 were notified to give thrust on plastic waste minimization, source segregation, recycling, involving waste pickers, recyclers and waste processors in collection of plastic waste fraction either from households or any other source of its generation or intermediate material recovery facility and adopt polluter's pay principle for the sustainability of the waste management system and aim to define and formulate:

- ☐ Extend the scope of application beyond municipal jurisdiction to include rural regions, as plastic has made its way into rural areas
- ☐ To include producers' and generators' obligations in the plastic waste management system, as well as to implement a collect-back mechanism for plastic garbage by producers/brand owners, as part of the extended producer responsibility
- ☐ To implement the gathering of a plastic waste management charge through pre-registration of plastic carry bags/multi-layered packaging producers, importers, and vendors supplying the same in order to build a waste management system
- ☐ To encourage the use of plastic trash for road building in accordance with Indian Road Congress recommendations, as well as energy recovery, waste to oil, and other waste-to-energy initiatives, in order to maximize waste use and address the waste disposal problem
- ☐ To place additional responsibility on waste generators, such as paying the local authority's user fee, collecting and handing over waste by the institutional generator and event organizers
- ☐ Increase the minimum thickness of plastic carry bags from 40 to 50 microns, as well as the minimum thickness of plastic sheets to 50 microns, to make it easier to gather and recover plastic waste
- ☐ Manufacturer of plastic carry bags, multi-layered pouches or sachets and every recycler have to seek registration with SPCB which is valid for a period of 3 years.

### **The Micro, Small and Medium Enterprises Development Act, 2006**

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Act was enacted. With effect from July 01, 2020 the Manufacturing enterprises and enterprises rendering Services have been re-classified as Micro enterprise, where the investment in plant and machinery does not exceed Rs.1 Crore and annual turnover does not exceed Rs. 5 Crore; Small enterprise, where the investment in plant and machinery does not exceed Rs.10 crore and annual turnover does not exceed Rs. 50 Crore; a medium enterprise, where the investment in plant and machinery does not exceed Rs. 50 crore and annual turnover does not exceed Rs. 250 Crore.

### **Legal Metrology Act, 2009 ("LM Act")**

The LM Act establishes and enforces standards of weights and measures and regulates trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. The LM Act and rules framed thereunder regulate, inter alia, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the license under the LM Act. Any manufacturer dealing with the instruments for weights and measuring of goods is

mandated to procure a license from the state department under the LM Act. Any violation of the provisions of the LM Act or non-compliance thereof shall result in a monetary penalty to be borne by the manufacturer or in some cases, seizure of goods or imprisonment.

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

The Bureau of Indian Standards Act, 2016, as amended, provides for the standardization, marking and quality certification of goods or articles of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. The Bureau of Indian Standards Act provides for the functions of the bureau which include, among others (a) recognize as an Indian standard, any standard established for any goods, article, process, system or service by any other institution in India or elsewhere; (b) specify a standard mark to be called the Bureau of Indian Standards Certification Mark; and (c) make such inspection and take such samples of any material or substance as may be necessary.

### **LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED:**

#### **Shops and Establishments laws in various states**

As per the provisions of local Shops and Establishments laws applicable in the States of NCT of Delhi, Maharashtra, Karnataka and Telangana, establishments are required to be registered. In Maharashtra, minimum number of employees for an establishment to seek registration is 10. However, an intimation of setting up the establishment is to be sent to the concerned department irrespective of the number of employees, as soon as the same is set up. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

#### **Stamp Act in various states**

The purpose of Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State Government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule IA of the Stamp Act. Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the states. Therefore, the State Governments of States of NCT of Delhi, Maharashtra, Karnataka and Telangana, are empowered to prescribe or alter the stamp duty as per their need.

#### **Professions, Trade, Callings and Employments Act in various states**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Governments of States of Maharashtra, Karnataka and Telangana are empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and are also required to collect funds through professional tax. The professional taxes are charged on the income of individuals, profits of business or gains of vocations. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such persons before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such persons and employer has to obtain the registration from the assessing authority in the prescribed manner.

#### **Municipal Corporation Acts Municipal Councils Act of the jurisdictions in the states in which the company has its operations.**

Trade Licenses are given by the Local Municipal Corporations / Councils in whose jurisdiction a business activity is sought to be commenced. Trade Licenses help in monitoring and regulation of businesses to prevent violations of laws and maintain public order: to check that the company is not working or running beyond the permitted scope of work, to determine that the business is not running or working in violation of any law, to control the activities of the business so that it cannot cause any nuisance to the general public and to ensure compliance with the law and order. One must take this within 30 days of the commencement of the business.

## **GENERAL CORPORATE LAWS:**

### **Companies Act, 2013**

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors, winding up, voluntary winding up, and appointment of liquidator also forms part of the Act. Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

### **The Sale of Goods Act, 1930**

The Sale of Goods Act, 1930 governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyers and sellers, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

### **The Registration Act, 1908**

The Registration Act, 1908 ("Registration Act") was enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. The Registration Act identifies documents for which registration is compulsory and includes among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in immovable property and a lease of immovable property for any term exceeding one year or reserving a yearly rent. It also provides for non-compulsory registration of documents as enumerated in the provisions.

### **The Indian Contract Act, 1872**

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as 'void' or 'voidable'. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

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

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

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

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. To ensure prompt remedy against defaulters and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in Negotiable Instruments Act, 1881 in form of the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment), 1988 which were further modified by the Negotiable Instruments (Amendment and Miscellaneous Provisions) Act, 2002. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honored by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonor of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two years, or with fine which may extend to twice the amount of the cheque, or with both.

## **TAX RELATED LEGISLATIONS:**

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

The IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its Residential Status and Type of Income involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

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

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state is levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

## **EMPLOYMENT AND LABOUR LAWS:**

### **The Code on Wages, 2019 (the “Code”)**

The Code received the assent of the President of India on August 8, 2019. The provisions of the Code shall come into effect from the date notified in the Official Gazette by the Central Government. The Code will replace the four existing ancient laws namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. The Code will apply to all employees and allow the Central Government to set a minimum statutory wage.

The four existing laws are as follows:

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

Payment of Wages Act, 1936, as amended by Payment of Wages (Amendment) Act, 2017 is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy for them against illegal deductions or unjustified delay caused in paying wages to them. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.

- **The Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

- **The Payment of Bonus Act, 1965**

The Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

- **The Equal Remuneration Act, 1976**

The Equal Remuneration Act, 1976 aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. According to the Remuneration Act, no employer shall pay to any worker, employed by him/her in an establishment, a remuneration (whether payable in cash or in kind) at rates less favourable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment for performing the same work or work of a similar nature. In addition, no employer shall for complying with the foregoing provisions of the Remuneration Act, reduce the rate of remuneration of any worker. No employer shall, while making recruitment for the same work or work of a similar nature, or in any condition of service subsequent to recruitment such as promotions, training or transfer, make any discrimination against women except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

- **Occupational Safety, Health and Working Conditions Code, 2019**

The Government of India enacted 'The Occupational Safety, Health and Working Conditions Code, 2019 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume 13 labour 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, that concern our business. Details of these existing Acts are as follows –

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

The Contract Labour (Regulation and Abolition) Act, 1970 requires establishments that employ or have employed on any day in the preceding twelve months, 20 or more workers as contract labour to be registered. The Act requires the principal employer of an establishment to which the Contract Labour Act applies to make an application for registration of the establishment to employ contract labour in the establishment. Contractor to whom the Contract Labour Act applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The Contract Labour Act imposes certain obligations on the contractor including the establishment of canteens, rest rooms, washing facilities, first aid facilities and provision of drinking water and payment of wages. In the event that the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time.

- **Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979**

This law is applicable to all the establishments employing 5 or more migrant workmen from other states. In addition to this, this law is also applicable to contractors who have employed 5 or more inter-State workmen. The establishment must be registered with the local authority while employing migrant workers. This means that an establishment is prohibited from employing migrant workers from other states if they do not have a certificate from the concerned authority. The same law applies to the contractors too who employ workers from one state and deploy them in other states. As per this law, the contractors deploying the migrant workers must provide terms and conditions of the recruitment to the workers. These are the remuneration payable, hours of work, fixation of wages and other essential amenities.

- **The Industrial Relations Code, 2020**

The Government of India enacted 'The Industrial Relations Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. Currently the laws are as follows–

- **Industrial Disputes Act, 1947**

The Industrial Disputes Act, 1947 provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal, or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workers. This Act further provides for direct access for the workers to labour courts or tribunals in case of individual disputes and provided for the constitution of grievance settlement machineries in any establishment having 20 or more workers.

- **Trade Unions Act, 1926**

Provisions of the Trade Union Act, 1926 provide that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive conditions on the conduct of any trade or business etc.

- **Industrial Employment (Standing Orders) Act, 1946 (the “Standing Orders”)**

The Standing Orders were passed by the Central Government to bring uniformity in the terms of employment in industrial establishments having 50 or more workmen employed, so as to minimize industrial conflicts. The Standing Orders play a key role in defining the terms and conditions of employment within an industrial establishment. The highlights of the Standing Orders are classification of workmen, manner of intimation to workers about work and wage related details, attendance and conditions for leaves, conditions of termination of employment and means of redressal for workmen in different matters.

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

The Government of India enacted ‘The Code on Social Security, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume 9 separate 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 and the Payment of Gratuity Act, 1972. The relevant laws that the code shall subsume, are currently as follows –

- **Employee’s Compensation Act, 1923**

The Employees’ Compensation Act, 1923 provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the Employee’s Act, the amount of compensation to be paid depends on the nature and severity of the injury. The Employee’s Act also lays down the duties/obligations of an employer and penalties in cases of non-fulfilment of such obligations. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees’ Compensation a report regarding any fatal or serious bodily injury suffered by an employee within 7 days of death/serious bodily injury.

- **Employee’s State Insurance Act, 1948**

It is an Act to provide for certain benefits to employees in case of sickness, maternity and ‘employment injury’ and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employees’ State Insurance Corporation.

- **Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act)**

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make an equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees' Provident Scheme, 1952.

- **Maternity Benefit Act, 1961**

The Act provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The Act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which 10 or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this Act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

- **Payment of Gratuity Act, 1972**

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which 10 or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which 10 or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this Act has become applicable shall be continued to be governed by this Act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

### **The Public Liability Insurance Act, 1991 and the Public Liability Insurance Rules, 1991**

The Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the law, the owner or handler is also required to take out an insurance policy insuring against liability. The rules made under this Act mandate the employer to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies.

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

In order to curb the rise in sexual harassment of women at workplace, this Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms 'sexual harassment' and 'workplace' are both defined in the Act. Every employer should constitute an "Internal Complaints Committee" and every officer and member of the Committee shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

### **Child Labour (Prohibition and Regulation) Act, 1986 (the “CLPR Act”)**

The “CLPR Act seeks to prohibit the engagement of children in certain employments and to regulate the conditions of work of children in certain other employments. Part B of the Schedule to the CLPR Act strictly prohibits employment of children in cloth printing, dyeing and weaving processes and cotton ginning and processing and production of hosiery goods.

### **FOREIGN INVESTMENT LAWS:**

#### **Foreign Trade (Development and Regulation) Act, 1992**

The FTDR is the main legislation concerning foreign trade in India. The FTDR, read along with the Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTDR read with the Foreign Trade Policy, 2023, prohibits anybody from undertaking any import or export except under an importer-exporter code (“IEC”) number granted by the Director General of Foreign Trade. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is cancelled by the issuing authority. An IEC number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract penalty under the FTDR.

#### **Foreign Exchange Management Act, 1999 & Rules thereunder**

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the FEMA Rules and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 as amended in 2019, provide that the total holding by any individual NRI, on a repatriation basis, shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

#### **The Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974**

COFEPOSA came into force for the reason to provide preventive detention and to protect and augment the guidelines of foreign exchange. The Act also aims to control smuggling activities and other issues in relation to these activities. COFEPOSA confers power on the Central and the State Governments to issue orders for detaining a person if it is satisfied that the person has acted detrimental to the protection of foreign exchange. The Government shall also issue order of detention on the ground that the person has engaged in the activity of smuggling goods, assists any person in smuggling goods, transports or conceals such goods, harbouring any person employed in the smuggling activities or does any other activity related with smuggling. Such an order shall be issued by the Joint Secretary to the Central Government or Secretary to the State Government or any senior officer authorized by the Government.

#### **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 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular. The Reserve Bank of India (“RBI”)



also issues Master Directions Foreign Investment in India and updates the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who are eligible to make investments in India, for which eligibility criteria are prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including the filing of Form FC-GPR.

## **ANTI-TRUST LAWS**

### **Competition Act, 2002**

The Act is to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The Act deals with prohibition of anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

## **GENERAL LAWS**

Apart from the above list of laws, which is inclusive in nature and not exhaustive, general laws like the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, Consumer Protection Act 2019, Transfer of Property Act, 1882, Information Technology Act, 2000 etc. are also applicable to the Company.

## **HISTORY AND CORPORATE STRUCTURE**

### **Brief History and Background of our Company:**

Our Company was originally incorporated as a private limited Company under the name of “Parekh Polyester Private Limited” on November 01, 1988 bearing registration number as 11-49454. Subsequently, Ratan Mohanraj Chandalia, Virendra Mohanraj Chandalia, Sumitra Virendra Chandalia, Shweta Virendra Chandalia and Swati Virendra Chandalia, purchased the entire shareholding in the year 2003. Thereafter, the name of the company was changed from “Parekh Polyester Private Limited” to “Wol 3D India Private Limited” vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on April 30, 2018 and consequent to name change a fresh Certificate of Incorporation was granted to our Company on June 20, 2018 by the Registrar of Companies, Mumbai. Subsequently, our Company was converted into a public limited company vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on December 12, 2022 and consequently the name of our Company was changed from “WOL 3D India Private Limited” to “WOL 3D India Limited” vide fresh Certificate of Incorporation granted to our Company consequent upon conversion into public limited company dated January 02, 2023 by the Registrar of Companies, Mumbai bearing Corporate Identification Number U74110MH1988PLC049454.

Ghevarchand M. Parekh and Hasmukh M. Parekh were the initial subscribers to the Memorandum of Association of our Company.

### **Address of the Registered Office and Factory Offices:**

|                          |   |
|--------------------------|---|
| <b>Registered Office</b> | 18, Ground Floor, Bombay Cotton Mill Estate, Dattaram Lad Marg, Kalachowky, Mumbai, Maharashtra, India, 400033    |
| <b>Factory Unit</b>      | Gala No. 110/ Bldg No. B-5 Floor 1, Radhe Krishna Industrial Park, House no. 764, Village Pimplas, Bhiwandi Thane |

### **Changes in the Registered Office of the Company since Incorporation:**

Except as stated below, there has not been any change in our Registered Office since inception of the Company till the date of the Red Herring Prospectus.

| <b>Effective Date</b> | <b>From</b>  | <b>To</b>   | <b>Reason for Change</b> |
|-----------------------|--|---|--------------------------|
| July 21, 2003         | 107, Tamba Kanta, 2nd Floor, Mumbai-400 003                                    | No. 15 Mahakali Chawl Shop No. 7, Godiji Jain Temple, Paydhonoi, Mumbai-400003                  | For Operational Reasons  |
| July 01, 2021         | No. 15 Mahakali Chawl Shop No. 7, Godiji Jain Temple, Paydhonoi, Mumbai-400003 | 18, Ground Floor, Bombay Cotton Mill Estate, Dattaram Lad Marg, Kalachowky, Mumbai, Mumbai City | For Operational Reasons  |

### **Main Objects of our Company as per the Memorandum of Association:**

The main object of our Company, as set forth in our Memorandum of Association, is as follows:

To carry on business in India or outside India as manufacturers, dealers of three dimensional prototypes, electronic products, 3D machinery and Printer, Computer Numerical Machines (CNC Machines), Computer Added Design and Manufacturing Systems (CAD - CAM System), D.C Micrometers of every description, repair, alter, convert, process, recondition, prepare for sale, buy, sell, hire, import, export, let on hire, trade and deal in machine tools and implements, plant equipment's, 3D filaments and 3D printers, 3D pens, 3D resins, articles, apparatus, appliances, components, parts, accessories, fittings and things in any stage or degree of manufacture, process or refinement.

### **Amendments to the Memorandum of Association**

Set out below are the amendments that have been made to our Memorandum of Association since incorporation.

| Date of Meeting   | Type of Meeting | Nature of Amendments   |
|-------------------|-----------------|--|
| January 31, 1992  | EGM             | Increase in the authorized share capital of the Company from ₹5.00 Lakhs divided into 50,000 Equity Shares of ₹ 10/- each to ₹100.00 Lakhs divided into 10,00,000 Equity Shares of ₹10/- each.   |
| April 30, 2018    | EGM             | Change in the name of the company from Parekh Polyster Private Limited to Wol 3d India Private Limited<br>Alteration to MOA by addition of new clause after the existing clause 1 thereof: *To manufacture, buy, sell, export, import, deal in, assemble, fit, repair, convert, overhaul, alter, maintain and improve three dimensional prototypes, electronic products and to create the end product including 3D printers, CNC Machines, CAD – CAM System, D.C Micrometers, also to carry on the business of gifting such as office utility articles, recreation articles, travel articles, clothing, etc., to various types of companies including small scale companies, employees, students, etc.   |
| August 22, 2022   | EGM             | Increase in authorized share capital from ₹ 100.00 Lakh divided into 10,00,000 Equity shares of Rs. 10/- each to ₹ 400.00 Lakh divided into 40,00,000 Equity shares of Rs. 10/- each.  |
| December 12, 2022 | EGM             | Existing Clause III (A), Clause III (B) has been altered and Clause III (C) has been deleted in the Memorandum of Association. Altered Object: To carry on business in India or outside India as manufacturers, dealers of three dimensional prototypes, electronic products, 3D machinery and Printer, Computer Numerical Machines (CNC Machines), Computer Added Design and Manufacturing Systems (CAD - CAM System), D.C Micrometers of every description, repair, alter, convert, process, recondition, prepare for sale, buy, sell, hire, import, export, let on hire, trade and deal in machine tools and implements, plant equipment's, 3D filaments and 3D printers, 3D pens, 3D resins, articles, apparatus, appliances, components, parts, accessories, fittings and things in any stage or degree of manufacture, process or refinement."<br>Conversion of company from Wol 3D India private limited to Wol 3D India limited. |

#### Adoption of new set of Articles of Association of the Company:

Our Company has adopted a new set of Articles of Association in accordance with the applicable provisions of the Companies Act 2013, at the Extraordinary General Meeting of the Company held on December 12, 2022.

#### Major events and milestones of our Company:

The Table below sets forth some of the major events in the history of our company:

| Year/ F.Y. | Key Events/ Milestone/ Achievements   |
|------------|---|
| 2019       | Started the business of 3D Printing Solutions                                     |
| 2019       | Launched our products on Amazon Store   |
| 2019       | Started sales through our own website under the Brand name of WOL3D               |
| 2019       | Authorized as brand agent for the Creality 3D Printers                            |
| 2020       | We set up our own 3D Filament manufacturing plant                                 |
| 2020       | Received ROHS and CE certification  |
| 2020       | Launch of itouch Brand – 3D Pen   |
| 2020       | Launch of Ganesha 3D Pen  |
| 2021       | Launch of Hismart Brand – 3D Printer  |
| 2022       | We set up our 1 <sup>st</sup> sustainable 3D Printing Experience centre in Mumbai |
| 2023       | Conversion of Wol 3d India Private limited to Wol 3d India limited.               |
| 2023       | Our company was aired on Shark Tank India Season 2                                |

#### Changes in activities of our Company during the last five (5) Years:

There has not been any change in the activity of our Company during the last five (5) years preceding the date of this Red Herring Prospectus.

**Our Holding Company:**

As on the date of the Red Herring Prospectus, our Company is not a subsidiary of any company.

**Our Associates and Joint Ventures:**

As on the date of this Red Herring Prospectus, our Company does not have any Associate Company and Joint Ventures.

**Our Subsidiaries:**

As on the date of this Red Herring Prospectus, we do not have any Subsidiary Company.

**Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc.:**

Our Company has not made any material acquisitions or divestments of business/undertakings mergers, amalgamation, any revaluation of assets, etc. in the last 10 years preceding the date of this Red Herring Prospectus.

**Injunction or Restraining Order:**

Except as disclosed in the section titled *“Outstanding Litigation and Material Developments”* beginning on page 214 of this Red Herring Prospectus, there are no injunctions/ restraining orders that have been passed against the Company.

**Capacity/ Facility Creation, Location of Plants**

For details pertaining to capacity / facility creation, location of plant refers section *“Our Business”* on page 113 of this Red Herring Prospectus.

**Details of launch of key products, entry in new geographies or exit from existing markets**

For details pertaining to launch of key services, entry in new geographies or exit from existing markets, please refer chapter titled *“Our Business”* on page 113 of this Red Herring Prospectus

**Changes in the Management:**

For details of change in Management, please see chapter titled *“Our Management”* on page 143 of the Red Herring Prospectus.

**Agreement with key managerial personnel or Directors or Promoters or any other employee of the Company:**

There are no agreements entered into by key managerial personnel or Directors or Promoters or any other employee, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

**Shareholders Agreements:**

There are no subsisting shareholder’s agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Red Herring Prospectus.

**Collaboration Agreements:**

As on date of this Red Herring Prospectus, Our Company is not a party to any collaboration agreements.

**Other Material Agreement:**

Our Company has not entered into any other subsisting material agreements other than in the ordinary course of business of our Company, as on the date of this Red Herring Prospectus.

**Strategic or Financial Partners:**

Except as disclosed in this Red Herring Prospectus, Our Company does not have any strategic or financial partners as on the date of this Red Herring Prospectus.

**Time and Cost Overruns in Setting up Projects:**

There has been no time/ cost overrun in setting up projects by our Company.

**Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks:**

There have been no defaults or rescheduling of borrowings with any financial institutions/ banks as on the date of the Red Herring Prospectus.

**Other Agreements:****i. Non-Compete Agreement:**

Our Company has not entered into any Non-compete Agreement as on the date of filing of this Red Herring Prospectus.

**ii. Joint Venture Agreement:**

Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Red Herring Prospectus.

## OUR MANAGEMENT

### Board of Directors:

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Red Herring Prospectus:

| Name, Designation, DIN, Date of Birth Age, Address, Occupation, Qualification, Current Term, Date of Appointment   | Other Directorships |
|--|---------------------|
| <b>Rahul Virendra Chandalia</b><br><br><b>Designation:</b> Chairman and Managing Director<br><br><b>Age:</b> 37 years<br><br><b>Date of Birth:</b> March 25, 1987<br><br><b>Address:</b> Unit No. 904 B Wing Indiabulls Blu, Ganpatrao Kadam Marg, Delisle Road, Mumbai City, Maharashtra-400013<br><br><b>Experience:</b> 13 years<br><br><b>Occupation:</b> Business<br><br><b>Qualification:</b> Post Graduate Diploma in Management<br><br><b>Current Term:</b> For a period of 5 years, w.e.f August 25, 2022 liable to retire by rotation<br><br><b>Period of Directorship:</b> w.e.f. March 09, 2019<br><br><b>DIN:</b> 08384580  | Nil                 |
| <b>Saloni Rahul Chandalia</b><br><br><b>Designation:</b> Whole Time Director and CFO<br><br><b>Age:</b> 37 years<br><br><b>Date of Birth:</b> April 23, 1987<br><br><b>Address:</b> Unit No-2404 B Wing Indiabulls Blu, Ganpatrao Kadam Marg, Lower Parel, Delisle Road, Mumbai City, Maharashtra-400013<br><br><b>Experience:</b> 13 years<br><br><b>Occupation:</b> Business<br><br><b>Qualification:</b> Master of Management Studies<br><br><b>Current Term:</b> For a period of 5 years, w.e.f August 25, 2022 liable to retire by rotation<br><br><b>Period of Directorship:</b> w.e.f. March 09, 2019<br><br><b>DIN:</b> 08384610 | Nil                 |
| <b>Pradeep Shripal Jain</b><br><br><b>Designation:</b> Whole Time Director   | Nil                 |

| Name, Designation, DIN, Date of Birth Age, Address, Occupation, Qualification, Current Term, Date of Appointment  | Other Directorships |
|---|---------------------|
| <p><b>Age:</b> 41 years</p> <p><b>Date of Birth:</b> October 15, 1982</p> <p><b>Address:</b> Flat No 101 / 102, Kalpataru Aura, L B S Marg, Opp R – City Mall, Ghatkopar West, Mumbai, Maharashtra - 400086</p> <p><b>Experience:</b> 20 years</p> <p><b>Occupation:</b> Business</p> <p><b>Qualification:</b> B. Com</p> <p><b>Current Term:</b> For a period of 5 years, w.e.f August 25, 2022, liable to retire by rotation</p> <p><b>Period of Directorship:</b> w.e.f. March 09, 2019</p> <p><b>DIN:</b> 08384613</p>  |                     |
| <p><b>Swati Pradeep Jain</b></p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Age:</b> 40 years</p> <p><b>Date of Birth:</b> September 03, 1984</p> <p><b>Address:</b> Kalpataru Aura, 3e, 101/102, L.B.S. Marg, Opp R-city Mall, Ghatkopar-west, Mumbai, Maharashtra – 400086</p> <p><b>Experience:</b> 3 years</p> <p><b>Occupation:</b> Business</p> <p><b>Qualification:</b> B.A</p> <p><b>Current Term:</b> For a period of 3 years, w.e.f March 18, 2024, liable to retire by rotation</p> <p><b>Period of Directorship:</b> w.e.f. March 18, 2024</p> <p><b>DIN:</b> 08384581</p> | Nil                 |
| <p><b>Bipin Moolchand Kothari</b></p> <p><b>Designation:</b> Independent Director</p> <p><b>Age:</b> 62 years</p> <p><b>Date of Birth:</b> July 08, 1961</p> <p><b>Address:</b> D/1, Parshva Darshan CHS, Chandavarkar Road, Near Apex Hospital, Mumbai, Maharashtra-400092</p> <p><b>Experience:</b> 7 years</p>   | Nil                 |

| Name, Designation, DIN, Date of Birth Age, Address, Occupation, Qualification, Current Term, Date of Appointment   | Other Directorships                    |
|--|--|
| <b>Occupation:</b> Business<br><br><b>Qualification:</b> B.E. in Electronics<br><br><b>Current Term:</b> For a period of 5 years, w.e.f March 01, 2023, not liable to retire by rotation<br><br><b>Period of Directorship:</b> w.e.f. March 01, 2023<br><br><b>DIN:</b> 10052227   |  |
| <b>Keyur Keshavji Karia</b><br><br><b>Designation:</b> Independent Director<br><br><b>Age:</b> 36 years<br><br><b>Date of Birth:</b> June 27, 1987<br><br><b>Address:</b> Prabhat CHS, 3 <sup>rd</sup> Floor, Room No. 13/14, 204, Old Sitaram Building, S.G. Marg, Princess Street, Near Metro Cinema, Marine Lines, Kalbadevi, Mumbai, Maharashtra-400002<br><br><b>Experience:</b> 12 years<br><br><b>Occupation:</b> Professional<br><br><b>Qualification:</b> MBA, CA and CPA<br><br><b>Current Term:</b> For a period of 5 years, w.e.f March 18, 2024, not liable to retire by rotation<br><br><b>Period of Directorship:</b> w.e.f. March 18, 2024<br><br><b>DIN:</b> 06720072 | <p style="text-align: center;">Nil</p> |

#### Brief Profile of Directors:

1. **Rahul Virendra Chandalia** aged 37 years is the Chairman and Managing Director and promoter of our Company. He was appointed as a director of the company with effect from March 09, 2019. He had completed Post Graduate Diploma in Management from Prin. L.N. Welingkar Institute of Management Development & Research (We School), Mumbai in the year 2011. He has been associated with the Company since 2019, prior to joining the company he was associated with the proprietorship firm, Rahul rayon as Sales and Procurement Head and has total experience of 13 years. Presently, he looks after the overall operations of our Company and is responsible for the growth initiatives and expansion plans.
2. **Saloni Rahul Chandalia** aged 37 years is the Whole Time Director, CFO and promoter of our Company. She was appointed as a director of the company with effect from March 09, 2019. She had passed Master of Management studies in finance in the year 2010 from Prin. L.N. Welingkar Institute of Management Development & Research (We School), Mumbai. She has been associated with the company since 2019 and is also a proprietor of Ubercool Gifting Solutions since 2013. She has an overall experience of 13 years in the same line of business. Presently, she looks after financial affairs and compliance management in the company.
3. **Pradeep Shripal Jain** aged 41 years is the Whole Time Director and promoter of our Company. He is associated with the company from March 09, 2019. He had completed B. Com in the year 2002 from Sydenham College of commerce and economics, Mumbai. Prior to joining our company, he was associated with the Bhavya Lights, proprietorship firm and had two-decade experience in the electrical sector. Presently, he is responsible for the management of Human Resources and after sales services in the company. Under his leadership, our company has been successful in expanding its customer base.



4. **Swati Pradeep Jain** aged 40 years is the Non-Executive Director and promoter of our Company. She has completed Bachelor of Arts in the year 2005 from University of Mumbai. Previously she was associated with Amisha Impex Pvt Ltd for three years and has a professional experience of 3 years in textile and fashion industry.
5. **Bipin Moolchand Kothari** aged 62 years is the Independent Director of our Company. He has completed B.E. in Electronics from Walchand College of Engineering, Sangli in the year 1982. He is a proprietor of Munisuvarat Polymers since 2017. He has a professional experience of 7 years in plastic industry.
6. **Keyur Keshavji Karia** aged 36 years is the Independent Director of our Company. He has completed MBA from University of Western Ontario, Canada in the year 2008. He is a member of the Institute of Chartered Accountants of India since 2012. He is also member of CPA Australia since 2013. He had an experience of 12 years in the field of Accounting, Auditing and Financial management. He is a designated partner in UNLO Enterprise LLP and QBIC Square Technologies LLP since 2021 and 2014 respectively.

#### **Confirmations:**

As on the date of this Red Herring Prospectus:

- a) None of our Directors is or was a director of any listed company during the last five years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- b) None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.
- c) None of our Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(III) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- d) None of our Directors is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.

#### **Nature of any family relationship between our Directors and Key Managerial Personnel (KMP) or senior management**

The following Directors and KMPs of the Company are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013. Details of which are as follows:

| Sr. No. | Name of the Director/KMP | Relationship with other Directors/KMPs                                |
|---------|--------------------------|---|
| 1       | Rahul Virendra Chandalia | Spouse of Saloni Rahul Chandalia and Brother of Swati Pradeep Jain    |
| 2       | Saloni Rahul Chandalia   | Spouse of Rahul Virendra Chandalia                                    |
| 3       | Pradeep Shripal Jain     | Spouse of Swati Pradeep Jain  |
| 4       | Swati Pradeep Jain       | Spouse of Pradeep Shripal Jain and Sister of Rahul Virendra Chandalia |

#### **Arrangements with major Shareholders, Customers, Suppliers or Others:**

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our directors were selected as Directors or members of the senior management.

#### **Service Contracts:**

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

#### **Details of Borrowing Powers of Directors:**

Pursuant to a special resolution passed at an Extraordinary General Meeting of our Company held on September 30, 2022 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made

thereunder, the Board of Directors of the Company have been authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained/ to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 50.00 (Rupees Fifty Crore Only).

#### **Compensation of our Managing Director and Whole Time Director**

The compensation payable to our Managing Director and Whole Time Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V thereto and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956 for the time being in force).

**The following compensation has been approved for:**

#### **(a) Managing Director and Whole Time Director:**

| <b>Particulars</b>                 | <b>Rahul Virendra Chandalia</b>  | <b>Saloni Rahul Chandalia</b>   | <b>Pradeep Shripal Jain</b>   |
|------------------------------------|--|---|---|
| Appointment/ Change in Designation | Originally Appointed as Executive Director w.e.f. March 09, 2019 and redesignated as Chairman and Managing Director w.e.f August 25, 2022. | Originally Appointed as Executive Director w.e.f. March 09, 2019 and redesignated as Whole Time Director and Chief Financial Officer w.e.f August 25, 2022. | Originally Appointed as Executive Director w.e.f. March 09, 2019 and redesignated as Whole-Time Director w.e.f August 25, 2022. |
| Current Designation                | Chairman and Managing Director   | Whole Time Director   | Whole Time Director   |
| Terms of Appointment               | 5 years  | 5 years   | 5 years   |
| Remuneration                       | Not exceeding ₹ 60 lakhs per annum   | Not exceeding ₹ 60 lakhs per annum  | Not exceeding ₹ 60 lakhs per annum  |
| Compensation paid in FY 23-24      | 6.00 Lakh  | 10.50 Lakh  | 6.00 lakh   |

#### **(b) Non- Executive Directors**

Pursuant to resolution passed by our shareholders dated March 18, 2024 Our Non- executive Director, Swati Pradeep Jain, shall be entitled for a remuneration of 60 Lakh per annum w.e.f. March 18, 2024. During the Fiscal 2024, the remuneration paid to her was Rs. 7.50 Lakh.

#### **Bonus or Profit-Sharing Plan for our Directors:**

We have no bonus or profit-sharing plan for our directors.

#### **Sitting Fees:**

As per Articles of Association of our Company and pursuant to Board Resolution dated April 26, 2024. The remuneration payable in terms of sitting fees to the Directors (including Independent Directors) for attending the Meetings of the Board and Committee thereof shall not exceed Rs. 1,00,000/- (Rupees One Lakh Only) per meeting of the Board or Committee thereof, attended by such director.

### Shareholding of our Directors as on the date of this Red Herring Prospectus:

| Sr. No. | Name of the Director     | No. of Shares Held | Holding in % |
|---------|--------------------------|--------------------|--------------|
| 1.      | Rahul Virendra Chandalia | 14,50,000          | 29.00        |
| 2.      | Saloni Rahul Chandalia   | 10,00,790          | 20.02        |
| 3.      | Pradeep Shripal Jain     | 7,73,670           | 15.47        |
| 4.      | Swati Pradeep Jain       | 11,73,500          | 23.47        |
|         | <b>Total</b>             | <b>43,97,960</b>   | <b>87.96</b> |

*None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Red Herring Prospectus.*

As on the date of the filing of this Red Herring Prospectus, we do not have any Subsidiary Company as defined under Section 2(6) of the Companies Act, 2013

Our Articles of Association do not require our directors to hold any qualification Equity Shares in the Company.

### INTEREST OF DIRECTORS

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer to Chapter titled ***“Our Management”*** beginning on page 143 of this Red Herring Prospectus.

Our directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our directors are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/firms in which they are interested as Directors/ Members/ Partners. Further, our Directors may have extended personal guarantees in respect of financial facilities availed by the company and for the details of Personal Guarantee given by our Directors please refer to ***“Statement of Financial Indebtedness”*** on page 201 of this Red Herring Prospectus.

Except as stated otherwise in this Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of the Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section ***“Our Management”*** or the section titled ***“Financial information of the Company – ANNEXURE XXX- Related Party Disclosures”*** beginning on page 143 and 191 respectively of this Red Herring Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

### Interest in the property of Our Company:

1. Our registered office situated at 18, Ground Floor, Bombay Cotton Mill Estate, Dattaram Lad Marg, Kalachowky, Mumbai, Maharashtra-400033 is acquired on rent by our Chairman and Managing Director Rahul Virendra Chandalia and Whole Time Director, Pradeep Shripal Jain and is sub-let to our Company vide tenancy agreement.
2. Our company has entered into leave and license agreement with our Non-Executive Director, Swati Pradeep Jain and her relative Anju Pravin Jain for its factory and godown situated at Gala No. 110 and 210, / Bldg No. B-5 Floor 1, Radhe Krishna Industrial Park, House no. 764, Village Pimplas, Bhiwandi Thane.
3. Office situated at Gala No. / Block No. 48A on the Mezzanine Floor, Dataram lad Marg, Kalachowki, Mumbai is acquired on rent by our Chairman and Managing Director, Rahul Virendra Chandalia and Whole Time Director, Pradeep Shripal Jain and is sub-let to our Company vide Leave and License agreement.
4. Office situated at Block No. 2 (II), C. S. No. 829, Ground Floor Mazgaon Division, Bombay Cotton Mills Estate, Dataram lad Marg, Kalachowki Road, Mumbai-400030 is acquired on rent by our Chairman and Managing Director,

Rahul Virendra Chandalia and his relative Sumitra Virendra Chandalia and is sub-let to our Company vide Leave and License agreement agreement.

Except as mentioned above and in this Red Herring Prospectus our directors do not have any interest in any property acquired by our Company during the period of two years before filing of this Red Herring Prospectus or proposed to be acquired by us as on date of this Red Herring Prospectus.

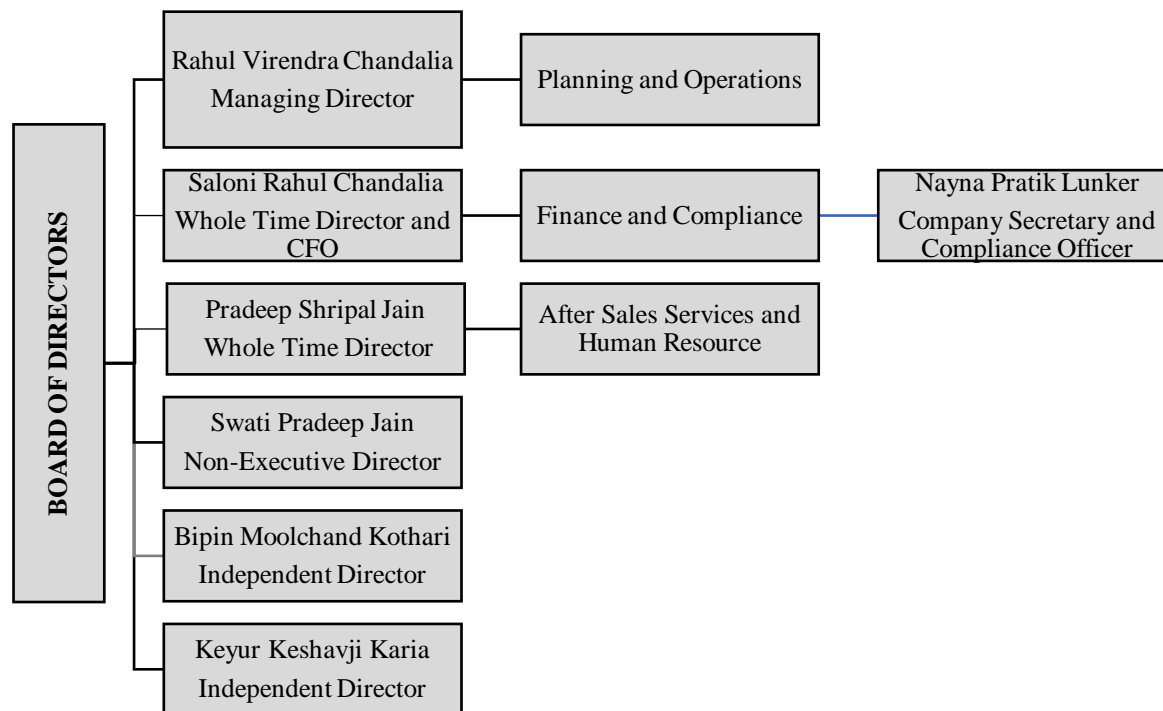
**Changes in Board of Directors in Last 3 Years:**

| S. No. | Name of Directors        | Date of Event      | Nature of Event                                       | Reasons for Change  |
|--------|--------------------------|--------------------|---|---|
| 1      | Rahul Virendra Chandalia | August 25, 2022    | Redesignated as Chairman and Managing Director        | To ensure better Corporate Governance and compliance with the Companies Act, 2013 |
| 2      | Saloni Rahul Chandalia   | August 25, 2022    | Redesignated as Whole Time Director and CFO           |   |
| 3      | Pradeep Shripal Jain     | August 25, 2022    | Redesignated as Whole Time Director                   |   |
| 4      | Bipin Moolchand Kothari  | March 01, 2023     | Appointed as Additional Independent Director          |   |
| 5      | Shivangi Mahesh Mull     | March 01, 2023     | Appointed as Additional Director-Independent Director |   |
| 6      | Kanan Amit Mehta         | March 01, 2023     | Appointed as Additional Director-Independent Director |   |
| 7      | Arvind Damodarlal Biyani | March 01, 2023     | Appointed as Additional Director-Independent Director |   |
| 8      | Shivangi Mahesh Mull     | September 02, 2023 | Cessation   | Due to pre occupation   |
| 9      | Kanan Amit Mehta         | September 02, 2023 | Cessation   | Due to pre occupation   |
| 10     | Arvind Damodarlal Biyani | September 02, 2023 | Cessation   | Due to pre occupation   |
| 11     | Keyur Keshavji Karia     | March 18, 2024     | Appointed as Independent Director                     | To ensure better Corporate Governance and compliance with the Companies Act, 2013 |
| 12     | Swati Pradeep Jain       | March 18, 2024     | Appointed as Non- Executive Director                  |   |

\* Bipin Moolchand Kothari were regularised in the meeting of shareholders of our Company held on September 30, 2023

## **MANAGEMENT ORGANISATION STRUCTURE**

The following chart depicts our Management Organization Structure:



## **COMPLIANCE WITH CORPORATE GOVERNANCE**

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and SEBI (ICDR) Regulations, 2018 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company's Equity Shares on Stock Exchanges. 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 undertakes to take all necessary steps to continue to comply with all the requirements of Listing Regulations and the Companies Act, 2013.

Our Board has been constituted in compliance with the Companies Act, 2013 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 Six (6) Directors of which two (2) are Independent Directors including two (2) women directors on the Board. The constitution of our Board is in compliance with the provisions of section 149 of the Companies Act, 2013.

Our Company has constituted the following committees:

### **1. Audit Committee**

Our Company at its Board Meeting held on April 26, 2024 has approved the constitution of an Audit Committee (*"Audit Committee"*) in compliance with the provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 18 of SEBI Listing Regulations. The Audit Committee comprises following members:

| Name of the Director | Status in Committee | Nature of Directorship |
|----------------------|---------------------|------------------------|
| Keyur Keshavji Karia | Chairman            | Independent Director   |

|                         |        |                             |
|-------------------------|--------|-----------------------------|
| Bipin Moolchand Kothari | Member | Independent Director        |
| Saloni Rahul Chandalia  | Member | Whole Time Director and CFO |

The Company Secretary of the Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of the Company to furnish clarifications to the shareholders on any matter relating to accounts. The scope and function of the Audit Committee and its terms of reference shall include the following:

**A. Tenure of the Committee:**

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

**B. Meetings of the Committee:**

The committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of two Independent Directors at each meeting.

**C. Power of the Committee:**

The Audit Committee shall have powers, including the following:

- a) to investigate any activity within its terms of reference;
- b) to seek information from any employee;
- c) to obtain outside legal or other professional advice;
- d) to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and
- e) To have full access to information contained in records of Company.

**D. Role of the Committee:**

The Role of Audit Committee together with its powers as per Part C of Schedule II of SEBI Listing Regulation and Companies Act, 2013 shall be as under:

**The role of the Audit Committee shall include the following:**

- 1) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- 2) Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
- 3) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- 4) Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
- 5) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Qualifications and modified opinions in the draft audit report.
- 6) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- 7) Reviewing and monitoring with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

- 8) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the Company, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
- 12) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- 13) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- 14) Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 15) Discussing with internal auditors on any significant findings and follow up thereon;
- 16) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- 17) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 18) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 19) Reviewing the functioning of the whistle blower mechanism;
- 20) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
- 21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- 22) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- 23) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law; and

Further, the Audit Committee shall mandatorily review the following information:

- 1) Management's discussion and analysis of financial condition and results of operations;
- 2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 3) management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) internal audit reports relating to internal control weaknesses;
- 5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- 6) statement of deviations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations;
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

## 2. Nomination and Remuneration Committee

Our Company at its Board Meeting held on April 26, 2024 has approved the constitution of Nomination and Remuneration Committee in compliance with the provisions of Section 178, Schedule V and all other applicable provisions of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and Regulation 19 SEBI Listing Regulations. The Nomination and Remuneration Committee comprises following members:

| Name of the Director    | Status in Committee | Nature of Directorship |
|-------------------------|---------------------|------------------------|
| Keyur Keshavji Karia    | Chairman            | Independent Director   |
| Bipin Moolchand Kothari | Member              | Independent Director   |
| Swati Pradeep Jain      | Member              | Non-Executive Director |

The Company Secretary of the Company shall act as a Secretary to the Nomination and Remuneration Committee. The Chairman of the Nomination and Remuneration Committee is entitled to attend the general Meeting of the company to furnish clarifications to the shareholders on any matter relating to remuneration. The scope and function of the Committee and its terms of reference shall include the following:

**A. Tenure of the Committee:**

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

**B. Meetings of the Committee:**

The committee shall meet as and when the need arises, subject to at least one meeting in a year. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is greater, including at least one independent director in attendance.

**C. Scope and terms of reference:**

The terms of reference of the Nomination and Remuneration Committee as per Regulation 19 and Part D of Schedule II of SEBI Listing Regulations and Companies Act, 2013 shall be as under:

- 1) formulating 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;
- 2) For the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. Consider the time commitments of the candidates.
- 3) formulation of criteria for evaluation of the performance of independent directors and the Board;
- 4) devising a policy on diversity of our Board;
- 5) identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
- 6) determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- 7) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
- 8) recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
- 9) recommending to the Board, all remuneration, in whatever form, payable to senior management;
- 10) performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
- 11) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
- 12) analyzing, monitoring and reviewing various human resource and compensation matters;
- 13) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- 14) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
  - b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
- 15) Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.



### 3. Stakeholders Relationship Committee

Our Company at its Board Meeting held on April 26, 2024 has approved the constitution of the Stakeholders Relationship Committee in compliance with the provisions of the Section 178(5) and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constituted Stakeholders Relationship Committee comprises the following:

| Name of the Director    | Status in Committee | Nature of Directorship  |
|-------------------------|---------------------|-------------------------|
| Keyur Keshavji Karia    | Chairman            | Independent Director    |
| Bipin Moolchand Kothari | Member              | Independent Director    |
| Swati Pradeep Jain      | Member              | Non- Executive Director |

The Company Secretary of our Company shall act as a Secretary to the Stakeholder Relationship Committee. The scope and function of the Stakeholder Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholder Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder Relationship Committee as approved by the Board.
- B. Meetings:** The Stakeholder Relationship Committee shall meet at least once in a year, and shall report to the Board on a quarterly basis regarding the status of redressal of the complaints received from the shareholders of the Company. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.
- C. Scope and terms of reference:** The terms of reference of the Stakeholders Relationship Committee as per Regulation 20 and Part D of Schedule II of SEBI Listing Regulations, 2015 and Companies Act, 2013 shall be as under:
1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
  2. Review of measures taken for effective exercise of voting rights by shareholders;
  3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
  4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the company;
  5. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized;
  6. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
  7. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company.;
  8. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/ dividend warrants, non-receipt of annual report and any other grievance/ complaints with Company or any officer of the Company arising out in discharge of his duties;
  9. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them;

10. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time;
11. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting; and
12. Such roles as may be delegated by the Board and/ or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

#### **Policy on Disclosures & Internal procedure for prevention of Insider Trading:**

The provisions of Regulation 8 and 9 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. We shall comply with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted in Board meeting held on April 26, 2024 the policy on insider trading in view of the proposed public offer. Our Board is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct for Prevention of Insider Trading conduct under the overall supervision of the Board.

#### **KEY MANAGERIAL PERSONNEL**

Our Company is supported by a team of professionals having exposure to various operational aspects of our business. A brief detail about the Key Managerial Personnel of our Company is provided below:

| <b>Name, Designation &amp; Educational Qualification</b>   | <b>Age</b> | <b>Year/ period of joining</b> | <b>Compensation paid for F.Y. ended 2023-24 (₹ in Lakhs)</b> | <b>Overall experience</b> | <b>Previous employment</b> |
|--|------------|--------------------------------|--|---------------------------|----------------------------|
| Rahul Virendra Chandalia<br><b>Designation:</b> Chairman and Managing Director<br><b>Educational Qualification:</b> Post Graduate Diploma in Management (PGDM)<br><b>Term of office:</b> 5 Years | 37 years   | 2019                           | 6.00   | 13 years                  | Rahul Rayon                |
| Saloni Rahul Chandalia<br><b>Designation:</b> Whole Time Director and CFO<br><b>Educational Qualification:</b> MMS<br><b>Term of office:</b> 5 Years   | 37 years   | 2019                           | 10.50  | 13 years                  | IDBI Bank                  |
| Pradeep Shripal Jain<br><b>Designation:</b> Whole Time Director<br><b>Educational Qualification:</b> B.com<br><b>Term of office:</b> 5 Years   | 41 years   | 2019                           | 6.00   | 20 years                  | Bhavya Lights              |
| Nayna Pratik Lunker<br><b>Designation:</b> Company Secretary and Compliance Officer<br><b>Educational Qualification:</b> CS and M.com  | 33 years   | 2023                           | 1.92   | 11 years                  | Practicing CS              |

## BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

**Rahul Virendra Chandalia** - Please refer to section “Brief Profile of our Directors” beginning on page 145 of this Red Herring Prospectus for details.

**Saloni Rahul Chandalia** - Please refer to section “Brief Profile of our Directors” beginning on page 145 of this Red Herring Prospectus for details.

**Pradeep Shripal Jain** - Please refer to section “Brief Profile of our Directors” beginning on page 145 of this Red Herring Prospectus for details.

**Nayna Pratik Lunker** is the Company Secretary and Compliance Officer of our Company. She is a qualified Company Secretary and an associate member of the Institute of Company Secretaries of India since 2013. She has passed M. com in the year 2013 from the Gujarat University. Prior to joining the company, she had certificate of practice from the Institute of Company Secretaries of India since 2013 and has overall experience of 11 years in the secretarial matters. Presently, she looks after the Corporate Governance and secretarial matters of our Company.

### We confirm that:

- a. All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- b. There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above-mentioned Key Managerial Personnel have been recruited.
- c. None of our KMPs except Rahul Virendra Chandalia, Saloni Rahul Chandalia, Pradeep Shripal Jain, are also part of the Board of Directors.
- d. In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the financial year ended March 31, 2024.
- e. Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- f. Our Company does not have any bonus/ profit sharing plan for any of the Key Managerial Personnel.
- g. None of the Key Managerial Personnel hold any shares of our Company as on the date of filing of this Red Herring Prospectus except as under:

| Sr. No. | Name of the KMP's        | No. of Shares held | Holding in % |
|---------|--------------------------|--------------------|--------------|
| 1       | Rahul Virendra Chandalia | 14,50,000          | 29.00        |
| 2       | Saloni Rahul Chandalia   | 10,00,790          | 20.02        |
| 3       | Pradeep Shripal Jain     | 7,73,670           | 15.47        |

- h. The turnover of KMPs is not high, compared to the industry to which our company belongs.

### Payment of benefits to officers of Our Company (*non-salary related*)

Except as disclosed in this Red Herring Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/ rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards the Provident fund, Gratuity fund and Employee State Insurance

### Changes in the Key Managerial Personnel in last three years:

There have been no changes in the Key Managerial Personnel of our Company during the last 3 (three) year except as stated below:

| Sr. No. | Name of Directors/ KMP's | Designation and period  | Appointment/ Cessation/ Re-designation | Reasons   |
|---------|--------------------------|---|--|---|
| 1.      | Rahul Virendra Chandalia | Redesignated as chairman and Managing Director w.e.f. August 25, 2022 | Re-designation                         | To comply with the provisions of the Companies Act 2013 and to ensure better Corporate Governance |
| 2.      | Saloni Rahul Chandalia   | Redesignated as Whole Time Director and CFO w.e.f. August 25, 2022    | Re-designation                         |   |
| 3.      | Pradeep Shripal Jain     | Redesignated as Whole Time Director w.e.f. August 25, 2022            | Re-designation                         |   |
| 4.      | Nayna Pratik Lunker      | Appointed as Company Secretary w.e.f. February 15, 2023               | Appointment                            |   |

### Interest of our Key Managerial Personnel

Apart to the extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company, none of our Key Managerial Personal are interested in our Company. For details, please refer section titled ***“Financial information of the Company – Annexure XXX- Related Party Disclosures”*** beginning on page 191 of this Red Herring Prospectus.

### Interest in the property of our Company

Except as disclosed above, Our KMPs do not have any interest in any property acquired by our Company in a period of two years before the filing of this Red Herring Prospectus or proposed to be acquired by us as on the date of filing the Red Herring Prospectus with RoC.

### Details of the Service Contracts of the Key Managerial Personnel

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

### Loans given/ availed by Directors/ Key Managerial Personnel of our Company

For details of unsecured loan taken from or given to our Directors/ KMPs and for details of transaction entered by them in the past please refer to ***“Annexure XXX– Related Party Disclosures”*** page 191 of this Red Herring Prospectus.

### Employee Stock Option Plan ('ESOP')/ employee stock purchase scheme ('ESPS Scheme') to Employees

Presently, we do not have any ESOP/ ESPS Scheme for our employees.

## **OUR PROMOTERS & PROMOTER GROUP**


### **A. OUR PROMOTERS:**




The Promoters of our Company are:

1. Rahul Virendra Chandalia
2. Saloni Rahul Chandalia
3. Pradeep Shripal Jain
4. Swati Pradeep Jain

As on date of this Red Herring Prospectus, our Promoters, in aggregate, hold 43,97,960 Equity shares of our Company, representing 87.96 % of the pre-offer paid-up Equity Share capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – History of the Equity Share Capital held by our Promoters*", on pages 64 of this Red Herring Prospectus.

*Brief Profile of our Promoters are as under:*

|  |  |
|--|--|
|  | <p><b>Rahul Virendra Chandalia- Managing Director</b></p> <p><b>Rahul Virendra Chandalia</b>, aged 37 years, is one of our Promoters and is also the Managing Director on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see "<i>Our Management –Brief profile of Directors</i>" on page 145.</p> <p><b>Other ventures of our Promoters</b> – Except as disclosed below and set out in the chapter titled '<i>Our Management</i>', our Promoters are not involved with any other venture, as a shareholder/ stakeholder, proprietor, partner, promoters or director.</p> <p><b>HUF:</b><br/>Rahul Virendra Chandalia HUF (As Karta)<br/>Chandalia Virendra Mohanraj- HUF (As Member)</p> <p>His permanent account number is AFQPC6856F.</p> <p>Rahul Virendra Chandalia holds 14,50,000 Equity Shares, equivalent to 29.00% of the pre offer share capital of our company.</p> |
|--|--|

|   |  |
|---|--|
|    | <p><b>Saloni Rahul Chandalia- Whole Time Director &amp; CFO</b></p> <p><b>Saloni Rahul Chandalia</b>, aged 37 years, is one of our Promoters and is also the Whole time Director and CFO on our Board. For further details, i.e., her date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see <b>“Our Management –Brief profile of Directors”</b> on page 145.</p> <p><b>Other ventures of our Promoters</b> - Except as disclosed below and as set out in the chapter titled <b>‘Our Management’</b>, our Promoters are not involved with any other venture, as a shareholder/ stakeholder, proprietor, partner, promoters or director.</p> <p><b>Proprietorship Firms:</b><br/>Ubercool Gifting Solutions</p> <p>Her permanent account number is AREPP2311C.</p> <p>Saloni Rahul Chandalia holds 10,00,790 Equity Shares, equivalent to 20.02% of the pre offer share capital of our company.</p> |
|   | <p><b>Pradeep Shripal Jain- Whole Time Director</b></p> <p><b>Pradeep Shripal Jain</b>, aged 41 years, is one of our Promoters and is also the Whole Time Director on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see <b>“Our Management –Brief profile of Directors”</b> on page 145.</p> <p><b>Other ventures of our Promoters</b> – Except as disclosed below and as set out in the chapter titled <b>‘Our Management’</b>, our Promoters are not involved with any other venture, as a shareholder/ stakeholder, proprietor, partner, promoters or director.</p> <p><b>HUF:</b><br/>Pradeep Shripal Jain HUF</p> <p>His permanent account number is AFIPJ4202L</p> <p>Pradeep Shripal Jain holds 7,73,670 Equity Shares, equivalent to 15.47% of the pre offer share capital of our company.</p>  |
|  | <p><b>Swati Pradeep Jain- Non-Executive Director</b></p> <p><b>Swati Pradeep Jain</b>, aged 40 years, is one of our Promoters and is also the Non-Executive Director on our Board. For further details, i.e., her date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see <b>“Our Management –Brief profile of Directors”</b> on page 145.</p> <p><b>Other ventures of our Promoters</b> – Except as set out in the chapter titled <b>‘Our Management’</b>, our Promoters are not involved with any other venture, as a shareholder/ stakeholder, proprietor, partner, promoters or director.</p> <p>Her permanent account number is AEOPC3414L</p> <p>Swati Pradeep Jain holds 11,73,500 Equity Shares, equivalent to 23.47% of the pre offer share capital of our company</p>   |

### **Confirmations/ Declarations:**

In relation to our Promoters, our Company confirms that the PAN, Bank Account Numbers, Passport Number, Aadhaar Card Number and Driving License number shall be submitted to NSE at the time of filing of this Red Herring Prospectus.

### **Undertaking/ Confirmations:**

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- No material regulatory or disciplinary action is taken by any stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.
- There are no defaults in respect of payment of interest and principal to the debenture/ bond/ fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.
- The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled ***“Outstanding Litigations and Material Developments”*** beginning on page 214 of this Red Herring Prospectus.
- None of our Promoters, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

### **Interest of our Promoters:**

#### ***i. Interest in promotion and shareholding of our Company:***

Our Promoters are interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives. As on the date of this Red Herring Prospectus, our Promoters, Rahul Virendra Chandalia, Saloni Rahul Chandalia, Pradeep Shripal Jain and Swati Pradeep Jain collectively holds 43,97,960 Equity Shares in our Company i.e. 87.96% of the pre offer paid up Equity Share Capital of our Company. Our Promoters may also be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to them and unsecured loan advanced to/ taken from them, if any. For details, please refer to ***Annexure XXX– “Related Party Disclosures”*** beginning on page 191 of this Red Herring Prospectus.

For details regarding the shareholding of our Promoters in our Company, please see ***“Capital Structure”*** on page 64 of this Red Herring Prospectus.

#### ***ii. Interest in the property of Our Company:***

1. Our registered office situated at 18, Ground Floor, Bombay Cotton Mill Estate, Dattaram Lad Marg, Kalachowky, Mumbai, Maharashtra-400033 is acquired on rent by our Promoters, Rahul Virendra Chandalia and Pradeep Shripal Jain and is sub-let to our Company vide tenancy agreement.
2. Our company has entered into leave and license agreement with our Promoter, Swati Pradeep Jain and her relative Anju Pravin Jain for its factory and godown situated at Gala No. 110 and 210, / Bldg No. B-5 Floor 1, Radhe Krishna Industrial Park, House no. 764, Village Pimplas, Bhiwandi Thane.

3. Office situated at Gala No. / Block No. 48A on the Mezzanine Floor, Dataram lad Marg, Kalachowki, Mumbai is acquired on rent by our Promoters, Rahul Virendra Chandalia and Pradeep Shripal Jain and is sub-let to our Company vide Leave and License agreement.
4. Office situated at Block No. 2 (II), C. S. No. 829, Ground Floor Mazgaon Division, Bombay Cotton Mills Estate, Dataram lad Marg, Kalachowki Road, Mumbai-400030 is acquired on rent by our Promoter, Rahul Virendra Chandalia and his relative Sumitra Virendra Chandalia and is sub-let to our Company vide Leave and License agreement agreement.

Except as mentioned above and in this Red Herring Prospectus our promoters do not have any interest in any property acquired by our Company during the period of two years before filing of this Red Herring Prospectus or proposed to be acquired by us as on date of this Red Herring Prospectus.

iii. ***In transactions for acquisition of land, construction of building and supply of machinery***

None of our Promoters are interested in any transaction for the acquisition of land, construction of building or supply of machinery.

iv. ***Other Interests in our Company***

For transactions in respect of loans and other monetary transactions entered in past please refer ***Annexure XXX*** on ***“Related Party Disclosures”*** on page 191 forming part of ***“Financial Information of the Company”*** of this Red Herring Prospectus.

Further, our promoters may be interested to the extent of personal guarantees given by them in favour of the Company, for the details of Personal Guarantee given by Promoters towards Financial facilities of our Company please refer to ***“Statement of Financial Indebtedness”*** and ***“Financial Information of Our Company”*** on page 201 and 165 respectively of this Red Herring Prospectus.

**Payment or Benefits to our Promoters and Promoter Group during the last 2 years:**

For details of payments or benefits paid to our Promoters and promoter group, please refer to the paragraph ***“Compensation of our Managing Director and Whole Time Director”*** in the chapter titled ***“Our Management”*** beginning on page 147 also refer ***Annexure XXX*** on ***“Related Party Disclosures”*** on page 191 forming part of ***“Financial Information of the Company”*** and Paragraph on ***“Interest of Promoters”*** in chapter titled ***“Our Promoters and Promoter Group”*** on page 160 of this Red Herring Prospectus.

**Companies/ Firms with which our Promoters have disassociated in the last (3) three years:**

None of our promoters have disassociated themselves from any of the Company, Firms or other entities during the last three years preceding the date of this Red Herring Prospectus.

**Other ventures of our Promoters:**

Save and except as disclosed in this section titled ***“Our Promoters & Promoter Group”*** beginning on page 158 of this Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

**Defunct / Strike-off Company:**

None of our promoters were associated with any of the Company that are defunct/ Strike off as on the date of this Red Herring Prospectus.

**Litigation details pertaining to our Promoters:**

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled ***“Outstanding Litigations and Material Developments”*** beginning on page 214 of this Red Herring Prospectus.



**Material Guarantees:**

Except as stated in the “*Statement of financial indebtedness*” and “*Restated financial information*” of the company beginning on page 201 and 165 of this Red Herring Prospectus respectively, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Red Herring Prospectus.

**Experience of Promoters in the line of business:**

Our Promoters, Rahul Virendra Chandalia, Saloni Rahul Chandalia, have an overall experience of 13 years, Pradeep Shripal Jain have an overall experience of 20 years and Swati Pradeep Jain have an overall experience of 3 years. The Company shall also endeavor to ensure that relevant expertise is sought as and when required in the future.

**Related Party Transactions:**

Except as stated in “*Annexure XXX Related Party Disclosures*” beginning on page 191 of this Red Herring Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

**B. OUR PROMOTER GROUP**

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

- (a) **Natural persons i.e., an immediate relative of the promoters (i.e., any spouse of that person, or any parent, brother, sister or child of the person or of the spouse);**

As per Regulation 2(1) (pp) (ii) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters) are as follows:

| Relationship     | Name of the Relatives       |                             |                             |                             |
|------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|                  | Rahul Virendra Chandalia    | Saloni Rahul Chandalia      | Pradeep Shripal Jain        | Swati Pradeep Jain          |
| Father           | Virendra Mohanraj Chandalia | Hiten Kantilal Parekh       | Shripal Laxmichand Jain     | Virendra Mohanraj Chandalia |
| Mother           | Sumitra Virendra Chandalia  | Rita Hiten Parekh           | Saroj Jain                  | Sumitra Virendra Chandalia  |
| Spouse           | Saloni Rahul Chandalia      | Rahul Virendra Chandalia    | Swati Pradeep Jain          | Pradeep Shripal Jain        |
| Brother          | -                           | -                           | Ravi Shripal Jain           | Rahul Virendra Chandalia    |
| Sister           | Swati Pradeep Jain          | Payal Nirav Shah            | -                           | Shweta Ravi Jain            |
|                  | Shweta Ravi Jain            | -                           | -                           | -                           |
| Son              | Riaan Rahul Chandalia       | Riaan Rahul Chandalia       | Dhruv Pradeep Jain          | Dhruv Pradeep Jain          |
| Daughter         | -                           | -                           | Ayesha Pradeep Jain         | Ayesha Pradeep Jain         |
| Spouse's Father  | Hiten Kantilal Parekh       | Virendra Mohanraj Chandalia | Virendra Mohanraj Chandalia | Shripal Laxmichand Jain     |
| Spouse's Mother  | Rita Hiten Parekh           | Sumitra Virendra Chandalia  | Sumitra Virendra Chandalia  | Saroj Jain                  |
| Spouse's Brother | -                           | -                           | Rahul Virendra Chandalia    | Ravi Shripal Jain           |
| Spouse's Sister  | Payal Nirav Shah            | Swati Pradeep Jain          | Shweta Ravi Jain            | -                           |
|                  | -                           | Shweta Ravi Jain            | -                           | -                           |

**(b) Corporate Entities or Firms forming part of the Promoter Group:**

As per Regulation 2(1)(pp)(iv) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

| <b>Sr. No.</b> | <b>Nature of Relationship</b>  | <b>Name of Entities</b>   |
|----------------|--|---|
| A.             | Any Body Corporate in which 20% or more of the Equity Share Capital is held by Promoter or an immediate relative of the Promoter or a firm or Hindu Undivided Family (HUF) in which Promoter or any one or more of his immediate relatives are a member. | Nil   |
| B.             | Any Body Corporate in which a body corporate as provided in (A) above holds twenty per cent or more, of the equity share capital.  | Nil   |
| C.             | Any Hindu Undivided Family or firm in which the aggregate share of the promoter and their relatives is equal to or more than twenty per cent of the total capital.   | <b>HUF:</b><br>Pradeep Shripal Jain HUF<br>Rahul Virendra Chandalia HUF<br>Chandalia Virendra Mohanraj- HUF<br><br><b>Proprietorship Firms:</b><br>Ubercool Gifting Solutions |

### **DIVIDEND POLICY**

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders 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. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. 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 a formal dividend policy for declaration of dividend in respect of 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 declared any dividend on the Equity Shares in the last three financial years. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

## SECTION VI

### RESTATED FINANCIAL INFORMATION OF THE COMPANY

#### **Independent Auditor's Report on Restated Financial Statements**

**To**

**The Board of Directors**

**WOL 3D INDIA LIMITED**

2nd Floor, 19/B 1, Hakoba Compound,

Cotton Mill, Dattaram Lad Path, Kala Chowky,

Mumbai Maharashtra 400033

Dear Sirs,

1. We have examined the attached restated financial statements of WOL 3D INDIA LIMITED (hereinafter referred to as "the Company") comprising the Restated Statement of Assets and Liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statements of Profit and Loss for the year ended March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Cash Flow Statement for the year ended March 31, 2024, March 31, 2023 and March 31, 2022, the Summary Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 12th September, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus("Draft Offer Document/Offer Document") prepared by the Company in connection with its proposed SME Initial Public Offer.

These Restated Summary Statements for offer of equity shares ("SME IPO") prepared in accordance with the requirements of:

- (i) section 26 of Part I of Chapter III of the Companies Act, 2013 including Rules thereon, as amended (the "Act")
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended ("ICDR Regulations") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI")
  - (iii) The terms of reference to our engagements with the Company letter dated March 04, 2024 requesting us to carry out the assignment, in connection with the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of relevant stock Exchange. ("IPO" or "SME IPO"); and
  - (iv) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note")
2. The Company's Board of Directors are responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Offer Document/ Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Mumbai in connection with the proposed SME IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Annexure IV of 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 is also responsible for identifying and ensuring that the Company complies with the Companies Act, (ICDR) Regulations and the Guidance Note.

3. We, M/s A D V & Associates Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and holds the peer review certificate dated 25 January, 2022 valid till 31 January, 2025. We confirm that there is no express refusal by the peer review board of ICAI to renew the certificate and the process to renew the peer review certificate has been initiated by us.
4. These Restated Financial Statement have been compiled by the management of the company from Audited Financial Statements of the company as at and for the year ended 31st March, 2024, 31st March, 2023 and 31st March, 2022 prepared in accordance with Accounting Standard as specified under section 133 of the Act and other accounting principles generally accepted in India which have been approved by the Board of Directors.
5. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
  - (i) The “restated statement of asset and liabilities” of the Company as at March 31, 2024, March 31, 2023, and March 31, 2022 examined by us, as set out in Annexure I to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
  - (ii) The “restated statement of profit and loss” of the Company for the year ended on, March 31, 2024, March 31, 2023, and March 31, 2022 examined by us, as set out in Annexure II to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
  - (iii) The “restated statement of cash flows” of the Company for the year ended on March 31, 2024, March 31, 2023, and March 31, 2022 examined by us, as set out in Annexure III to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.
6. Based on our examination, we are of the opinion that the restated financial statements have been prepared after incorporating:
  - a) Adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any.
  - b) Adjustments for prior period and other material amounts in the respective financial years to which they relate and there are no qualifications which require adjustments and
  - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments
  - d) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial year ended on 31st March 2024, 2023, and 2022 which would require adjustments in this Restated Financial Statements of the Company.
  - e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure IV to this report.
7. Audit of WOL 3D INDIA LIMITED for the year ended 31st March, 2024 is Conducted by us whereas audit for the financial year ended on 31st March 2023 was conducted by S V J K & Associates and audit for the financial year

ended on 31st March 2022 was conducted by Hemadri Hareshkumar Pandya and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them and no routine audit has been carried out by us.

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 for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 proposed to be included in the Draft Offer Document/ Offer Document.

**Annexure to restated financial statements of the Company: -**

1. Summary statement of assets and liabilities, as restated as appearing in ANNEXURE I;
2. Summary statement of profit and loss, as restated as appearing in ANNEXURE II;
3. Summary statement of cash flow as restated as appearing in ANNEXURE III;
4. Restated significant accounting policies and notes to accounts as appearing in ANNEXURE IV;
5. Share capital as restated as appearing in ANNEXURE V to this report;
6. Reserves and surplus as restated as appearing in ANNEXURE VI to this report;
7. Long-term borrowings as restated as appearing in ANNEXURE VII to this report;
8. Deferred tax asset/liability as restated as per ANNEXURE VIII to this report;
9. Long-term provisions as restated as appearing in ANNEXURE IX to this report;
10. Short-term borrowings as restated as appearing in ANNEXURE X to this report;
11. Trade payables as restated as appearing in ANNEXURE XI to this report;
12. Other current liabilities as restated as appearing in ANNEXURE XII to this report;
13. Short-term provisions as restated as appearing in ANNEXURE XIII to this report;
14. Property, Plant & Equipment as restated as appearing in ANNEXURE XIV to this report;
15. Other non-current assets as restated as appearing in ANNEXURE XV to this report;
16. Inventories as restated as appearing in ANNEXURE XVI to this report;
17. Trade receivables as restated as appearing in ANNEXURE XVII to this report;
18. Cash & cash equivalents as restated as appearing in ANNEXURE XVIII to this report;
19. Short-term loans & advances as restated as appearing in ANNEXURE XIX to this report;
20. Other current assets as restated as appearing in ANNEXURE XX to this report;
21. Revenue from operations as restated as appearing in ANNEXURE XXI to this report;
22. Other income as restated as appearing in ANNEXURE XXII to this report;
23. Cost of material Consumed as restated as appearing in ANNEXURE XXIII to this report;
24. Purchase of stock in Trade as restated as appearing in ANNEXURE XXIV to this report;
25. Change in inventories of finished goods as restated as appearing in ANNEXURE XXV to this report;
26. Employees benefit expenses as restated as appearing in ANNEXURE XXVI to this report;
27. Finance costs as restated as appearing in ANNEXURE XXVII to this report;
28. Depreciation and amortization expenses as restated as appearing in ANNEXURE XIV to this report;
29. Other expenses as restated as appearing in ANNEXURE XXVIII to this report;
30. Contingent liabilities as restated as appearing in ANNEXURE XXIX to this report;
31. Related party transactions as restated as appearing in ANNEXURE XXX to this report;
32. Tax shelter as restated as appearing in ANNEXURE XXXI to this report;
33. Capitalisation statement as at 31st March, 2024 as restated as appearing in ANNEXURE XXXII to this report;
34. Statement of accounting ratios & additional Information as restated as appearing in ANNEXURE XXXIII to this report,

9. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned above.
10. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
11. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of chartered accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. In our opinion, the above financial information contained in Annexure I to XXXIII of this report read with the respective significant accounting policies and notes to restated summary statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
14. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Offer Document/ Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our 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 D V & Associates**  
**Chartered Accountants**  
**Firm Registration no: 128045W**

**Pratik Kabra**  
**Partner**  
**Membership No.: 611401**  
**UDIN: 24611401BKCLGQ9477**  
**Place: Mumbai**  
**Date: 12th September, 2024**

**ANNEXURE -I**  
**STATEMENT OF ASSETS AND LIABILITIES AS RESTATED**

(₹ In Lakhs)

| Particulars   | Annexure No. | As at March 31, |                 |                 |
|---|--------------|-----------------|-----------------|-----------------|
|   |              | 2024            | 2023            | 2022            |
| <b>I. EQUITY AND LIABILITIES</b>                        |              |                 |                 |                 |
| <b>(1) Shareholder's Funds</b>                          |              |                 |                 |                 |
| (a) Share Capital                                       | V            | 300.00          | 300.00          | 100.00          |
| (b) Reserves and Surplus                                | VI           | 761.22          | 266.80          | 226.25          |
| <b>(2) Share Application Money Pending Allotment</b>    |              | -               | -               | -               |
| <b>(3) Non-Current Liabilities</b>                      |              |                 |                 |                 |
| (a) Long-Term Borrowings                                | VII          | 344.16          | 348.41          | 364.24          |
| (b) Deferred Tax Liability(Net)                         | VIII         | -               | -               | -               |
| (c) Long term provision                                 | IX           | 7.64            | 3.44            | 1.92            |
| (d) Other long-term Liabilities                         |              | -               | -               | -               |
| <b>(4) Current Liabilities</b>                          |              |                 |                 |                 |
| (a) Short Term Borrowing                                | X            | 228.45          | 330.57          | 145.54          |
| (b) Trade Payables                                      |              |                 |                 |                 |
| - For Micro, Small & Medium enterprises                 | XI           | -               | -               | -               |
| - For Other than Micro, Small & Medium enterprises      | XI           | 509.88          | -               | 71.79           |
| (c) Other Current Liabilities                           | XII          | 166.96          | 118.39          | 85.67           |
| (d) Short-Term Provisions                               | XIII         | 137.97          | 23.26           | 7.21            |
| <b>Total</b>  |              | <b>2,456.27</b> | <b>1,390.88</b> | <b>1,002.62</b> |
| <b>II.ASSETS</b>  |              |                 |                 |                 |
| <b>(1) Non-Current Assets</b>                           |              |                 |                 |                 |
| (a) Property, Plant and Equipment and Intangible Assets |              |                 |                 |                 |
| (i) Property, Plant and Equipment                       | XIV          | 55.18           | 56.70           | 33.16           |
| (ii) Intangible Assets                                  | XIV          | 0.12            | 0.16            | 0.21            |
| (ii) Capital Work In Progress                           |              | -               | -               | 26.31           |
| (b) Deferred Tax Assets (net)                           | VIII         | 6.24            | 3.65            | 3.34            |
| (d) Other non-current assets                            | XV           | 40.77           | 16.28           | 17.16           |
| <b>(2) Current Assets</b>                               |              |                 |                 |                 |
| (a) Inventories   | XVI          | 1,680.65        | 681.63          | 613.23          |
| (b) Trade receivables                                   | XVII         | 400.95          | 449.15          | 187.83          |
| (c) Cash and Other Bank Balances                        | XVIII        | 92.62           | 46.34           | 68.16           |
| (d) Short-Term Loans And Advances                       | XIX          | 135.27          | 118.94          | 42.28           |
| (e) Other Current Assets                                | XX           | 44.48           | 18.05           | 10.94           |
| <b>Total</b>  |              | <b>2,456.27</b> | <b>1,390.88</b> | <b>1,002.62</b> |



**ANNEXURE – II**  
**STATEMENT OF PROFIT AND LOSS AS RESTATED**

(₹ In Lakhs)

| Sr. No.  | Particulars   | Annexure No. | For the year ended March 31, |                 |                 |
|----------|---|--------------|------------------------------|-----------------|-----------------|
|          |   |              | 2024                         | 2023            | 2022            |
| <b>A</b> | <b><u>Income:</u></b>   |              |                              |                 |                 |
|          | Revenue From Operations                                       | XXI          | 3,958.62                     | 2,331.11        | 1,969.25        |
|          | Other Income  | XXII         | 42.80                        | 40.21           | 67.78           |
|          | <b>Total Income</b>   |              | <b>4,001.43</b>              | <b>2,371.32</b> | <b>2,037.03</b> |
| <b>B</b> | <b><u>Expenses:</u></b>                                       |              |                              |                 |                 |
|          | Cost of Material Consumed                                     | XXIII        | 210.08                       | 92.35           | 77.68           |
|          | Purchases of stock in Trade                                   | XXIV         | 2,989.86                     | 1,496.61        | 1,550.52        |
|          | Changes in inventories of finished goods                      | XXV          | -688.06                      | -20.87          | -243.32         |
|          | Employee benefit expenses                                     | XXVI         | 225.09                       | 121.37          | 124.80          |
|          | Finance Cost  | XXVII        | 50.21                        | 26.53           | 51.21           |
|          | Depreciation and amortization expenses                        | XIV          | 19.53                        | 29.26           | 14.88           |
|          | Others Expenses   | XXVIII       | 521.64                       | 285.81          | 343.70          |
|          | <b>Total Expenses</b>   |              | <b>3,328.36</b>              | <b>2,031.07</b> | <b>1,919.46</b> |
| <b>C</b> | <b>Profit before exceptional, extraordinary items and tax</b> |              | <b>673.06</b>                | <b>340.25</b>   | <b>117.57</b>   |
|          | Less: Exceptional Items                                       |              | -                            | -               | -               |
|          | <b>Profit before extraordinary items and tax (A-B)</b>        |              | <b>673.06</b>                | <b>340.25</b>   | <b>117.57</b>   |
|          | Prior Period Items  |              | -                            | -               | -               |
|          | Extra ordinary items  |              | -                            | -               | -               |
| <b>D</b> | <b>Profit before tax</b>                                      |              | <b>673.06</b>                | <b>340.25</b>   | <b>117.57</b>   |
|          | <b>Tax expense:</b>   |              |                              |                 |                 |
|          | Current tax   |              | 172.35                       | 100.00          | 35.50           |
|          | Tax Related to Earlier year                                   |              | -                            | -               | -               |
|          | Deferred Tax  |              | -2.59                        | -0.31           | -2.35           |
|          | <b>Profit/(Loss) for the period After Tax- PAT</b>            |              | <b>503.30</b>                | <b>240.56</b>   | <b>84.42</b>    |

**ANNEXURE -III**  
**STATEMENT OF CASH FLOW AS RESTATED**

(₹ In Lakhs)

| Particulars   | For the year ended March 31, |                |                |
|---|------------------------------|----------------|----------------|
|   | 2024                         | 2023           | 2022           |
| <b>Cash Flow From Operating Activities:</b>                     |                              |                |                |
| Net Profit before tax as per Profit And Loss A/c                | 673.06                       | 340.25         | 117.57         |
| <b>Adjustments for:</b>   |                              |                |                |
| Depreciation & Amortisation Expense                             | 19.53                        | 29.26          | 14.88          |
| Finance Cost  | 50.21                        | 26.53          | 51.21          |
| Interest Income   | -1.67                        | -0.05          | -0.03          |
| Gratuity  | 4.37                         | 1.68           | 1.50           |
| Bad debts   | 2.53                         | -              | 0.39           |
| Damage Stock  | -                            | -              | 4.66           |
| <b>Operating Profit Before Working Capital Changes</b>          | <b>748.03</b>                | <b>397.67</b>  | <b>190.17</b>  |
| Adjusted for (Increase)/ Decrease in:                           |                              |                |                |
| Short term provision  | 114.53                       | 15.89          | 7.06           |
| Trade Receivables   | 45.67                        | -261.32        | -101.97        |
| Inventories   | -999.02                      | -68.40         | -274.95        |
| Other current assets  | -26.43                       | -7.10          | 1.83           |
| Trade Payables  | 509.88                       | -71.79         | 71.79          |
| Short Term Advance  | -16.32                       | -76.66         | 39.77          |
| Other Current Liabilities                                       | 48.57                        | 32.72          | -7.13          |
| <b>Cash Generated From Operations</b>                           | <b>-323.13</b>               | <b>-436.67</b> | <b>-263.59</b> |
| Appropriation of Profit   |                              |                |                |
| Net Income Tax paid/ refunded                                   | 181.24                       | 100.00         | 35.50          |
| <b>Net Cash Flow from/(used in) Operating Activities: (A)</b>   | <b>243.67</b>                | <b>-138.99</b> | <b>-108.92</b> |
| <b>Cash Flow From Investing Activities:</b>                     |                              |                |                |
| Sales of Fixed Assets   | -                            | 3.35           | -              |
| Purchases of Fixed Assets (including capital work in progress)  | -17.97                       | -29.79         | -35.66         |
| Interest Income on Fixed Deposits                               | 1.67                         | 0.05           | 0.03           |
| <b>Net Cash Flow from/(used in) Investing Activities: (B)</b>   | <b>-16.30</b>                | <b>-26.39</b>  | <b>-35.62</b>  |
| <b>Cash Flow from Financing Activities:</b>                     |                              |                |                |
| Proceeds from Long term Borrowings (including Current Maturity) | -                            | -              | 379.00         |
| Repayment of Long term Borrowings (including Current Maturity)  | -3.10                        | -14.76         | -              |
| Net Increase/(Decrease) in Short Term Borrowing                 | -103.28                      | 183.96         | -205.97        |
| Interest on borrowings  | -50.21                       | -26.53         | -51.21         |
| <b>Net Cash Flow from/(used in) Financing Activities ( C)</b>   | <b>-181.08</b>               | <b>143.56</b>  | <b>120.76</b>  |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)      | 46.28                        | -21.82         | -23.78         |
| Cash & Cash Equivalents As At Beginning of the Year             | 46.34                        | 68.16          | 91.94          |
| Cash & Cash Equivalents As At End of the Year                   | <b>92.62</b>                 | <b>46.34</b>   | <b>68.16</b>   |

**Notes:**

| 1. Components of Cash & Cash Equivalents                                       | For the year ended March 31, |              |              |
|--|------------------------------|--------------|--------------|
|  | 2024                         | 2023         | 2022         |
| Cash In Hand   | 0.67                         | 0.28         | 3.04         |
| Balance with Banks   | 90.59                        | 46.06        | 65.12        |
| Deposits with original maturity for more than 3 months but less than 12 months | 1.36                         | -            | -            |
| <b>Total</b>   | <b>92.62</b>                 | <b>46.34</b> | <b>68.16</b> |

## **ANNEXURE – IV**

### **SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & NOTES TO RESTATED FINANCIAL INFORMATION**

#### **COMPANY OVERVIEW**

WOL 3D INDIA LIMITED incorporated on November 01, 1988 under the name of “Parekh Polyster Private Limited”. Thereafter, the name of the company was changed from “Parekh Polyster Private Limited” to “Wol 3D India Private Limited” vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on April 30, 2018. It is involved in the business of providing 3D Printing solutions enabling easier prototyping.

#### **I. SIGNIFICANT ACCOUNTING POLICIES**

##### **A. Basis of preparation of Financial Statements:**

The Restated Statement of Assets and Liabilities (Annexure I) as at March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statements of Profit and Loss (Annexure II) for the year ended March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Cash Flow Statement (Annexure III) for the year ended March 31, 2024, March 31, 2023 and March 31, 2022, the Summary Statement of Significant Accounting Policies (Annexure IV), the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the “Restated Financial Information”), as approved by the Board of Directors of the company.

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (‘the Act’) read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act.

The accounting policies adopted in the preparation of financial statements have been consistently applied. All assets and liabilities have been classified as current or non-current as per the company’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and time difference between the provision of services and realization of cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

##### **B. Use of Estimates**

The preparation of financial statements is in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

#### **C. ACCOUNTING CONVENTION**

The Company follows the mercantile system of accounting, recognizing income and expenditure on accrual basis. The accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to specifically otherwise, are consistent with the generally accepted accounting principles.

The following significant accounting policies are adopted in the preparation and presentation of these financial statements:

##### **1. Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sales of goods are recognized on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

Income from Franchise fee is recognized on the date of finalization of franchise which is one-time fees.

Income from service is recognized on an accrual basis when it is earned and the right to receive payment is reasonably assured.

Interest Income is Recognized on a time proportion basis taking into account the amount outstanding and the rate applicable i.e. on the basis of matching concept.

## **2. Property, Plant and Equipment**

a) Property, Plant and Equipment are stated as per Cost Model i.e., at cost less accumulated depreciation and impairment, if any; Costs directly attributable to acquisition are capitalized until the Property, Plant and Equipment are ready for use, as intended by the management;

b) Subsequent expenditures relating to Property, Plant and Equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs & maintenance costs are recognized in the Statement of profit & Loss when incurred;

c) The cost and related accumulated depreciated are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit or Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell;

d) Depreciation on fixed assets will be calculated using the Written Down Value (WDV) method, which involves applying depreciation rates prescribed under Schedule II to the Companies Act 2013. to the carrying amount of the asset. The carrying amount is reduced each year by the amount of depreciation charged.

f) Depreciation methods, useful lives, and residual values are reviewed periodically, including at each financial year end;

## **3. Impairment**

The Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

## **4. Inventories**

Inventories are valued after providing for obsolescence, as follows:

Raw Materials -Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on Weighted Average Method (WAM) basis.

## **5. Foreign Exchange Transactions**

All transactions in foreign currency are recorded at the rates of exchange prevailing at the date of transaction. Any gain/ loss on account of the fluctuation in the rate of exchange is recognized in the statement of Profit and Loss.

Monetary items in the form of Loans, Current Assets and Current Liabilities in foreign currencies outstanding at the close of the year are converted in Indian currency at the appropriate rates of exchange prevailing on the date of Balance Sheet. Resultant gain or loss on account of the fluctuation in the rate of exchange is recognized in the statement of Profit and Loss.

## **6. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

## **7. Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. Costs incurred in raising funds are amortized equally over the period for which the funds are acquired. All other borrowing costs are charged to profit and loss account.

## **8. Income Tax**

The accounting treatment for the Income Tax in respect of the Company's income is based on the Accounting Standard on 'Accounting for Taxes on Income' (AS-22). The provision made for Income Tax in Accounts comprises both, the current tax and deferred tax. Provision for Current Tax is made on the assessable Income Tax rate applicable to the relevant assessment year after considering various deductions available under the Income Tax Act, 1961.

Deferred tax is recognized for all timing differences; being the differences between the taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. The carrying amount of deferred tax asset/liability is reviewed at each Balance Sheet date and consequential adjustments are carried out.

## **9. Earnings Per Share**

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

## **10. Provisions and Contingent Liabilities**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimable, 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 likely future 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 a 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 obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

## 11. Cash and Cash Equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

## 12. Segment Reporting

As per AS-17 Segment Reporting is not applicable to the Company.

## 13. Employee Benefits

Defined-contribution plans:

All short-term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

The Company's contribution to Provident Fund is determined based on a fixed percentage of the eligible employees' salary and charged to the Statement of Profit and Loss on accrual basis.

The Company has made provision for payment of Gratuity to its employees. This Provision is made as per the method prescribed under the Payment of Gratuity Act. The cost of providing gratuity under this plan is determined on the basis of actuarial valuation at year/period end. The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits during the restated financials period. The disclosure as envisaged under the Accounting Standard is provided hereunder:

(₹ In Lakhs)

| Details of Gratuity Expenses                        | 2023-24     | 2022-23     | 2021-22     |
|---|-------------|-------------|-------------|
| <b>Profit and loss account for the period</b>       |             |             |             |
| Current service cost                                | 2.52        | 0.99        | 0.54        |
| Interest on obligation                              | 0.28        | 0.16        | 0.04        |
| Expected return on plan assets                      | -           | -           | -           |
| Net actuarial loss/(gain)                           | 1.57        | 0.53        | 0.92        |
| Recognized Past Service Cost-Vested                 | -           | -           | -           |
| Benefits paid                                       | -           | -           | -           |
| Loss (gain) on curtailments                         | -           | -           | -           |
| <b>Total included in 'Employee Benefit Expense'</b> | <b>4.37</b> | <b>1.68</b> | <b>1.50</b> |
| prior year charge                                   | -           | -           | -           |
| <b>Total Charge to P&amp;L</b>                      | <b>4.37</b> | <b>1.68</b> | <b>1.50</b> |
| <b>Reconciliation of defined benefit obligation</b> |             |             |             |
| Opening Defined Benefit Obligation                  | 3.75        | 2.07        | 0.56        |
| Transfer in/(out) obligation                        | -           | -           | -           |
| Current service cost                                | 2.52        | 0.99        | 0.54        |
| Interest cost                                       | .28         | 0.16        | 0.04        |
| Actuarial loss (gain)                               | 1.57        | 0.53        | 0.92        |
| Past service cost                                   | -           | -           | -           |
| Benefits paid                                       | -           | -           | -           |
| prior year charge                                   | -           | -           | -           |
| <b>Closing Defined Benefit Obligation</b>           | <b>8.13</b> | <b>3.75</b> | <b>2.07</b> |
| <b>Table of experience adjustments</b>              |             |             |             |
| Defined Benefit Obligation                          | 8.13        | 3.75        | 2.07        |
| Plan Assets   | -           | -           | -           |
| <b>Surplus/(Deficit)</b>                            | <b>8.13</b> | <b>3.75</b> | <b>2.07</b> |
| <b>Reconciliation of plan assets</b>                |             |             |             |

|  |             |             |             |
|--|-------------|-------------|-------------|
| Opening value of plan assets                           | -           | -           | -           |
| Transfer in/(out) plan assets                          | -           | -           | -           |
| Expenses deducted from the fund                        | -           | -           | -           |
| Expected return  | -           | -           | -           |
| Actuarial gain/(loss)                                  | -           | -           | -           |
| Contributions by employer                              | -           | -           | -           |
| Benefits paid  | -           | -           | -           |
| Closing value of plan assets                           | -           | -           | -           |
| <b>Details of Gratuity Expenses</b>                    |             |             |             |
| <b>Reconciliation of net defined benefit liability</b> |             |             |             |
| Net opening provision in books of accounts             | 3.75        | 2.07        | 0.56        |
| –Transfer in/(out) obligation                          | 4.37        | 1.68        | 1.50        |
| Transfer (in)/out plan assets                          | -           | -           | -           |
| Employee Benefit Expense                               | 8.13        | 3.75        | 2.07        |
| Benefits paid by the Company                           | -           | -           | -           |
| Contributions to plan assets                           | -           | -           | -           |
| <b>Closing provision in books of accounts</b>          | <b>8.13</b> | <b>3.75</b> | <b>2.07</b> |
| <b>Bifurcation of liability</b>                        |             |             |             |
| Current Liability                                      | 0.49        | 0.31        | 0.15        |
| Non-Current Liability                                  | 7.64        | 3.44        | 1.92        |
| <b>Net Liability</b>                                   | <b>8.13</b> | <b>3.75</b> | <b>2.07</b> |
| <b>Principle actuarial assumptions</b>                 |             |             |             |
| Discount Rate  | 7.25%       | 7.50%       | 7.50%       |
| Expected Return on Plan Assets                         | -           | -           | -           |
| Salary Escalation Rate                                 | 5.00%       | 5.00%       | 5.00%       |
| Withdrawal Rates (p.a.)                                | 10.00%      | 10.00%      | 10.00%      |

## II. NOTES TO RESTATED SUMMARY STATEMENTS:

### 1. Contingent liabilities and commitments (to the extent not provided for)

A disclosure for a contingent liability reported in the notes to restated financial restatements when there is a possible obligation that may, require an outflow of the Company's resources.

### 2. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Outstanding dues of Micro or Small-Scale Industrial Enterprise(s) as per The Micro, Small & Medium Enterprise Development Act, the Company has disclosed the same as required by Schedule III to the Companies Act, 2013.

### 3. Related Party Transactions

Related party transactions are already reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure-XXX of the enclosed financial statements.

### 4. Auditors' Remuneration:

| Particulars            | For the Year Ended |             |             |
|------------------------|--------------------|-------------|-------------|
|                        | 2023-24            | 2022-23     | 2021-22     |
| Audit fees             |                    |             |             |
| - Statutory Audit Fees | 1.50               | 1.35        | 0.80        |
| - Tax Audit Fees       | 0.50               | 0.40        | 0.30        |
| <b>Total</b>           | <b>2.00</b>        | <b>1.75</b> | <b>1.10</b> |

5. Figures have been rearranged and regrouped wherever practical and considered necessary.

6. The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.

7. The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.

## 8. Realizations

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.

## 9. Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

## 10. Impact of Audit Qualifications/Observations in Statutory Auditor's Report on Financial Statements

There have been no audit qualifications/observations in Statutory Auditor's Report for F.Y. 2021-22, 2022-23 and 2023-24 which requires adjustments in restated financial statements.

## 11. Amounts in the financial statements

Amounts in the financial statements are rounded off to nearest lacs. Figures in brackets indicate negative values.

### RECONCILIATION OF RESTATED PROFIT:

| Adjustments for  | For the Year Ended |               |              |
|--|--------------------|---------------|--------------|
|  | March 2024         | March 2023    | March 2022   |
| Net Profit/(Loss) after Tax as per Audited Profit & Loss Account | 503.94             | 217.02        | 84.36        |
| <b>Adjustments for:</b>  |                    |               |              |
| Short/Excess Provision Of tax                                    | 12.09              | -21.25        | 1.91         |
| Deferred Tax   | -                  | -2.19         | 3.58         |
| Depreciation   | -                  | -7.37         | -2.31        |
| Foreign Exchange Gain/Loss                                       | -                  | -2.27         | -2.24        |
| Interest Expenses  | -12.73             | 3.47          | -            |
| Interest on FD   | -                  | 0.05          | 0.03         |
| Repairs & Maintenance Expenses                                   | -                  | 8.37          | -            |
| Rent, Rates & Taxes  | -                  | -0.38         | -            |
| Increase / (Decrease) in Stock                                   | -                  | 46.80         | 0.59         |
| Provision for Gratuity   | -                  | -1.68         | -1.50        |
| <b>Net Profit/ (Loss) After Tax as Restated</b>                  | <b>503.30</b>      | <b>240.56</b> | <b>84.42</b> |

1. Provision for Taxation has been adjusted for Items like Income Tax related to Earlier Years and Short Provision for Earlier Years.
2. Due to changes in depreciation and gratuity provision the deferred tax component on the same has also undergone change.
3. The company has been wrongly charging Depreciation hence there is Change in Depreciation.
4. Due to booking of Unrealized Gain or loss on closing balance of the parties' and Realized gains on Import Transactions foreign fluctuation has been changed.
5. Due to booking of Unrealized Gain or loss on closing balance of the parties' and Realized gains on Import Transactions foreign fluctuation has been changed.
6. Due to booking of Interest on Fixed Deposits which was not recognized by the company, Interest income has been changed.
7. Due to booking of Unrealized Gain or loss on closing balance of the parties' and Realized gains on Import Transactions foreign fluctuation has been changed.
8. Due to booking of interest expenses in the respective year, interest expense has been undergone change.
9. Due to change in valuation of Inventory. Inventory value has been changed



10. The provision for gratuity has been done in all years covered for restatement as per Actuarial Valuation Reports and provided in the respective year in which such liability has arisen as per AS 15: Employee Benefits.

#### RECONCILIATION OF EQUITY AND RESERVES:

| Adjustments for  | For the Year Ended |               |               |
|--|--------------------|---------------|---------------|
|  | 2023-24            | 2022-23       | 2021-22       |
| Equity and Reserve as per Audited Balance sheet          | 1,070.74           | 542.39        | 325.37        |
| <b>Adjustments for:</b>                                  |                    |               |               |
| Difference Due to Change in P&L                          | -0.64              | 23.54         | 0.06          |
| Prior period Adjustments (Refer Note-1)                  | -8.89              | 0.88          | 0.82          |
| <b>Equity and Reserve as per Re-stated Balance sheet</b> | <b>1,061.22</b>    | <b>566.80</b> | <b>326.25</b> |

Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years.

#### Note 1 - Adjustments having impact on Profit:

Amounts relating to the prior period have been adjusted in the year to which the same relates to and the same amount is arrived on account of change in Opening Balance of Reserve and Surplus due to the restated effect on the profit / (loss) of prior period.

#### Note - To give Explanatory Notes regarding Adjustments

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of Income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial of the company for all the years and requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018

#### ANNEXURE V DETAILS OF SHARE CAPITAL AS RESTATED

(₹ In Lakhs, Except no of share)

| Particulars  | As at March 31, |        |        |
|--|-----------------|--------|--------|
|  | 2024            | 2023   | 2022   |
| <b>EQUITY SHARE CAPITAL :</b>  |                 |        |        |
| <b>AUTHORISED:</b>   |                 |        |        |
| 70,00,000 Equity Shares of Rs.10 /- each (40,00,000 Equity Shares of Rs.10 /- each in FY 2022-23, 10,00,000 Equity Shares of Rs.10/- each in FY 2021-22) | 700.00          | 400.00 | 100.00 |
|  | 700.00          | 400.00 | 100.00 |
| <b>ISSUED, SUBSCRIBED AND PAID UP</b>  |                 |        |        |
| 30,00,000 Equity Shares of Rs.10 /- each (10,00,000 Equity Shares of Rs.10/- each in FY 2021-22)   | 300.00          | 300.00 | 100.00 |
|  | 300.00          | 300.00 | 100.00 |

|  |                  |                  |                  |
|--|------------------|------------------|------------------|
| <b>a. Reconciliation of number of shares outstanding at the end of the year:</b> |                  |                  |                  |
| Equity Shares at the beginning of the year Class                                 | 3,000,000        | 1,000,000        | 1,000,000        |
| Add: Bonus Shares issued during the year   | -                | 2,000,000        | -                |
| <b>TOTAL</b>   | <b>3,000,000</b> | <b>3,000,000</b> | <b>1,000,000</b> |

#### b. Details of Shareholders holding more than 5% of the aggregate shares of the company:

| Particulars        | As at March 31, 2024 |              |
|--------------------|----------------------|--------------|
|                    | No. of share         | % of Holding |
| Swati Pradeep Jain | 739,200              | 24.64%       |

|                          |                  |               |
|--------------------------|------------------|---------------|
| Pradeep Shripal Jain     | 409,200          | 13.64%        |
| Rahul Virendra Chandalia | 750,000          | 25.00%        |
| Saloni Rahul Chandalia   | 698,400          | 23.28%        |
| <b>Total</b>             | <b>2,596,800</b> | <b>86.56%</b> |

| Particulars              | As at March 31, 2023 |               |
|--------------------------|----------------------|---------------|
|                          | No. of share         | % of Holding  |
| Swati Pradeep Jain       | 739,200              | 24.64%        |
| Pradeep Shripal Jain     | 409,200              | 13.64%        |
| Rahul Virendra Chandalia | 750,000              | 25.00%        |
| Saloni Rahul Chandalia   | 698,400              | 23.28%        |
| <b>Total</b>             | <b>2,596,800</b>     | <b>86.56%</b> |

| Particulars              | As at March 31, 2022 |               |
|--------------------------|----------------------|---------------|
|                          | No. of share         | % of Holding  |
| Swati Pradeep Jain       | 246,400              | 24.64%        |
| Pradeep Shripal Jain     | 136,400              | 13.64%        |
| Rahul Virendra Chandalia | 250,000              | 25.00%        |
| Saloni Rahul Chandalia   | 232,800              | 23.28%        |
| <b>Total</b>             | <b>865,600</b>       | <b>86.56%</b> |

**c. Change in the Shareholding of the Promoters:**

| Particulars              | As at March 31, 2024 |               |                             |
|--------------------------|----------------------|---------------|-----------------------------|
|                          | No. of share         | % of Holding  | Change of % During the year |
| Swati Pradeep Jain       | 739,200              | 24.64%        | 0.00%                       |
| Pradeep Shripal Jain     | 409,200              | 13.64%        | 0.00%                       |
| Rahul Virendra Chandalia | 750,000              | 25.00%        | 0.00%                       |
| Saloni Rahul Chandalia   | 698,400              | 23.28%        | 0.00%                       |
| <b>Total</b>             | <b>2,596,800</b>     | <b>86.56%</b> | <b>0.00%</b>                |

| Particulars              | As at March 31, 2023 |               |                             |
|--------------------------|----------------------|---------------|-----------------------------|
|                          | No. of share         | % of Holding  | Change of % During the year |
| Swati Pradeep Jain       | 300,000              | 24.64%        | 0.00%                       |
| Pradeep Shripal Jain     | 150,000              | 13.64%        | 0.00%                       |
| Rahul Virendra Chandalia | 250,000              | 25.00%        | 0.00%                       |
| Saloni Rahul Chandalia   | 300,000              | 23.28%        | 0.00%                       |
| <b>Total</b>             | <b>1,000,000</b>     | <b>63.28%</b> | <b>0.00%</b>                |

| Particulars              | As at March 31, 2022 |               |                             |
|--------------------------|----------------------|---------------|-----------------------------|
|                          | No. of share         | % of Holding  | Change of % During the year |
| Swati Pradeep Jain       | 300,000              | 24.64%        | -5.36%                      |
| Pradeep Shripal Jain     | 150,000              | 13.64%        | -1.36%                      |
| Rahul Virendra Chandalia | 250,000              | 25.00%        | 0.00%                       |
| Saloni Rahul Chandalia   | 300,000              | 23.28%        | -6.72%                      |
| <b>Total</b>             | <b>1,000,000</b>     | <b>63.28%</b> | <b>-13.44%</b>              |

**Equity shares movement during the 5 years**

Equity shares issued as bonus: The Company allotted 20,00,000 equity shares as fully paid-up bonus shares by capitalisation of profits transferred from retained earnings amounting to 200 Lakhs vide Board Resolution dated April 26, 2024.

**ANNEXURE VI**  
**DETAILS OF RESERVE & SURPLUS AS RESTATED**

(₹ In Lakhs)

| Particulars                     | As at March 31, |               |               |
|---------------------------------|-----------------|---------------|---------------|
|                                 | 2024            | 2023          | 2022          |
| <b>Surplus :-</b>               |                 |               |               |
| <i>Opening Balance</i>          | 266.80          | 226.25        | 141.83        |
| Add - Current Year profit       | 503.30          | 240.56        | 84.42         |
| Less - Previous Year Income Tax | -8.89           | -             | -             |
| Less : Bonus Share Issued       | -               | -200.00       | -             |
| <i>Closing Balance</i>          | <b>761.22</b>   | <b>266.80</b> | <b>226.25</b> |
| <b>TOTAL</b>                    | <b>761.22</b>   | <b>266.80</b> | <b>226.25</b> |

**ANNEXURE VII**  
**DETAILS OF LONG TERM BORROWING AS RESTATED**

(₹ In Lakhs)

| Particulars            | As at March 31, |               |               |
|------------------------|-----------------|---------------|---------------|
|                        | 2024            | 2023          | 2022          |
| <b>Unsecured Loans</b> |                 |               |               |
| Term Loan From Bank    | 344.16          | 348.41        | 364.24        |
| <b>TOTAL</b>           | <b>344.16</b>   | <b>348.41</b> | <b>364.24</b> |

**ANNEXURE VIII**  
**DETAILS OF DEFERRED TAX LIABILITIES/(ASSETS) AS RESTATED**

(₹ In Lakhs)

| Particulars                       | As at March 31, |              |              |
|-----------------------------------|-----------------|--------------|--------------|
|                                   | 2024            | 2023         | 2022         |
| Deferred Tax Liabilities/(Assets) | -6.24           | -3.65        | -3.34        |
| <b>TOTAL</b>                      | <b>-6.24</b>    | <b>-3.65</b> | <b>-3.34</b> |

**ANNEXURE IX**  
**DETAILS OF LONG TERM PROVISIONS AS RESTATED**

(₹ In Lakhs)

| Particulars                            | As at March 31, |             |             |
|--|-----------------|-------------|-------------|
|  | 2024            | 2023        | 2022        |
| <b>Provision for Employee Benefits</b> |                 |             |             |
| Provision for Gratuity                 | 7.64            | 3.44        | 1.92        |
| <b>TOTAL</b>                           | <b>7.64</b>     | <b>3.44</b> | <b>1.92</b> |

**ANNEXURE X**  
**DETAILS OF SHORT TERM BORROWING AS RESTATED**

(₹ In Lakhs)

| Particulars                                | As at March 31, |               |               |
|--|-----------------|---------------|---------------|
|  | 2024            | 2023          | 2022          |
| <b>Unsecured Loan</b>                      |                 |               |               |
| Current Maturities of long term borrowings | 16.98           | 15.83         | 14.76         |
| Loan from Directors                        | 211.46          | 304.04        | 85.94         |
| Loan from Others                           | -               | 10.70         | 44.85         |
| <b>Total</b>                               | <b>228.45</b>   | <b>330.57</b> | <b>145.54</b> |

**ANNEXURE XI**  
**DETAILS OF TRADE PAYABLES AS RESTATED**

(₹ In Lakhs)

| Particulars                                      | As at March 31, |          |              |
|--|-----------------|----------|--------------|
|  | 2024            | 2023     | 2022         |
| For Micro, Small & Medium enterprises            | -               | -        | -            |
| For Other than Micro, Small & Medium enterprises | 509.88          | -        | 71.79        |
| <b>TOTAL</b>                                     | <b>509.88</b>   | <b>-</b> | <b>71.79</b> |

**ANNEXURE XI(A)**

**Ageing Analysis of Trade Payables as Restated**

| Sr. No | Particulars                   | Outstanding for following periods from due date of payment |              |              |                   | Total         |
|--------|-------------------------------|--|--------------|--------------|-------------------|---------------|
|        |                               | Less than 1 year   | 1 to 2 years | 2 to 3 years | More than 3 years |               |
|        | <b>As at 31st March, 2024</b> |  |              |              |                   |               |
| 1      | MSME                          | -  | -            | -            | -                 | -             |
| 2      | Others                        | 509.88   | -            | -            | -                 | 509.88        |
|        |                               |  |              |              |                   | <b>509.88</b> |
|        | <b>As at 31st March, 2023</b> |  |              |              |                   |               |
| 1      | MSME                          | -  | -            | -            | -                 | -             |
| 2      | Others                        | -  | -            | -            | -                 | -             |
|        |                               |  |              |              |                   | -             |
|        | <b>As at 31st March, 2022</b> |  |              |              |                   |               |
| 1      | MSME                          | -  | -            | -            | -                 | -             |
| 2      | Others                        | 71.79  | -            | -            | -                 | 71.79         |
|        |                               |  |              |              |                   | <b>71.79</b>  |
|        | <b>As at 31st March, 2021</b> |  |              |              |                   |               |
| 1      | MSME                          | -  | -            | -            | -                 | -             |
| 2      | Others                        | -  | -            | -            | -                 | -             |

**ANNEXURE XII**  
**DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED**

(₹ In Lakhs)

| Particulars                     | As at March 31, |               |              |
|---------------------------------|-----------------|---------------|--------------|
|                                 | 2024            | 2023          | 2022         |
| Advance Received from Customers | 93.66           | 48.94         | 33.03        |
| Payable for Expense             | 67.68           | 37.10         | 24.91        |
| <b>Statutory Liabilities</b>    | <b>-</b>        |               |              |
| PF Payable                      | 0.60            | 0.95          | -            |
| Professional Tax Payable        | 0.13            | 1.27          | 0.26         |
| ESIC Payable                    | 0.03            | 0.03          | -            |
| GST Payable                     | -               | 27.62         | -            |
| TDS & TCS Payable               | 3.08            | 2.24          | 22.61        |
| Salary Payable                  | 1.77            | 0.24          | 4.86         |
|                                 | <b>166.96</b>   | <b>118.39</b> | <b>85.67</b> |

**ANNEXURE XIII**  
**DETAILS OF SHORT TERM PROVISION AS RESTATED**

(₹ In Lakhs)

| Particulars                                | As at March 31, |              |             |
|--|-----------------|--------------|-------------|
|  | 2024            | 2023         | 2022        |
| <b>Provisions :</b>                        |                 |              |             |
| Provision for Gratuity                     | 0.49            | 0.31         | 0.15        |
| Income Tax Provisions (Net of Advance Tax) | 137.48          | 22.95        | 7.06        |
| <b>Closing Balance</b>                     | <b>137.97</b>   | <b>23.26</b> | <b>7.21</b> |

**ANNEXURE XIV**  
**DETAILS OF PROPERTY, PLANT & EQUIPMENT AS RESTATED**

**FY 2021-22**

**Property, Plant & Equipment**

(₹ In Lakhs)

| Sr No.       | Particulars                            | Gross Block      |              |                           |                  | Accumulated Depreciation |              |                      |                  | Net Block        |                  |
|--------------|--|------------------|--------------|---------------------------|------------------|--------------------------|--------------|----------------------|------------------|------------------|------------------|
|              |  | As At 01-04-2021 | Addition     | Deduction during the year | As At 31-03-2022 | As At 01-04-2021         | For the Year | Sold during the year | As At 31-03-2022 | As At 31-03-2022 | As At 31-03-2021 |
| <b>(I)</b>   | <b><u>Tangible Assets</u></b>          |                  |              |                           |                  |                          |              |                      |                  |                  |                  |
| 1            | Plant and Machinery                    | 24.66            | -            |                           | 24.66            | 1.33                     | 4.22         | -                    | 5.55             | 19.11            | 23.33            |
| 2            | Furniture and Fixture                  | 15.72            | -            |                           | 15.72            | 4.83                     | 4.91         | -                    | 9.74             | 5.98             | 10.89            |
| 3            | Vehicles                               | -                | 0.70         |                           | 0.70             | -                        | 0.15         | -                    | 0.15             | 0.56             | -                |
| 4            | Office Equipments                      | 2.97             | 6.34         |                           | 9.31             | 0.23                     | 3.57         | -                    | 3.80             | 5.51             | 2.74             |
| 5            | Computers                              | 2.80             | 2.31         |                           | 5.10             | 1.14                     | 1.96         | -                    | 3.10             | 2.00             | 1.65             |
|              | <b>Sub Total (I)</b>                   | <b>46.15</b>     | <b>9.35</b>  | <b>-</b>                  | <b>55.49</b>     | <b>7.53</b>              | <b>14.80</b> | <b>-</b>             | <b>22.34</b>     | <b>33.16</b>     | <b>38.61</b>     |
| <b>(II)</b>  | <b><u>Intangible Assets</u></b>        |                  |              |                           |                  |                          |              |                      |                  |                  |                  |
| 1            | Software                               | 0.54             | -            |                           | 0.54             | 0.25                     | 0.07         | -                    | 0.33             | 0.21             | 0.29             |
|              | <b>Sub Total (II)</b>                  | <b>0.54</b>      | <b>-</b>     | <b>-</b>                  | <b>0.54</b>      | <b>0.25</b>              | <b>0.07</b>  | <b>-</b>             | <b>0.33</b>      | <b>0.21</b>      | <b>0.29</b>      |
| <b>(III)</b> | <b><u>Capital Work-in-progress</u></b> |                  |              |                           |                  |                          |              |                      |                  |                  |                  |
|              | Furniture and Fixture                  | -                | 22.96        |                           | 22.96            | -                        | -            | -                    | -                | 22.96            | -                |
|              | Plant and Machinery                    | -                | 3.35         |                           | 3.35             | -                        | -            | -                    | -                | 3.35             | -                |
|              | <b>Sub Total (III)</b>                 | <b>-</b>         | <b>26.31</b> | <b>-</b>                  | <b>26.31</b>     | <b>-</b>                 | <b>-</b>     | <b>-</b>             | <b>-</b>         | <b>26.31</b>     | <b>-</b>         |
|              | <b>TOTAL</b>                           | <b>46.69</b>     | <b>35.66</b> | <b>-</b>                  | <b>82.34</b>     | <b>7.78</b>              | <b>14.88</b> | <b>-</b>             | <b>22.66</b>     | <b>59.68</b>     | <b>38.90</b>     |

**CWIP Aging Schedule**

| CWIP                           | Amount in CWIP for a period of |           |           |                   | Total |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
|                                | Less than 1 Year               | 1-2 Years | 2-3 Years | More than 3 Years |       |
| Projects in Progress           | 26.31                          | -         | -         | -                 | -     |
| Projects temporarily Suspended | -                              | -         | -         | -                 | -     |

**FY 2022-23**
**Property, Plant & Equipment**

| Sr No. | Particulars                     | Gross Block      |              |                           |                  | Accumulated Depreciation |              |                      | Net Block        |                  |                  |
|--------|---------------------------------|------------------|--------------|---------------------------|------------------|--------------------------|--------------|----------------------|------------------|------------------|------------------|
|        |                                 | As At 01-04-2022 | Addition     | Deduction during the year | As At 31-03-2023 | As At 01-04-2022         | For the Year | Sold during the year | As At 31-03-2023 | As At 31-03-2023 | As At 31-03-2022 |
| (I)    | <b>Tangible Assets</b>          |                  |              |                           |                  |                          |              |                      |                  |                  |                  |
| 1      | Plant and Machinery             | 24.66            | 5.08         |                           | 29.74            | 5.55                     | 4.22         | -                    | 9.77             | 19.97            | 19.11            |
| 2      | Furniture and Fixture           | 15.72            | 24.54        |                           | 40.26            | 9.74                     | 13.34        | -                    | 23.08            | 17.18            | 5.98             |
| 3      | Vehicles                        | 0.70             | 16.39        |                           | 17.09            | 0.15                     | 4.94         | -                    | 5.09             | 12.00            | 0.56             |
| 4      | Office Equipments               | 9.31             | 0.70         |                           | 10.00            | 3.80                     | 2.68         | -                    | 6.48             | 3.53             | 5.51             |
| 5      | Computers                       | 5.10             | 6.04         |                           | 11.14            | 3.10                     | 4.03         | -                    | 7.13             | 4.01             | 2.00             |
|        | <b>Sub Total (I)</b>            | <b>55.49</b>     | <b>52.74</b> | <b>-</b>                  | <b>108.24</b>    | <b>22.34</b>             | <b>29.21</b> | <b>-</b>             | <b>51.54</b>     | <b>56.70</b>     | <b>33.16</b>     |
| (II)   | <b>Intangible Assets</b>        |                  |              |                           |                  |                          |              |                      |                  |                  |                  |
| 1      | Software                        | 0.54             | -            |                           | 0.54             | 0.33                     | 0.06         | -                    | 0.38             | 0.16             | 0.21             |
|        | <b>Sub Total (II)</b>           | <b>0.54</b>      | <b>-</b>     | <b>-</b>                  | <b>0.54</b>      | <b>0.33</b>              | <b>0.06</b>  | <b>-</b>             | <b>0.38</b>      | <b>0.16</b>      | <b>0.21</b>      |
| (III)  | <b>Capital Work-in-progress</b> |                  |              |                           |                  |                          |              |                      |                  |                  |                  |
|        | Furniture and Fixture           | 22.96            | -            | 22.96                     | -                | -                        | -            | -                    | -                | -                | 22.96            |
|        | Plant and Machinery             | 3.35             | -            | 3.35                      | -                | -                        | -            | -                    | -                | -                | 3.35             |
|        | <b>Sub Total (III)</b>          | <b>22.96</b>     | <b>-</b>     | <b>22.96</b>              | <b>-</b>         | <b>-</b>                 | <b>-</b>     | <b>-</b>             | <b>-</b>         | <b>-</b>         | <b>26.31</b>     |
|        | <b>TOTAL</b>                    | <b>78.99</b>     | <b>52.74</b> | <b>22.96</b>              | <b>108.78</b>    | <b>22.66</b>             | <b>29.26</b> | <b>-</b>             | <b>51.92</b>     | <b>56.85</b>     | <b>59.68</b>     |

**CWIP Aging Schedule**

| CWIP                           | Amount in CWIP for a period of |           |           |                   | Total |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
|                                | Less than 1 Year               | 1-2 Years | 2-3 Years | More than 3 Years |       |
| Projects in Progress           | -                              | -         | -         | -                 | -     |
| Projects temporarily Suspended | -                              | -         | -         | -                 | -     |

**FY 2023-24**
**Property, Plant & Equipment**

| Sr No. | Particulars            | Gross Block      |          |                           |                  | Accumulated Depreciation |              |                      | Net Block        |                  |                  |
|--------|------------------------|------------------|----------|---------------------------|------------------|--------------------------|--------------|----------------------|------------------|------------------|------------------|
|        |                        | As At 01-04-2023 | Addition | Deduction during the year | As At 30-03-2024 | As At 01-04-2023         | For the Year | Sold during the year | As At 30-03-2024 | As At 30-03-2024 | As At 31-03-2023 |
| (I)    | <b>Tangible Assets</b> |                  |          |                           |                  |                          |              |                      |                  |                  |                  |
| 1      | Plant and Machinery    | 29.74            | -        | -                         | 29.74            | 9.77                     | 3.61         | -                    | 13.39            | 16.35            | 19.97            |
| 2      | Furniture and Fixture  | 40.26            | 4.21     | -                         | 44.47            | 23.08                    | 4.96         | -                    | 28.04            | 16.43            | 17.18            |

|              |                                 |               |              |          |               |              |              |          |              |              |              |
|--------------|---------------------------------|---------------|--------------|----------|---------------|--------------|--------------|----------|--------------|--------------|--------------|
| 3            | Vehicles                        | 17.09         | 0.63         | -        | 17.72         | 5.09         | 3.84         | -        | 8.93         | 8.79         | 12.00        |
| 4            | Office Equipments               | 10.00         | 11.81        | -        | 21.82         | 6.48         | 4.54         | -        | 11.02        | 10.80        | 3.53         |
| 5            | Computers                       | 11.14         | 1.32         | -        | 12.47         | 7.13         | 2.53         | -        | 9.66         | 2.81         | 4.01         |
|              | <b>Sub Total (I)</b>            | <b>108.24</b> | <b>17.97</b> | <b>-</b> | <b>126.21</b> | <b>51.54</b> | <b>19.49</b> | <b>-</b> | <b>71.04</b> | <b>55.18</b> | <b>56.70</b> |
| <b>(II)</b>  | <b>Intangible Assets</b>        |               |              |          |               |              |              |          |              |              |              |
| 1            | Software                        | 0.54          | -            | -        | 0.54          | 0.38         | 0.04         | -        | 0.42         | 0.12         | 0.16         |
|              | <b>Sub Total (II)</b>           | <b>0.54</b>   | <b>-</b>     | <b>-</b> | <b>0.54</b>   | <b>0.38</b>  | <b>0.04</b>  | <b>-</b> | <b>0.42</b>  | <b>0.12</b>  | <b>0.16</b>  |
| <b>(III)</b> | <b>Capital Work-in-progress</b> |               |              |          |               |              |              |          |              |              |              |
|              | Capital WIP                     | -             | -            |          | -             | -            | -            | -        | -            | -            | -            |
|              | <b>Sub Total (III)</b>          | <b>-</b>      | <b>-</b>     | <b>-</b> | <b>-</b>      | <b>-</b>     | <b>-</b>     | <b>-</b> | <b>-</b>     | <b>-</b>     | <b>-</b>     |
|              | <b>TOTAL</b>                    | <b>108.78</b> | <b>17.97</b> | <b>-</b> | <b>126.75</b> | <b>51.92</b> | <b>19.53</b> | <b>-</b> | <b>71.46</b> | <b>55.29</b> | <b>56.85</b> |

#### CWIP Aging Schedule

| CWIP                           | Amount in CWIP for a period of |           |           |                   | Total |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
|                                | Less than 1 Year               | 1-2 Years | 2-3 Years | More than 3 Years |       |
| Projects in Progress           | -                              | -         | -         | -                 | -     |
| Projects temporarily Suspended | -                              | -         | -         | -                 | -     |

**ANNEXURE V**  
**DETAILS OF OTHER NON CURRENT ASSETS**

(₹ In Lakhs)

| Particulars      | As at March 31, |              |              |
|------------------|-----------------|--------------|--------------|
|                  | 2024            | 2023         | 2022         |
| Fixed Deposits   | 1.23            | 0.93         | 0.89         |
| Security Deposit | 39.55           | 15.34        | 16.28        |
| <b>TOTAL</b>     | <b>40.77</b>    | <b>16.28</b> | <b>17.16</b> |

**ANNEXURE XVI**  
**DETAILS OF INVENTORIES AS RESTATED**

(₹ In Lakhs)

| Particulars        | As at March 31, |               |               |
|--------------------|-----------------|---------------|---------------|
|                    | 2024            | 2023          | 2022          |
| <b>Inventories</b> |                 |               |               |
| Raw Materials      | 128.48          | 67.83         | 18.25         |
| Spare Parts        | 282.47          | 32.15         | 34.20         |
| Finished Goods     | 1,269.70        | 581.64        | 560.78        |
| <b>TOTAL</b>       | <b>1,680.65</b> | <b>681.63</b> | <b>613.23</b> |

**ANNEXURE XVII**  
**DETAILS OF TRADE RECEIVABLES AS RESTATED**

(₹ In Lakhs)

| Particulars  | As at March 31, |               |               |
|--|-----------------|---------------|---------------|
|  | 2024            | 2023          | 2022          |
| <b>Outstanding for a period more than 6 months</b> |                 |               |               |
| Unsecured, considered good                         | 95.34           | 20.83         | 7.07          |
| <b>Outstanding for a period less than 6 months</b> |                 |               |               |
| Others - unsecured, considered good                | 305.60          | 428.32        | 180.76        |
| <b>TOTAL</b>                                       | <b>400.95</b>   | <b>449.15</b> | <b>187.83</b> |



**ANNEXURE XVII(A)**  
**Ageing Analysis of Trade Receivables as Restated**

| Sr. No | Particulars                                      | Outstanding for following periods from due date of payment |                   |              |              |                   | Total         |
|--------|--|--|-------------------|--------------|--------------|-------------------|---------------|
|        |  | Less than 6 Month  | 6 Month to 1 Year | 1 to 2 years | 2 to 3 years | More than 3 years |               |
|        | <b>As at 31st March, 2024</b>                    |  |                   |              |              |                   |               |
| 1      | Undisputed Trade Receivables-considered good     | 305.60   | 37.75             | 56.51        | 1.08         | -                 | 400.95        |
| 2      | Undisputed Trade Receivables-considered doubtful | -  | -                 | -            | -            | -                 |               |
| 3      | Disputed Trade Receivables-considered good       |  |                   |              |              |                   |               |
| 4      | Disputed Trade Receivables-considered doubtful   |  |                   |              |              |                   |               |
|        |  |  |                   |              |              |                   | <b>400.95</b> |
|        | <b>As at 31st March, 2023</b>                    |  |                   |              |              |                   |               |
| 1      | Undisputed Trade Receivables-considered good     | 428.32   | 15.29             | 3.36         | 2.07         | 0.11              | 449.15        |
| 2      | Undisputed Trade Receivables-considered doubtful | -  | -                 | -            | -            | -                 | -             |
| 3      | Disputed Trade Receivables-considered good       | -  | -                 | -            | -            | -                 | -             |
| 4      | Disputed Trade Receivables-considered doubtful   | -  | -                 | -            | -            | -                 | -             |
|        |  | -  | -                 | -            | -            | -                 | <b>449.15</b> |
|        | <b>As at 31st March, 2022</b>                    |  |                   |              |              |                   |               |
| 1      | Undisputed Trade Receivables-considered good     | 180.76   | 4.73              | 2.21         | 0.13         | -                 | 187.83        |
| 2      | Undisputed Trade Receivables-considered doubtful | -  | -                 | -            | -            | -                 | -             |
| 3      | Disputed Trade Receivables-considered good       | -  | -                 | -            | -            | -                 | -             |
| 4      | Disputed Trade Receivables-considered doubtful   | -  | -                 | -            | -            | -                 | -             |
|        |  |  |                   |              |              |                   | <b>187.83</b> |

**ANNEXURE XVIII**  
**DETAILS OF CASH & OTHER BANK BALANCES AS RESTATED**

(₹ In Lakhs)

| Particulars  | As at March 31, |              |              |
|--|-----------------|--------------|--------------|
|  | 2024            | 2023         | 2022         |
| Cash on Hand   | 0.67            | 0.28         | 3.04         |
| Bank Balance   | 90.59           | 46.06        | 65.12        |
| <b>Other Bank Balances</b>   |                 |              |              |
| Deposits with original maturity for more than 3 months but less than 12 months | 1.36            | -            | -            |
| <b>Total</b>   | <b>92.62</b>    | <b>46.34</b> | <b>68.16</b> |

**ANNEXURE XIX**  
**DETAILS OF SHORT TERM LOANS & ADVANCES AS RESTATED**

(₹ In Lakhs)

| Particulars           | As at March 31, |               |              |
|-----------------------|-----------------|---------------|--------------|
|                       | 2024            | 2023          | 2022         |
| Advances to Suppliers | 125.10          | 107.11        | 37.84        |
| Advances - Staff      | 10.17           | 11.83         | 4.44         |
| <b>TOTAL</b>          | <b>135.27</b>   | <b>118.94</b> | <b>42.28</b> |

**ANNEXURE XX**  
**DETAILS OF OTHER CURRENT ASSETS AS RESTATED**

(₹ In Lakhs)

| Particulars                   | As at March 31, |              |              |
|-------------------------------|-----------------|--------------|--------------|
|                               | 2024            | 2023         | 2022         |
| Prepaid Expenses              | 7.34            | 16.97        | 0.15         |
| Balance with Custom Authority | 0.18            | -            | -            |
| GST Receivable                | 36.95           | -            | 7.08         |
| MEIS Script                   | -               | 1.08         | 3.72         |
| <b>TOTAL</b>                  | <b>44.48</b>    | <b>18.05</b> | <b>10.94</b> |

**ANNEXURE XXI**  
**DETAILS OF REVENUE FROM OPERATIONS AS RESTATED**

(₹ In Lakhs)

| Particulars                    | For the year ended March 31, |                 |                 |
|--------------------------------|------------------------------|-----------------|-----------------|
|                                | 2024                         | 2023            | 2022            |
| <b>Revenue From Operations</b> |                              |                 |                 |
| Sales of Goods                 | 3,803.76                     | 2,202.53        | 1,955.31        |
| Sales of Services              | 154.86                       | 128.58          | 13.94           |
| <b>Total</b>                   | <b>3,958.62</b>              | <b>2,331.11</b> | <b>1,969.25</b> |

**ANNEXURE XXII**  
**DETAILS OF OTHER INCOME AS RESTATED**

(₹ In Lakhs)

| Particulars                       | For the year ended March 31, |              |              |
|-----------------------------------|------------------------------|--------------|--------------|
|                                   | 2024                         | 2023         | 2022         |
| <b>Other Income</b>               |                              |              |              |
| Interest Income on Fixed Deposits | 1.67                         | 0.05         | 0.03         |
| Franchisee Fee                    | -                            | 20.00        | 1.50         |
| Foreign Exchange Fluctuation Gain | 27.86                        | 20.08        | 61.77        |
| Claim Received for Damaged Goods  | 12.59                        | -            | -            |
| Other Income                      | 0.68                         | 0.08         | 4.47         |
| <b>Total</b>                      | <b>42.80</b>                 | <b>40.21</b> | <b>67.78</b> |

**ANNEXURE XXIII**  
**DETAILS OF COST OF MATERIAL CONSUMED AS RESTATED**

(₹ In Lakhs)

| Particulars                          | For the year ended March 31, |               |               |
|--------------------------------------|------------------------------|---------------|---------------|
|                                      | 2024                         | 2023          | 2022          |
| <b>Opening stock:</b>                |                              |               |               |
| Raw Material                         | 67.83                        | 18.25         | 8.57          |
| Spare Parts                          | 32.15                        | 34.20         | 16.91         |
| Add: Purchase                        | 521.04                       | 139.89        | 104.65        |
|                                      | <b>621.03</b>                | <b>192.34</b> | <b>130.13</b> |
| <b>Less Closing Stock:</b>           |                              |               |               |
| Raw Material                         | 128.48                       | 67.83         | 18.25         |
| Spare Parts                          | 282.47                       | 32.15         | 34.20         |
| <b>Cost of Raw Material Consumed</b> | <b>210.08</b>                | <b>92.35</b>  | <b>77.68</b>  |
| <b>Total</b>                         | <b>210.08</b>                | <b>92.35</b>  | <b>77.68</b>  |

**ANNEXURE XXIV**  
**DETAILS OF PURCHASE OF STOCK IN TRADE AS RESTATED**

(₹ In Lakhs)

| Particulars                | For the year ended March 31, |                 |                 |
|----------------------------|------------------------------|-----------------|-----------------|
|                            | 2024                         | 2023            | 2022            |
| Purchase of Stock in Trade | 2,989.86                     | 1,496.61        | 1,550.52        |
| <b>Total</b>               | <b>2,989.86</b>              | <b>1,496.61</b> | <b>1,550.52</b> |

**ANNEXURE XXV**  
**DETAILS OF CHANGE IN INVENTORIES OF FINISHED GOODS AS RESTATED**

(₹ In Lakhs)

| Particulars                         | For the year ended March 31, |               |                |
|-------------------------------------|------------------------------|---------------|----------------|
|                                     | 2024                         | 2023          | 2022           |
| Opening Stock : Stock in Trade      | 581.64                       | 560.78        | 317.45         |
| Opening Stock : Finished Goods      |                              |               |                |
| Sub Total                           | <b>581.64</b>                | <b>560.78</b> | <b>317.45</b>  |
| Opening Stock : Stock in Trade      | 1,269.70                     | 581.64        | 560.78         |
| Less: Closing Stock: Finished Goods |                              |               |                |
| Sub Total                           | <b>1,269.70</b>              | <b>581.64</b> | <b>560.78</b>  |
|                                     | <b>-688.06</b>               | <b>-20.87</b> | <b>-243.32</b> |

**ANNEXURE XXVI**  
**DETAILS OF EMPLOYEE BENEFITS EXPENSE AS RESTATED**

(₹ In Lakhs)

| Particulars                      | For the year ended March 31, |               |               |
|----------------------------------|------------------------------|---------------|---------------|
|                                  | 2024                         | 2023          | 2022          |
| Salaries and Wages               | 179.93                       | 81.28         | 59.45         |
| Director Remuneration            | 30.00                        | 30.00         | 60.00         |
| Staff welfare Expenses           | 3.27                         | 3.60          | 3.85          |
| Contribution to PF & Other Funds | 7.52                         | 4.82          | -             |
| Gratuity Expense                 | 4.37                         | 1.68          | 1.50          |
| <b>Total</b>                     | <b>225.09</b>                | <b>121.37</b> | <b>124.80</b> |

**ANNEXURE XXVII**  
**DETAILS OF FINANCE COST AS RESTATED**

(₹ In Lakhs)

| Particulars                            | For the year ended March 31, |              |              |
|--|------------------------------|--------------|--------------|
|  | 2024                         | 2023         | 2022         |
| Interest Expense : -                   |                              |              |              |
| Interest on Unsecured loan             | 4.22                         | -            | 47.81        |
| Interest on Bank Loan                  | 40.36                        | 26.25        | 0.79         |
| Bank Charges including processing fees | 5.63                         | 0.28         | 2.60         |
| <b>Total</b>                           | <b>50.21</b>                 | <b>26.53</b> | <b>51.21</b> |

**ANNEXURE XIV**  
**DETAILS OF DEPRECIATION AND AMORTIZATION AS RESTATED**

(₹ In Lakhs)

| Particulars                            | For the year ended March 31, |              |              |
|--|------------------------------|--------------|--------------|
|  | 2024                         | 2023         | 2022         |
| <b>Depreciation &amp; Amortization</b> |                              |              |              |
| Depreciation                           | 19.53                        | 29.26        | 14.88        |
| <b>Total</b>                           | <b>19.53</b>                 | <b>29.26</b> | <b>14.88</b> |

**ANNEXURE XXVIII**  
**DETAILS OF OTHER EXPENSES AS RESTATED**

(₹ In Lakhs)

| Particulars                             | For the year ended March 31, |               |               |
|---|------------------------------|---------------|---------------|
|   | 2024                         | 2023          | 2022          |
| Brokerage and Commission                | 47.24                        | 5.19          | 44.90         |
| Audit Fees                              | -                            | -             | -             |
| - Statutory Audit                       | 1.50                         | 1.35          | 0.80          |
| - Tax Audit                             | 0.50                         | 0.40          | 0.30          |
| Bad Debts                               | 2.53                         | -             | 0.39          |
| Advertisement Charges                   | 4.29                         | 3.49          | 1.74          |
| Selling & Distribution Expenses         | 103.42                       | 98.78         | 80.65         |
| Business Promotion Exp                  | 69.40                        | 2.44          | 8.47          |
| Clearing & Forwarding                   | 45.70                        | 25.12         | 29.79         |
| Damage Stock                            | -                            | -             | 4.66          |
| Electricity Charges                     | 6.67                         | 5.73          | 4.78          |
| Franchisee Fee                          | 2.50                         | -             | -             |
| Freight & Transportation Charges        | 21.85                        | 29.37         | 50.26         |
| Insurance                               | 3.89                         | 2.06          | 2.58          |
| Labour Charges                          | 4.20                         | 3.39          | 6.41          |
| Late Fees and Penalties                 | 5.57                         | 0.43          | 0.78          |
| Office Exp                              | 7.33                         | 8.46          | 5.78          |
| Postage And Courier                     | 49.00                        | 35.83         | 29.80         |
| Printing And Stationary Exp             | 9.55                         | 5.62          | 4.00          |
| Packing , Material & Forwarding Expense | 13.17                        | 15.92         | 6.41          |
| Prototype Expenses                      | 19.15                        | -             | -             |
| Rent, Rates & Taxes                     | 41.70                        | 10.71         | 39.05         |
| Repairs & Maintenance To P&M            | 3.26                         | 3.43          | 4.56          |
| Telephone & Mobile                      | 1.82                         | -             | 1.51          |
| Travelling & Conveyance                 | 7.53                         | 7.55          | 5.92          |
| Legal, Professional & Consultancy Fee   | 33.41                        | 16.31         | 4.34          |
| Other Expenses                          | 16.45                        | 4.23          | 5.81          |
| <b>Total</b>                            | <b>521.64</b>                | <b>285.81</b> | <b>343.70</b> |

**ANNEXURE XXIX**  
**DETAILS OF CONTINGENT LIABILITIES AS RESTATED**

(₹ In Lakhs)

| Particulars       | As at March 31, |             |             |
|-------------------|-----------------|-------------|-------------|
|                   | 2024            | 2023        | 2022        |
| In Respect of TDS | 1.41            | 1.46        | 0.58        |
| In Respect of GST | 156.32          | -           | -           |
| <b>TOTAL</b>      | <b>157.73</b>   | <b>1.46</b> | <b>0.58</b> |

### ANNEXURE XXX

#### Related party disclosures

(i) Names of the related party and nature of relationship where control/significant influence exists  
'Key management personnel (KMP) and their close members of family

#### Name of the related party

##### Key Management Personnel

Rahul Virendra Chandalia  
Saloni Rahul Chandalia  
Pradeep Shripal Jain  
Swati Pradeep Jain  
Nayna Pratik Lunkar

Chairman & Managing Director  
Whole Time Director & CFO  
Whole Time Director  
Non-Executive Director  
Company Secretary

##### Relatives of KMP

Virendra Chandalia  
Sumitra Chandalia  
Hiten K Parekh  
Rita H Parekh

Relatives of KMP  
Relatives of KMP  
Relatives of KMP  
Relatives of KMP

(ii) Entity controlled or jointly controlled by a person identified in (i) & (ii) above

Rahul Chandalia HUF  
Virendra Chandalia HUF  
Pradeep Jain HUF  
Paras Enterprises

#### DETAILS OF RELATED PARTY TRANSACTIONS

(Rs in lakhs)

| Name                     | Relationship                 | Nature of Transaction      | Amount of Transaction upto 31.03.2024 | Amount Outstanding as on 31.03.2024 Receivable / (Payable) | Amount of Transaction upto 31.03.2023 | Amount Outstanding as on 31.03.2023 Receivable/ (Payable) | Amount of Transaction upto 31.03.2022 | Amount Outstanding as on 31.03.2022 Receivable/ (Payable) |
|--------------------------|------------------------------|----------------------------|---------------------------------------|--|---------------------------------------|---|---------------------------------------|---|
| Rahul Virendra Chandalia | Chairman & Managing Director | Remuneration               | 6.00                                  | -  | 6.50                                  | -54.70  | 13.00                                 | -21.49  |
|                          |                              | Interest on unsecured loan | -                                     | (122.64)   | -                                     |   | 11.92                                 |   |
|                          |                              | Loan Received              | 345.10                                |  | 308.20                                |   | 440.29                                |   |
|                          |                              | Loan Repaid                | 277.16                                |  | 273.80                                |   | 459.47                                |   |
|                          |                              | Purchase                   | -                                     | -  | 1.41                                  | -1.67   | 5.80                                  | -   |

|                        |   |                            |        |         |        |         |        |        |
|------------------------|---|----------------------------|--------|---------|--------|---------|--------|--------|
| Saloni Rahul Chandalia | Whole Time Director & CFO                                     | Sales                      | -      | -       | 0.19   | -       | 5.58   | -      |
|                        |   | Remuneration               | 10.50  | -       | 10.00  | -       | 20.00  | -2.32  |
|                        |   | Interest on unsecured loan | -      | (16.01) | -      | -177.90 | 19.60  | -      |
|                        |   | Loan Received              | 38.71  |         | 490.74 |         | 390.60 |        |
|                        |   | Loan Repaid                | 200.59 |         | 327.31 |         | 538.56 |        |
| Pradeep Shripal Jain   | Whole Time Director   | Remuneration               | 6.00   | -       | 7.00   | -3.45   | 14.00  | -14.99 |
|                        |   | Interest on unsecured loan | -      | -       | -      | -       | 3.71   | -      |
|                        |   | Loan Received              | 75.37  | (20.82) | 37.88  | -       | 72.63  | -      |
|                        |   | Loan Repaid                | 58.00  |         | 49.42  | -       | 64.37  | -      |
| Swati Pradeep Jain     | Non-Executive Director  | Remuneration               | 7.50   | -       | 6.50   | -67.99  | 13.00  | -30.16 |
|                        |   | Interest on unsecured loan | -      | -       | -      | -       | 7.30   | -      |
|                        |   | Loan Received              | 1.00   | (51.99) | 39.83  | -       | 25.59  | -      |
|                        |   | Loan Repaid                | 17.00  |         | 2.00   | -       | 51.78  | -      |
| Nayna Pratik Lunkar    | Company Secretary   | Salary                     | 1.92   | -       | 0.16   | -       | -      | -      |
| Sumitra Chandalia      | Relative of Director  | Salary                     | -      | -       | -      | -1.65   | 1.80   | -1.65  |
|                        |   | Bonus                      | -      | -       | -      | -       | -      | -      |
|                        |   | Loan Received              | -      | -       | -      | -       | -      | -      |
|                        |   | Loan Repaid                | -      | -       | -      | -       | -      | -      |
|                        |   | Rent                       | 10.93  |         |        |         |        |        |
| Pradeep Jain HUF       | Relative of Director  | Loan Received              | -      | -       | 6.70   | -10.70  | 8.00   | -10.00 |
|                        |   | Loan Repaid                | 10.70  |         | 6.00   |         | 5.09   | -      |
|                        |   | Interest on unsecured loan | -      |         | -      |         | 1.22   | -      |
| Rahul Chandalia HUF    | Entity controlled or jointly controlled by Director/Directors | Loan Received              | -      | -       | -      | -       | 20.03  | -      |
|                        |   | Loan Repaid                | -      | -       | -      | -       | 46.22  | -      |
|                        |   | Interest on unsecured loan | -      | -       | -      | -       | 2.99   | -      |
| Rita H Parekh          | Relative of Director  | Loan Received              | 12.00  | -       | 10.00  | -       | -      | -      |
|                        |   | Loan Repaid                | 12.00  | -       | 10.00  | -       | -      | -      |
|                        |   | Interest on unsecured loan | -      | -       | -      | -       | -      | -      |
| Virendra M Chandalia   | Relative of Director  | Loan Received              | 30.00  | -       |        |         |        |        |
|                        |   | Loan Repaid                | 30.00  | -       |        |         |        |        |
|                        |   | Interest on unsecured loan | 0.56   | -       |        |         |        |        |

|                        |   |                            |       |   |       |   |      |        |
|------------------------|---|----------------------------|-------|---|-------|---|------|--------|
| Paras Enterprises      | Entity controlled or jointly controlled by Director/Directors | Loan Received              | 12.00 | - | -     | - | -    | -34.84 |
|                        |   | Loan Repaid                | 12.00 |   | 34.84 | - | -    | -      |
|                        |   | Interest on unsecured loan | 0.65  |   | -     | - | -    | -      |
| Virendra Chandalia HUF | Entity controlled or jointly controlled by Director/Directors | Loan Received              | -     |   | -     | - | 8.50 | -      |
|                        |   | Loan Repaid                | -     |   | -     | - | 8.50 | -      |
|                        |   | Interest on unsecured loan | -     | - | -     | - | -    | -      |



**ANNEXURE -XXXI**  
**STATEMENT OF TAX SHELTERS**

(₹ In Lakhs)

| Particulars   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|---|------------------------------|------------------------------|------------------------------|
| Restated Profit before tax (A)                        | 673.062                      | 340.249                      | 117.567                      |
| Tax Rate (%)  | 25.17%                       | 27.82%                       | 27.82%                       |
| MAT Rate  | 15.60%                       | 16.69%                       | 16.69%                       |
| <b>Adjustments:</b>                                   |                              |                              |                              |
| Section 36 Provident Fund                             | -                            | 0.20                         | -                            |
| Section 37  | -                            | 0.35                         | 0.88                         |
| Section 40  | -                            | -                            | 0.06                         |
| Depreciation as per Companies Act, 2013               | 19.53                        | 29.26                        | 14.88                        |
| Gratuity  | 4.37                         | 1.68                         | 1.50                         |
| <b>Total Permanent Differences(B)</b>                 | 23.91                        | 31.49                        | 17.32                        |
| <b>Timing Differences (C)</b>                         |                              |                              |                              |
| Amt Disallowed during PY and allowed during CY        | -                            | -                            | -                            |
| Depreciation as per Income Tax act                    | 12.23                        | 12.29                        | 7.29                         |
| <b>Total Timing Differences (C)</b>                   | 12.23                        | 12.29                        | 7.29                         |
| <b>Income consider in House property Head (D)</b>     | -                            | -                            | -                            |
| <b>Income consider in Other Income (E)</b>            |                              | 0.05                         | -                            |
| <b>Net Adjustments F = (B+C+D+E)</b>                  | 10.01                        | 43.78                        | -10.03                       |
| <b>Income chargeable under the head Other Sources</b> |                              |                              |                              |
| Interest Income                                       | 1.67                         | 0.05                         | -                            |
| <b>Total</b>  | <b>1.67</b>                  | <b>0.05</b>                  | <b>-</b>                     |
| <b>Gross Total Income</b>                             | <b>684.74</b>                | <b>359.45</b>                | <b>127.60</b>                |
| Less: Deduction u/s 80 G                              | -                            | -                            | -                            |
| Taxable Income/(Loss) (A+D)                           | 684.74                       | 359.45                       | 127.60                       |
| Brought Forward Losses                                | -                            | -                            | -                            |
|   | 684.74                       | 359.45                       | 127.60                       |
| <b>Restated Profit for The Purpose of MAT</b>         | <b>673.06</b>                | <b>340.25</b>                | <b>117.57</b>                |
| <b>Less: Adjustment related to Depreciation</b>       | -                            | -                            | -                            |
| <b>Less : Brought Forward Loss</b>                    |                              |                              |                              |
| <b>Add: Amounts Written Back</b>                      | -                            | -                            | -                            |
| <b>Taxable Income/(Loss) as per MAT</b>               | 673.06                       | 340.25                       | 117.57                       |
| <b>Income Tax as returned/computed</b>                | 172.35                       | 100.00                       | 35.50                        |
| <b>Tax paid as per normal or MAT</b>                  | Income Tax                   | Income Tax                   | Income Tax                   |

**ANNEXURE -XXXII**  
**Capitalisation Statement as at 31st March, 2024**

(₹ In Lakhs)

| Particulars                                | Pre Issue       | Post Issue |
|--|-----------------|------------|
| <b>Borrowings</b>                          |                 |            |
| Short term debt (A)                        | 211.46          | -          |
| Long Term Debt (B)                         | 361.14          | -          |
| <b>Total debts (C)</b>                     | <b>572.60</b>   | <b>-</b>   |
| <b>Shareholders' funds</b>                 |                 |            |
| Equity share capital                       | 300.00          | *          |
| Reserve and surplus - as restated          | 761.22          | *          |
| <b>Total shareholders' funds</b>           | <b>1,061.22</b> | <b>*</b>   |
| <b>Long term debt / shareholders funds</b> | <b>0.34</b>     | <b>*</b>   |
| <b>Total debt / shareholders funds</b>     | <b>0.54</b>     | <b>*</b>   |

\* The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

1. Short term Debts represent which are expected to be paid/payable within 12 months and Excludes instalments of long term Borrowings repayable in within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above.

**ANNEXURE: XXXIII**  
**RESTATED STATEMENT OF ACCOUNTING RATIOS**

**A. Mandatory Ratios**

(Rs. in Lakhs)

| Particulars  | Year ended<br>31.03.2024 | Year ended<br>31.03.2023 | Year ended<br>31.03.2022 |
|--|--------------------------|--------------------------|--------------------------|
| EBITDA   | 694.37                   | 355.55                   | 113.28                   |
| Net Profit/(Loss) as Restated  | 503.30                   | 240.56                   | 84.42                    |
| Net Worth  | 1,061.22                 | 566.80                   | 326.25                   |
| Return on Net worth (%)  | 47.43%                   | 42.44%                   | 25.88%                   |
| Equity Share at the end of year (in Nos.)  | 3,000,000.00             | 3,000,000.00             | 1,000,000.00             |
| (Face Value Rs. 10)  |                          |                          |                          |
| Weighted No. of Equity Shares (Considering bonus in all previous years)*                 | 5,000,000.00             | 5,000,000.00             | 5,000,000.00             |
| Basic and Diluted Earnings per Equity Share  | 10.07                    | 4.81                     | 1.69                     |
| Net Asset Value/Book Value per Equity share (Based on no of share at the end of year)    | 35.37                    | 18.89                    | 32.62                    |
| Net Asset Value/Book Value per Equity share (Based on Weighted Average Number of Shares) | 21.22                    | 11.34                    | 6.52                     |

\*Pursuant to Issue of Bonus shares vide Board Resolution dated April 26, 2024, Company has issued 20 lakhs Bonus shares, same has been considered in the Calculation of Weighted Average Number of Shares.

Note:

1) The ratios have been computed as below: The Below ratio's have not been annualized for the period ended 31st March, 2024.

(a) Basic earnings per share (Rs.) :- Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year.

(b) Diluted earnings per share (Rs. ) :- Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS.

(c) Return on net worth (%) :- Net profit after tax (as restated) / Net worth at the end of the period or year.

(d) Net assets value per share :- Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year.

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus ( including, Securities Premium, General Reserve and surplus in statement of profit and loss).

4) The figures disclosed above are based on the restated summary statements of the Company.

5) EBITDA has been calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

B. Additional information to the financial statements:-

Value of imports calculated on C.I.F. basis by the company during the financial year in respect of :

| Particulars       | Year ended 31.03.2024 | Year ended 31.03.2023 | Year ended 31.03.2022 |
|-------------------|-----------------------|-----------------------|-----------------------|
| Purchase of Goods | 2,989.86              | 1,489.77              | 1,528.42              |
| Total             | 2,989.86              | 1,489.77              | 1,528.42              |

#### C. RESTATED STATEMENT OF OTHER ACCOUNTING RATIOS

| Sr. No. | Ratios                                      | Formula Heads  | Year ended 31.03.2024 | Year ended 31.03.2023 | Year ended 31.03.2022 |
|---------|---|--|-----------------------|-----------------------|-----------------------|
| 1       | Current Ratio (in times)                    | Current Assets/ Current Liabilities                              | 2.26                  | 2.78                  | 2.97                  |
| 2       | Debt Equity Ratio (in times)                | Total Debt/ Total Equity   | 0.54                  | 1.20                  | 1.56                  |
| 3       | Debt Service Coverage Ratio (in times)      | EBITDA/ (Interest Expense + Current payment of Principal amount) | 11.49                 | 8.67                  | 2.33                  |
| 4       | Return on Equity Ratio (in %)               | Profit after tax/ Average Equity                                 | 61.83%                | 53.87%                | 29.72%                |
| 5       | Inventory Turnover Ratio (in times)         | Cost of Goods Sold / Average Inventory                           | 2.13                  | 2.42                  | 2.90                  |
|         |   | Avg Debtors  | 425.05                | 318.49                | 137.04                |
| 6       | Trade Receivables Turnover Ratio (in times) | Average Trade Receivables/ Sales                                 | 9.31                  | 7.32                  | 14.37                 |
| 7       | Trade Payables Turnover Ratio (in times)    | Average Trade Payables/ Net Credit Purchases                     | 13.77                 | 45.59                 | 46.11                 |
| 8       | Net Capital Turnover Ratio (in times)       | Revenue from Operations/Average Working Capital                  | 3.68                  | 3.21                  | 6.43                  |
| 9       | Net Profit Ratio (in %)                     | Profit for the year/Revenue from operations                      | 12.71%                | 10.32%                | 4.29%                 |
| 10      | Return on Capital Employed (in %)           | EBITDA/ Equity and borrowings                                    | 42.50%                | 28.54%                | 13.55%                |

#### D. REASON FOR CHANGE IN THE RATIO

| Sr. No. | Ratios                                 | Formula Heads  | Year ended 31.03.2023 | Year ended 31.03.2022 | Change in Ratio | Reason for Change in the Ratio  |
|---------|--|--|-----------------------|-----------------------|-----------------|---|
| 1       | Current Ratio (in times)               | Current Assets/ Current Liabilities                              | 2.78                  | 2.97                  | -6.42%          | -   |
| 2       | Debt Equity Ratio (in times)           | Total Debt/ Total Equity   | 1.20                  | 1.56                  | -23.34%         | -   |
| 3       | Debt Service Coverage Ratio (in times) | EBITDA/ (Interest Expense + Current payment of Principal amount) | 8.67                  | 2.33                  | 272.06%         | Change in the ratio due to Increase in Principal Payment and Borrowings . |
| 4       | Return on Equity Ratio (in %)          | Profit after tax/ Average Equity                                 | 53.87%                | 29.72%                | 81.26%          | Change in ratio due to increase in profit.                                |

|    |   |   |        |        |         |   |
|----|---|---|--------|--------|---------|---|
| 5  | Inventory Turnover Ratio (in times)         | Cost of Goods Sold / Average Inventory                | 2.42   | 2.90   | -16.39% | -   |
| 6  | Trade Receivables Turnover Ratio (in times) | Average Trade Receivables/ Sales                      | 7.32   | 14.37  | -49.07% | Change in the ratio due to Increase in Revenue From Operations. |
| 7  | Trade Payables Turnover Ratio (in times)    | Average Trade Payables/ Net Credit Purchases          | 45.59  | 46.11  | -1.13%  | -   |
| 8  | Net Capital Turnover Ratio (in times)       | Revenue from Operations/Average Working Capital       | 3.21   | 6.43   | -50.16% | Change in the ratio due to Decrease in Avg Working capital.     |
| 9  | Net Profit Ratio (in %)                     | Profit for the year/Revenue from operations           | 10.32% | 4.29%  | 140.72% | Change in the ratio due to Increase in Net Profit.              |
| 10 | Return on Capital Employed (in %)           | Profit before tax and Interest/ Equity and borrowings | 28.54% | 13.55% | 110.64% | Change in the ratio due to Increase in Equity and Borrowings.   |

| Sr. No. | Ratios                                      | Formula Heads  | Year ended 31.03.2024 | Year ended 31.03.2023 | Change in Ratio | Reason for Change in the Ratio                            |
|---------|---|--|-----------------------|-----------------------|-----------------|---|
| 1       | Current Ratio (in times)                    | Current Assets/ Current Liabilities                              | 2.26                  | 2.78                  | - 18.92%        | -   |
| 2       | Debt Equity Ratio (in times)                | Total Debt/ Total Equity   | 0.54                  | 1.20                  | - 54.96%        | Change in the ratio due to Increase in Equity.            |
| 3       | Debt Service Coverage Ratio (in times)      | EBITDA/ (Interest Expense + Current payment of Principal amount) | 11.49                 | 8.67                  | - 32.57%        | Change in the ratio due to Increase in Principal Payment. |
| 4       | Return on Equity Ratio (in %)               | Profit after tax/ Average Equity                                 | 61.83%                | 53.87%                | - 14.77%        | -   |
| 5       | Inventory Turnover Ratio (in times)         | Cost of Goods Sold / Average Inventory                           | 2.13                  | 2.42                  | - 12.20%        | -   |
| 6       | Trade Receivables Turnover Ratio (in times) | Average Trade Receivables/ Sales                                 | 9.31                  | 7.32                  | 27.24%          | Change in ratio due to Increase in Revenue.               |
| 7       | Trade Payables Turnover Ratio (in times)    | Average Trade Payables/ Net Credit Purchases                     | 13.77                 | 45.59                 | - 69.79%        | Change in the ratio due to Change in Average Creditors.   |
| 8       | Net Capital Turnover Ratio (in times)       | Revenue from Operations/Average Working Capital                  | 3.68                  | 3.21                  | 14.71%          | -   |
| 9       | Net Profit Ratio (in %)                     | Profit for the year/Revenue from operations                      | 12.71%                | 10.32%                | - 23.21%        | Change in the ratio due to Increase in Net Profit.        |
| 10      | Return on Capital Employed (in %)           | Profit before tax and Interest/ Equity and borrowings            | 42.50%                | 28.54%                | - 48.91%        | Change in the ratio due to Increase in Equity.            |

#### E. Additional regulatory information:

##### 1. Title deeds of Immovable Property not held in name of the Company

The company does not have any immovable property during the reporting period.

## **2. Company revaluation its Property, Plant and Equipment**

Company has not made any revaluation of Property, Plant & Equipments during Reporting period.

## **3. Details of Benami Property held**

The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

## **4. Details of Loans and advances**

The Company has not granted loans or advances in nature of loans to promoters/directors/KMPs/Related parties (as defined under the Companies Act, 2013) for the year ended March 31, 2024 and March 31, 2023.

## **5. Wilful Defaulter**

The company has not been declared as a wilful Defaulter by any Financial Institution or bank as at the date of Balance Sheet.

## **6. Relationship with Struck off Companies**

The Company do not have any transactions with companies struck off.

## **7. Registration of charges or satisfaction with Registrar of Companies (ROC)**

The company has no pending charges or satisfaction which are yet to be registered with the ROC beyond the Statutory period.

## **8. Compliance with number of layers of companies**

The company has complied with the provision of the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

## **9. Compliance with approved Scheme(s) of Arrangements**

There are no Schemes of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

## **10. Discrepancy in utilization of borrowings**

The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date. There are no discrepancy in utilisation of borrowings.

## **11. Utilisation of Borrowed funds and share premium:**

A. (i) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries).

(ii) the company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party).

B. The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

(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;

C. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(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.

## **F. Additional Information:**

### **1. Undisclosed income**

The Company has no transaction that is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

## 2. Corporate Social Responsibility

The company is not covered under section 135 of the Companies Act, 2013 therefore not required to comply with provisions of the CSR during the reporting period.

## 3. Details of Crypto Currency or Virtual Currency

The company has not traded or invested in Crypto currency or Virtual Currency.

### Statement of Principal Terms of Secured & Unsecured Loans and Assets Charged as Security

#### Unsecured Loans

##### From Bank

(₹ In Lakhs)

| Name of Lender  | Purpose                    | Sanctioned Amount | Rate of interest | Primary & Collateral Security | Re-Payment Schedule                            | Moratorium | 31st March, 2024 | 31st March, 2023 | 31st March, 2022 |
|-----------------|----------------------------|-------------------|------------------|-------------------------------|--|------------|------------------|------------------|------------------|
| IDFC FIRST BANK | Term Loan Against Property | 379.00            | 9.55%            | Note 1                        | 180 monthly Instalments of RS. 3.46 Lakhs Each | -          | 361.14           | 364.24           | 379.00           |
|                 |                            |                   |                  | <b>TOTAL</b>                  |  |            | <b>361.14</b>    | <b>364.24</b>    | <b>379.00</b>    |

Note –

#### Co-Applicant

1. Rahul Virendra Chandalia
2. Saloni Rahul Chandalia
3. Swati Pradeep Jain
4. Sumitra Virendrakumar Chandalia

#### Property Mortgage:

Loan is Secured against Directors Personal Property (flat No. 601,602 Anand Apartment CHS 6th Floor, seth Motisha Cross Lane Byculla East Mumbai, 400027, Maharashtra.).

### UNSECURED LOANS FROM DIRECTORS & OTHERS

(₹ In Lakhs)

| Sr. No. | Name of Lender           | Purpose       | Rate of Interest | Re-Payment Schedule | 31st March, 2024 | 31st March, 2023 | 31st March, 2022 |
|---------|--------------------------|---------------|------------------|---------------------|------------------|------------------|------------------|
| 1       | Pradeep Shripal Jain     | Business Loan | 12.00%           | On Demand           | 20.82            | 3.45             | 14.99            |
| 2       | Rahul Virendra Chandalia | Business Loan | 12.00%           | On Demand           | 122.64           | 54.70            | 21.49            |
| 3       | Saloni Rahul Chandalia   | Business Loan | 12.00%           | On Demand           | 16.01            | 19.10            | 2.32             |
| 4       | Swati Pradeep Jain       | Business Loan | 12.00%           | On Demand           | 51.99            | 226.79           | 47.14            |
| 5       | Paras Enterprises        | Business Loan | 12.00%           | On Demand           | -                | -                | 34.84            |
| 6       | Pradeep Jain - HUF       | Business Loan | 12.00%           | On Demand           | -                | 10.70            | 10.00            |
| 7       | Rahul Chandalia - HUF    | Business Loan | 12.00%           | On Demand           | -                | -                | -                |
|         | <b>Total</b>             |               |                  |                     | <b>211.46</b>    | <b>314.74</b>    | <b>130.78</b>    |

## **OTHER FINANCIAL INFORMATION**

The audited financial statements of our Company as at and for the period/year ended March 31, 2024, March 31, 2023, and March 31, 2022 and their respective Audit reports thereon (Audited Financial Statements) are available at [www.wol3d.com](http://www.wol3d.com).

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of the Draft Red Herring Prospectus; (ii) Red Herring Prospectus or (ii) Prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI (ICDR) Regulations are given below:

| Particulars  | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|--|----------------|----------------|----------------|
| Profit After Tax (Rs. In Lakhs)  | 503.30         | 240.56         | 84.42          |
| Basic & Diluted Earnings per Share                                       | 10.07          | 4.81           | 1.69           |
| Return on Net Worth (%)  | 47.43%         | 42.44%         | 25.88%         |
| NAV<br>(Based on no. of share outstanding at the end of year)            | 35.37          | 18.89          | 32.62          |
| NAV per Equity Shares<br>(Based on Weighted Average Number of Shares)    | 21.22          | 11.34          | 6.52           |
| Earnings before interest, tax, depreciation and amortization<br>(EBITDA) | 694.37         | 355.55         | 113.28         |

## STATEMENT OF FINANCIAL INDEBTEDNESS

To,  
**The Board of Directors**  
**WOL 3D INDIA LIMITED**  
18, Ground Floor, Bombay Cotton Mill Estate,  
Dattaram Lad Marg, Kalachowky, Mumbai,  
Maharashtra, India, 400033

And

**Hem Securities Limited**  
203, Jaipur Tower, M.I. Road,  
Jaipur Rajasthan- 302001 India

(Hem Securities Limited referred to as the “**Book Running Lead Manager**” or the “**BRLM**”)

Dear Sir,

We, **M/s ADV & Associates**, Chartered Accountants, are the Statutory Auditors of the Company. We have received a request from the Company to issue a certificate on the Financial Indebtedness of the Company based on restated financial information prepared by the management of the Company.

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of WOL 3D INDIA LIMITED and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on 31st March, 2024 are mentioned below.

### STATEMENT OF UNSECURED LOANS

| Name of Lender  | Purpose                    | Account Number | Sanctioned Amount | Rate of interest (p.a.) | Primary & Collateral Security | Re-Payment Schedule                            | Moratorium | Outstanding amount as on 31.03.2024 as per Books |
|-----------------|----------------------------|----------------|-------------------|-------------------------|-------------------------------|--|------------|--|
| IDFC FIRST BANK | Term Loan Against Property | 62736345       | 379.00            | 9.55%                   | Refer Note                    | 180 monthly Instalments of RS. 3.46 Lakhs Each | N.A        | 361.14   |
| <b>Total</b>    |                            |                |                   |                         |                               |  |            | <b>361.14</b>                                    |

Note –

#### Co-Applicant:

- Rahul Virendra Chandalia
- Saloni Rahul Chandalia
- Swati Pradeep Jain
- Sumitra Virendrakumar Chandalia

#### Property Mortgage:

Loan is Secured against Directors Personal Property (flat No. 601,602 Anand Apartment CHS 6th Floor, seth Motisha Cross Lane Byculla East Mumbai, 400027, Maharashtra).



• FROM DIRECTORS

| Name of Lender           | Purpose       | Rate of interest (p.a.) | Re-Payment Schedule | Outstanding amount as on 31.03.2024 as per Books |
|--------------------------|---------------|-------------------------|---------------------|--|
| Pradeep Shripal Jain     | Business Loan | 12.00%                  | Payable on demand   | 20.82  |
| Rahul Virendra Chandalia | Business Loan | 12.00%                  | Payable on demand   | 122.64   |
| Swati Pradeep Jain       | Business Loan | 12.00%                  | Payable on demand   | 51.99  |
| Saoni Rahul Chandalia    | Business Loan | 12.00%                  | Payable on demand   | 16.01  |
| Total                    |               |                         |                     | 211.46   |

Yours Faithfully,  
M/s ADV & Associates  
Chartered Accountants  
Firm Registration No: 128045W

Pratik Kabra  
Partner  
M. No. 611401  
UDIN: 24611401BKCLGV2208  
Date: September 12, 2024  
Place: Mumbai

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

*You should read the following discussion in conjunction with our restated financial statements attached in the chapter titled “Financial Information of the Company” beginning on page 165. You should also read the section titled “Risk Factors” on page 29 and the section titled “Forward Looking Statements” on page 19 of this Red Herring Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated financial Statements. Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditor dated September 12, 2024 which is included in this Red Herring Prospectus under “Financial Statements”. The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

### **Business Overview**

We are engaged in the business of providing 3D Printing solutions enabling easier prototyping finding its application in various sectors like manufacturing, education, engineering, architecture, interior designing, fashion designing, product designing, medical, dental etc. We are a 3D Printing Solutions Company aimed at bridging gap between ideation and manufacturing by providing high quality and cost-effective 3D Printing solutions with cutting edge technology. Our portfolio of offerings includes (i) Hardwares like: 3D printers, 3D Scanners, Laser Engravers and 3D pens (ii) Consumables like: 3D Filaments, 3D Resins, (iii) 3D Prototyping services and (iv) Other services. 3D Printing is used for additive manufacturing (AM) which is a computer-controlled process that creates three dimensional objects by depositing materials, usually in layers. 3D-printing allows materials to be created without joints and with minimal post-processing. Multiple materials can be used during this process, which makes it easy to create new products with minimal waste and lower materials costs.

Ventured into the innovative business since 2019, our product portfolio includes wide range of 3D Printers offering various solutions comprising of: Desktop 3D Printer, Industrial 3D Printer, Resin 3D Printer, DIY 3D Printer, Multi Color 3D Printer, etc. Furthermore, our product portfolio includes 3D Pens which are used to draw three-dimensional objects. These 3D Pens are available in safe, multi-color, easy to operate, plug & play, LED Screen in 8 designs out of which three are patented by the company. This was a new milestone in 2023 when our company received Patent registration for the design of its 3D Pens. Currently, we are the distributors for International 3D Printer brands like Flashforge, Creality, Bambu lab, Phrozen and Elegoo. We largely import these printers and we have got trademark registrations in India for some of the popular 3D Printer brands like: Flashforge, Fila-tech, Wol3D, Qidi Technology, X-smart 4.0s, I Tech 4.0s, itouch3D, Hismart4.0s, Creality 3D, Creality and Pixel 3D.

Expanding our operations towards back integration, we also manufacture 3D filaments used in additive manufacturing process. We manufacture these thermoplastic filaments used in 3D printers made from Acrylonitrile Butadiene Styrene (ABS) and Polylactic Acid (PLA) plastic. Our range of products are offered at different pricing points to meet diverse customer requirements. Additionally, we design, develop, manufacture, and sell a wide range of aesthetic products made out of 3D Printing technology. We also provide Prototyping services using FDM, SLA and SLS technology. Our prototyping solutions include services through (i) CAD/CAM model, (ii) Reverse Engineering and (iii) Vacuum casting

Over the years we have expanded our operations through our branch offices and franchisee agreements. As on date of the Red Herring Prospectus, we have our 4 branch offices located in Delhi, Hyderabad, Bangalore and Mumbai and 5 franchisee offices located in Pune, Chennai, Coimbatore, Rajkot and Nagarkoel. Moreover, we have successfully built a 3D Printing Experience Centre at all these locations where anyone can walk in and experience this technology that can be easily used in everyday lives and in all industries. This facility demonstrates that high-end technology can be both simply understood and used in industrial applications and in everyday life. We have our manufacturing facility located at Bhiwandi, Maharashtra with the focus on manufacturing of filaments used in 3D Printing solutions. Our manufacturing facility is accredited with ISO 9001:2015, ROHS, CE and BIS Certificate.

Our products are largely sold through our experience centres or are sold online through e-commerce platforms such as Flipkart India Private Limited, Jiomart, Firstcry, Indiamart, Snapdeal, Moglix and Amazon Seller Services Private Limited or through retail chains outlets like CROMA and Crosswords. Our company was aired on Shark Tank India in year 2023, which gathered recognition and awareness of our products and its application.

This business was founded by our 1<sup>st</sup> generation Promoters, Rahul Virendra Chandalia, Saloni Rahul Chandalia, Pradeep Shripal Jain and Swati Pradeep Jain who have been associated with our Company since 2019 and have an experience of around 13 years, 13 years, 20 years and 3 years respectively. We believe that the sector-specific experience and expertise of our promoters has contributed significantly in the growth of our Company. The innovative ideas of and quality delivery by our promoters bear testimony to the customer confidence that we have gained for our products. Recently our company was aired at the live TV Show Shark Tank Season 2 which gathered recognition and awareness of our products and its application.

### Key Performance Indicators of our Company

(₹ in Lakhs except percentages and ratios)

| Key Financial Performance              | FY 2023-24 | FY 2022-23 | FY 2021-22 |
|--|------------|------------|------------|
| Revenue from operations <sup>(1)</sup> | 3958.62    | 2331.11    | 1969.25    |
| EBITDA <sup>(2)</sup>                  | 694.37     | 355.55     | 113.28     |
| EBITDA Margin <sup>(3)</sup>           | 17.54%     | 15.25%     | 5.75%      |
| PAT                                    | 503.30     | 240.56     | 84.42      |
| PAT Margin <sup>(4)</sup>              | 12.71%     | 10.32%     | 4.29%      |
| Net Worth <sup>(5)</sup>               | 1061.22    | 566.80     | 326.25     |
| Return on Net Worth <sup>(6)</sup>     | 47.43%     | 42.44%     | 25.88%     |
| RoCE (%) <sup>(7)</sup>                | 42.50%     | 28.54%     | 13.55%     |

### Notes:

<sup>(1)</sup>Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

<sup>(2)</sup>EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup>‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup>‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations.

<sup>(5)</sup> Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company.

<sup>(6)</sup>Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup>Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders’ equity plus total borrowings {current & non-current}.

### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of “*Statement of Significant Accounting Policies*”, please refer to *Annexure IV of Restated Financial Statements* beginning on page 172 of this Red Herring Prospectus.

### Factors Affecting our Results of Operations

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Inability to promptly identify and respond to changing customer preferences or evolving trends.
3. If one or more of our major customers choose not to source their requirements from us or to terminate our long-term contracts;
4. Our ability to effectively manage the operations of and costs associated with our manufacturing facilities;
5. Any slowdown or shutdown in our manufacturing operations or strikes, work stoppages or increased wage demands by our employees that could interfere with our operations;
6. Our reliance on a combination of trade mark, Patent, trade secret, copyright law and contractual restrictions and our inability to protect our intellectual property rights;
7. Exchange rate fluctuations that may adversely affect our results of operations, due to our significant Imports.
8. We may not be able to sustain our historical growth rates, and our historical performance may not be indicative of our future growth or financial results;
9. Failure to successfully upgrade our product portfolio, from time to time;
10. Any change in government policies resulting in increases in taxes payable by us;
11. Our ability to retain our key managements persons and other employees;
12. Changes in laws and regulations that apply to the industries in which we operate;
13. Our ability to grow our business;
14. Restrictions on the import of our raw materials and/or an increase in shipment costs;
15. Reduction in the demand of our products;
16. Our Inability to import goods from different countries.
17. Failure to comply with the quality standards and requirements of our customers;
18. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;

19. Company's ability to successfully implement its growth strategy and expansion plans;
20. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
21. Inability to successfully obtain registrations in a timely manner or at all;
22. Occurrence of Environmental Problems & Uninsured Losses;
23. Conflicts of interest with affiliated companies, the promoter group and other related parties;
24. Any adverse outcome in the legal proceedings in which we are involved;
25. Concentration of ownership among our Promoters;
26. Other factors beyond our control.

## Discussion on Result of Operations

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the financial years ended on March 31, 2024, 2023 and 2022.  
(₹ In Lakhs)

| Particulars                             | March 31, 2024 | % of Total Income | March 31, 2023 | % of Total Income | March 31, 2022 | % of Total Income |
|---|----------------|-------------------|----------------|-------------------|----------------|-------------------|
| Revenue From Operations                 | 3958.62        | 98.93%            | 2331.11        | 98.30%            | 1969.25        | 96.67%            |
| Other Income                            | 42.80          | 1.07%             | 40.21          | 1.70%             | 67.78          | 3.33%             |
| <b>Total Revenue</b>                    | <b>4001.43</b> | <b>100.00%</b>    | <b>2371.32</b> | <b>100.00%</b>    | <b>2037.03</b> | <b>100.00%</b>    |
| <b>Expenditure</b>                      |                |                   |                |                   |                |                   |
| Cost of Material consumed               | 210.08         | 5.25%             | 92.35          | 3.89%             | 77.68          | 3.81%             |
| Purchases of stock in Trade             | 2989.86        | 74.72%            | 1496.61        | 63.11%            | 1550.52        | 76.12%            |
| Change in inventories of finished goods | -688.06        | -17.20%           | -20.87         | -0.88%            | -243.32        | -11.94%           |
| Employee Benefit Expenses               | 225.09         | 5.63%             | 121.37         | 5.12%             | 124.80         | 6.13%             |
| Finance Cost                            | 50.21          | 0.94%             | 26.53          | 1.12%             | 51.21          | 2.51%             |
| Depreciation and Amortisation Expenses  | 19.53          | 0.49%             | 29.26          | 1.23%             | 14.88          | 0.73%             |
| Other Expenses                          | 521.64         | 13.04 %           | 285.81         | 12.05%            | 343.70         | 16.87%            |
| <b>Total Expenditure</b>                | <b>3328.36</b> | <b>82.86%</b>     | <b>2031.06</b> | <b>85.65%</b>     | <b>1919.47</b> | <b>94.23%</b>     |
| <b>Profit/(Loss) Before Tax</b>         | <b>673.06</b>  | <b>17.14%</b>     | <b>340.25</b>  | <b>14.35%</b>     | <b>117.57</b>  | <b>5.77%</b>      |
| <b>Tax Expense:</b>                     |                |                   |                |                   |                |                   |
| Current Tax                             | 172.35         | 4.39%             | 100.00         | 4.22%             | 35.50          | 1.74%             |
| Adjustment of tax                       |                |                   |                |                   |                |                   |
| Deferred Tax                            | -2.59          | -0.06%            | -0.31          | -0.01%            | -2.35          | -0.12%            |
| <b>Total Tax Expense</b>                | <b>169.76</b>  | <b>4.32%</b>      | <b>99.69</b>   | <b>4.20%</b>      | <b>33.15</b>   | <b>1.63%</b>      |
| <b>Net Profit and loss as restated</b>  | <b>503.30</b>  | <b>12.82%</b>     | <b>240.56</b>  | <b>10.14%</b>     | <b>84.42</b>   | <b>4.14%</b>      |

**Revenue from operations:**

Revenue from operations mainly consists of revenue from sale of goods and services by providing 3D Printing solutions enabling easier prototyping to various sectors.

**Other Incomes**

Other income primarily comprises of Interest Income, Franchisee Fee, Foreign Exchange Fluctuation A/C, Claim Received for Damaged Goods.

**Total Expenses:**

Total expenses consist of operating cost like Cost of Material consumed, Purchases of stock in Trade, Change in inventories of finished goods, Employee benefits expense, Finance costs, Depreciation and amortization expenses and other expenses.

**Cost of Material consumed:**

Cost of Material consumed expenses primarily comprises of Purchase of Raw Material & Spare parts.

**Cost of Purchases of stock in Trade:**

Cost of Purchases of stock in Trade primarily comprises of Purchase of 3D printers, 3D Scanners, Laser Engravers and 3D pens.

**Change in inventories of finished goods:**

Change in inventories of finished goods comprises of increase/ (decrease) in stock of finished goods.

**Employee benefits expense:**

Employee benefits expense primarily comprises of Salaries and Incentives, Director remuneration, Staff welfare expenses, Contribution to PF & Other Funds and Gratuity Expenses.

**Finance Costs:**

Our Finance cost includes Interest expenses on Unsecured Loan, Interest on Bank Loan and Bank charges including processing fees.

**Depreciation and Amortization Expenses:**

Depreciation includes depreciation on Plant and Machinery, Furniture and Fixture, Vehicles, Office Equipments and Computers.

**Other Expenses:**

Other Expenses consists of Expenses like: Brokerage and Commission, Audit Fees, Bad Debts, Advertisement Charges, Selling & Distribution Expenses, Business Promotion Exp, Clearing & Forwarding, Damage Stock, Electricity Charges, Freight & Transportation Charges, Insurance, Labour Charges, Late Fees and Penalties, Membership Fees, Office Exp, Postage And Courier, Printing And Stationary Exp, Packing , Material & Forwarding Expense, Prototype Expenses, R&M To Building, Rent, Rates & Taxes, Repairs & Maintenance to P&M, Telephone & Mobile, Travelling & Conveyance, Legal, Professional & Consultancy Fee and Other Expenses.

## **FINANCIAL YEAR 2024 COMPARED TO FINANCIAL YEAR 2023**

### **Total Income:**

Total income for the financial year 2023-24 stood at Rs 4001.43 Lakhs whereas in Financial Year 2022-23 the same stood at Rs. 2371.32 Lakhs representing an increase of 68.74%. The main reason of increase was increase in the volume of business operations of the company.

### **Revenue from Operations**

During the financial year 2023-24 the net revenue from operation of our Company increased to Rs. 3958.62 Lakhs as against Rs. 2331.11 Lakhs in the Financial Year 2022-23 representing an increase of 69.82%. The main reason of increase was due to increase in the sales of Goods by 72.70% from Rs. 2202.53 Lakhs in the Financial Year 2022-23 as compared to Rs. 3803.76 Lakhs in the financial year 2023-24.

### **Other Income:**

During the financial year 2023-24 the other income of our Company increased to Rs 42.80 Lakhs as against Rs. 40.21 lakhs in the Financial Year 2022-23 representing a increase of 6.45% which was due to increase in income from (i) Foreign Exchange Fluctuation A/C of Rs. 27.86 lakhs in the financial year 2023-24 as compared to Rs. 20.08 lakhs in financial year 2022-23 which amount to increase of 38.74%, (ii) Claim Received for Damaged Goods of Rs.12.59 lakhs in the financial year 2023-24 which was not there in financial year 2022-23.

### **Total Expenses**

The total expense for the financial year 2023-24 increased to Rs. 3328.36 Lakhs from Rs. 2031.07 lakhs in the Financial Year 2022-23 representing an increase of 63.87 %. Such increase was due to increase in business operations of the Company.

### **Cost of Raw Material consumed**

The Cost of material consumed for the financial year 2023-24 increased to Rs. 210.08 lakhs from Rs. 92.35 lakhs in the Financial Year 2022-23 representing an increase of 127.48 %. Such increase was due to increase in purchase of Raw Material & Spare parts from Rs 139.89 lakhs in financial year 2022-2023 to Rs 521.04 lakhs in financial year 2022-2023 representing a increase of 272.48%.

### **Purchase of Stock in Trade**

The Total Purchase of Stock in Trade for the financial year 2023-24 increased to Rs. 2989.86 lakhs from Rs. 1496.61 lakhs in the Financial Year 2022-23 representing a increase of 99.78%.

### **Change in inventories of finished goods**

Our Change in inventories of finished goods comprises of increase/decrease in finished goods. The closing inventories of finished goods for the financial year 2023-24 was Rs 1269.70 lakhs as compared to Rs 581.64 lakhs in the Financial Year 2022-23 representing an increase of 118.30 %. This was primarily due to higher level of closing stock at end of financial year 2023-24 compared to financial year 2022-23.

### **Employee benefits expense:**

Our Company has incurred Rs. 225.09 Lakhs as Employee benefits expense during the financial year 2023-24 as compared to Rs. 121.37 Lakhs in the financial year 2022-23. The increase of 85.46% was due to increase in (i) Salaries and Wages of Rs. 179.93 lakhs in the financial year 2023-24 as compared to Rs. 81.28 lakhs in financial year 2022-23 which amount to increase of 121.37 %, (ii) Contribution to PF & Other Funds of Rs.7.52 in the financial year 2023-24 as compared to Rs. 4.82 lakhs in financial year 2022-23 which amount to increase of 56.11 %.

**Finance Costs:**

Our Company has incurred Rs.50.21 Lakhs as finance cost during the financial year 2023-24 as compared to Rs. 26.53 Lakhs in the financial year 2022-23. The increase of 89.29 % was due to (i) increase in Interest on Unsecured loan and Bank Loan and (ii) increase in Bank Charges including processing fees.

**Depreciation and Amortization Expenses:**

Depreciation for the financial year 2023-24 stood at Rs. 19.53 Lakhs as against Rs. 29.26 Lakhs during the financial year 2022-23. The decrease in depreciation was around 33.25% which was due to no new addition in Fixed Assets as compared to FY 2022-23.

**Other Expenses:**

Our Company has incurred Rs. 521.64 Lakhs during the Financial Year 2023-24 on other expenses as against Rs. 285.81 Lakhs during the financial year 2022-23. There was a increase of 82.51% mainly due to (i) Increase in Brokerage & commission by 810.07% from Rs. 5.19 lakhs in financial year 2022-23 to Rs. 47.24 Lakhs in financial year 2023-24, (ii) increase in Business Promotion Exp by 2744.96 % from Rs. 2.44 lakhs in financial year 2022-23 to Rs. 69.40 lakhs in financial year 2023-24, (iii) increase in Clearing & Forwarding by 81.93% from Rs. 25.12 lakhs in financial year 2022-23 to Rs. 45.70 lakhs in financial year 2023-24, (iv) increase in Postage And Courier Exp by 36.75% from Rs. 35.83 lakhs in financial year 2022-23 to Rs. 49.00 lakhs in financial year 2023-24, (v) increase in Rent, Rates & Taxes by 289.50% from Rs. 10.71 lakhs in financial year 2022-23 to Rs. 41.70 lakhs in financial year 2023-24, and (vii) increase in Legal, Professional & Consultancy Fee by 104.87% from Rs. 16.31 lakhs in financial year 2022-23 to Rs. 33.41 in financial year 2023-24.

**Restated Profit before tax:**

Net profit before tax for the financial year 2023-24 increased to Rs. 673.06 Lakhs as compared to Rs 340.25 Lakhs in the financial year 2022-23. The increase of 97.81 % was majorly due to factors as mentioned above.

**Restated profit after tax:**

Our profit after tax for the year increased by 109.23 % from profit of Rs. 240.56 lakhs in financial year 2022-23 to net profit Rs. 503.30 lakhs in financial year 2023-24. Consequently, our PAT Margin expanded to 12.71% in financial year 2023-24 from 10.32 % in financial year 2022-23, majorly due to factors as mentioned above.

**FINANCIAL YEAR 2023 COMPARED TO FINANCIAL YEAR 2022****Total Income:**

Total income for the financial year 2022-23 stood at Rs 2371.32 Lakhs whereas in Financial Year 2021-22 the same stood at Rs. 2037.03 Lakhs representing an increase of 16.41 %. The main reason of increase was increase in the volume of business operations of the company.

**Revenue from Operations**

During the financial year 2022-23 the net revenue from operation of our Company increased to Rs. 2331.11 Lakhs as against Rs. 1969.25 Lakhs in the Financial Year 2021-22 representing an increase of 18.38%. The main reason of increase was due to increase in the sales of services by 822.36% from 13.94 Lakhs in the Financial Year 2021-22 as compared to Rs. 128.58 Lakhs in the financial year 2022-23.

**Other Income:**

During the financial year 2022-23 the other income of our Company decreased to Rs 40.21 Lakhs as against Rs. 67.78 lakhs in the Financial Year 2021-22 representing a decrease of 40.67% which was due to decrease in income from (i) Foreign Exchange Fluctuation A/C of Rs. 20.08 lakhs in the financial year 2022-23 as compared to Rs. 61.77 lakhs in financial year 2021-22



which amount to decrease of 67.49%, (ii) Other Income of Rs.0.08 lakhs in the financial year 2022-23 as compared to Rs. 4.47 lakhs in financial year 2021-22 which amount to decrease of 98.20%.

### **Total Expenses**

The total expense for the financial year 2022-23 increased to Rs. 2031.06 Lakhs from Rs. 1919.47 lakhs in the Financial Year 2021-22 representing an increase of 5.81 %. Such increase was due to increase in business operations of the Company.

### **Cost of Raw Material consumed**

The Cost of material consumed for the financial year 2022-23 increased to Rs. 92.35 lakhs from Rs. 77.68 lakhs in the Financial Year 2021-22 representing an increase of 18.89%. Such increase was due to increase in purchase of Raw Material & Spare parts from Rs 104.65 lakhs in financial year 2021-2022 to Rs 139.89 lakhs in financial year 2022-2023 representing a increase of 33.67%.

### **Purchase of Stock in Trade**

The Total Purchase of Stock in Trade for the financial year 2022-23 decreased to Rs. 1496.61 lakhs from Rs. 1550.52 lakhs in the Financial Year 2021-22 representing a decrease of 3.48%.

### **Change in inventories of finished goods**

Our Change in inventories of finished goods comprises of increase/decrease in finished goods. The closing inventories of finished goods for the financial year 2022-23 was Rs (20.87) lakhs as compared to Rs (243.32) lakhs in the Financial Year 2021-22 representing a decrease of 91.42%. The closing inventories of finished goods for the financial year 2022-23 was Rs 581.64 lakhs as compared to Rs. 560.78 lakhs in the Financial Year 2021-22 representing an increase of 3.72%. This was primarily due to higher level of closing stock at end of financial year 2022-23 compared to financial year 2021-22.

### **Employee benefits expense:**

Our Company has incurred Rs. 121.37 Lakhs as Employee benefits expense during the financial year 2022-23 as compared to Rs. 124.80 Lakhs in the financial year 2021-22. The decrease of 2.75% was due to decrease in (i) Director remuneration of Rs. 30 lakhs in the financial year 2022-23 as compared to Rs. 60 lakhs in financial year 2021-22 which amount to decrease of 50.00 %, (ii) Staff Welfare Expenses of Rs.3.60 in the financial year 2022-23 as compared to Rs. 3.85 lakhs in financial year 2021-22 which amount to decrease of 6.72 %.

### **Finance Costs:**

Our Company has incurred Rs. 26.53 Lakhs as finance cost during the financial year 2022-23 as compared to Rs. 51.21 Lakhs in the financial year 2021-22. The decrease of 48.20 % was due to (i) decrease in Interest on Unsecured loan and (ii) decrease in Bank Charges including processing fees.

### **Depreciation and Amortization Expenses:**

Depreciation for the financial year 2022-23 stood at Rs. 29.26 Lakhs as against Rs. 14.88 Lakhs during the financial year 2021-22. The increase in depreciation was around 96.68% which was due to addition in Plant & Machinery, Furniture & Fittings, vehicles, Computers and Office Equipments.

### **Other Expenses:**

Our Company has incurred Rs. 285.81 Lakhs during the Financial Year 2022-23 on other expenses as against Rs. 343.70 Lakhs during the financial year 2021-22. There was a decrease of 16.84% mainly due to (i) Decrease in Brokerage & commission by 88.44% from Rs. 44.9 lakhs in financial year 2021-22 to Rs. 5.19 Lakhs in financial year 2022-23, (ii) decrease in Business Promotion Exp by 71.21% from Rs. 8.47 lakhs in financial year 2021-22 to Rs. 2.44 lakhs in financial year 2022-23, (iii) decrease in Damage Stock Exp by 100.00% from Rs. 4.66 lakhs in financial year 2021-22 to Rs. 0 in financial year 2022-23, (iv) decrease in Freight & Transportation Charges Exp by 41.57% from Rs. 50.26 lakhs in financial year 2021-22 to Rs. 29.37

lakhs in financial year 2022-23, (v) decrease in Labour Charges Exp by 47.10% from Rs. 6.41 lakhs in financial year 2021-22 to Rs. 3.39 lakhs in financial year 2022-23, (vi) decrease in Rent, Rates & Taxes by 72.58% from Rs. 39.05 lakhs in financial year 2021-22 to Rs. 10.71 lakhs in financial year 2022-23, (vii) decrease in Telephone & Mobile Exp by 100% from Rs. 1.51 lakhs in financial year 2021-22 to Rs. 0 in financial year 2022-23.

#### **Restated Profit before tax:**

Net profit before tax for the financial year 2022-23 increased to Rs. 340.25 Lakhs as compared to Rs 117.57 Lakhs in the financial year 2021-22. The increase of 189.41% was majorly due to factors as mentioned above.

#### **Restated profit after tax:**

Our profit after tax for the year increased by 184.96% from profit of Rs. 84.42 lakhs in financial year 2021-22 to net profit Rs. 240.56 lakhs in financial year 2022-23. Consequently, our PAT Margin expanded to 10.32 % in financial year 2022-23 from 4.29% in financial year 2021-22. There has been an increase in the PAT Margin in FY 23 as compared to FY 22 due to factors like:

1. Over the years company was able to create its brand visibility in FY 23 as compared to FY 22 which led to increase its overall turnover with competitive sourcing leading to higher margins in FY 23.
2. There was a reduction in overall cost of products being sold. The cost of material consumed, Purchases of stock in Trade and Change in inventories of finished goods in totality contributed to approx. 66% of Total income in FY 2023 as compared to approx. 68% of Total income in FY 2022. There has been overall reduction of 2% in FY 23 as compared to FY 22. – *adding to 2% PAT margin*
3. Other income decreased from Rs 67.78 lakhs representing 3.33% of Total income in FY 22 to Rs 40.21 lakhs representing 1.70% of total income in FY 23. Other income reduced majorly due to reduction in income from Foreign Exchange Fluctuation which reduced from Rs 61.77 lakhs in FY 22 to Rs 20.08 lakhs in FY 23. – *reducing PAT margin by 1.63%*
4. The revenue from operations increased by 18.38% in FY 23, however certain expenses did not increase in same proportion as mentioned below:
  - a. Employee Benefit Expenses decreased to Rs 121.37 Lakhs representing 5.12% of Total income in FY 2023 as compared to Rs 124.80 lakhs representing 6.13% of Total income in FY 2022 – *adding to 1% PAT margin*
  - b. Finance cost decreased to Rs 26.53 Lakhs representing 1.12% of Total income in FY 2023 as compared to Rs 51.21 lakhs representing 2.51% of Total income in FY 2022 - *adding to 1.39% PAT margin*
  - c. Other Expenses decreased to Rs 285.81 Lakhs representing 12.05% of Total income in FY 2023 as compared to Rs 343.70 lakhs representing 16.87% of Total income in FY 2022.- *adding to 4.82% PAT margin*  
 The major reason for to decrease in other expenses is due to
    - (i) Decrease in Rent, Rates & Taxes to Rs 10.71 lakhs in FY 2023 as compared to Rs 39.05 lakhs in FY 2022
    - (ii) Decrease in Freight & Transportation Charges to Rs 29.37 lakhs in FY 2023 as compared to Rs 50.26 lakhs in FY 2022 and Clearing & Forwarding to Rs 25.12 lakhs in FY 2023 as compared to Rs 29.79 lakhs in FY 2022.
    - (iii) Decrease in outgoing commission of the company to Rs 5.19 lakhs in FY 2023 as compared to Rs 44.90 lakhs due to increased awareness and publicity about the products offered. As the awareness increased the company was able to expand its market with direct sales and reduced expenses on commission.

#### **Information required as per Item (II)(C)(iv) of Part A of Schedule VI to the SEBI Regulations:**

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

##### ***1. Unusual or infrequent events or transactions***

The impact of COVID 19 pandemic which occurred in past affected the supply chain in our business operations and accordingly, the financial position of the company. Any unusual or infrequent events like: COVID 19, if occurred in future may affect the future operations and performance of the company.

##### ***2. Significant economic changes that materially affected or are likely to affect income from continuing operations.***

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

**3. *Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.***

Apart from the risks as disclosed under Section “**Risk Factors**” beginning on page 29 of the 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***

Other than as described in the sections “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 29, 113 and 203 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

**5. *Segment Reporting***

Our company operates in a single product segment. For details on geographical segment please refer “**Annexure IV**” forming part of “**Financial Information of the Company**” on page 172 of the Red Herring Prospectus

**6. *Status of any publicly announced New Products or Business Segment***

Except as disclosed in the Chapter “**Our Business**”, our Company has not announced any new product or service.

**7. *Seasonality of business***

Our business is not subject to seasonality. For further information, see “**Industry Overview**” and “**Our Business**” on pages 97 and 113 respectively.

**8. *Dependence on single or few customers***

During the FY 23-24, FY 22-23 and FY 21-22 our top 10 customers contributed to 46.20%, 53.61% and 57.47% of our revenue from operations. For further information, see “**Risk Factors**” on page 29 of this Red Herring Prospectus.

**9. *Competitive conditions***

Competitive conditions are as described under the Chapters “**Industry Overview**” and “**Our Business**” beginning on pages 97 and 113 respectively of this Red Herring Prospectus.

**10. *Details of material developments after the date of last balance sheet i.e. March 31, 2024***

After the date of last Balance sheet i.e. March 31, 2024, the following material events have occurred after the last audited period–

1. We have capitalized the profits of the company by issuing 20,00,000 equity shares of Face Value of Rs. 10/- in ratio of 2:3 (2 new equity shares for 3 Existing shares) approved in Extra Ordinary General Meeting held on April 25, 2024.
2. We have passed a Resolution in the meeting of Board of Directors dated April 22, 2024 authorizing the Board of Directors to raise funds by making an Initial Public Offering.
3. We have passed a special resolution in the Extra-ordinary General meeting dated April 25, 2024 authorizing the Board of Directors to raise funds by making an Initial Public Offering.
4. Our Company has approved the Draft Red Herring Prospectus vide resolution in the Board Meeting dated May 09, 2024.
5. Our Company has approved the Restated Financial Statements for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 in the Board meeting dated September 12, 2024
6. Our Company has approved the Red Herring Prospectus vide resolution in the Board Meeting dated September 13, 2024

### **CAPITALISATION STATEMENT**

(₹ In Lakhs)

| <b>Particulars</b>  | <b>Pre Issue</b> | <b>Post Issue</b> |
|---|------------------|-------------------|
| <b>Borrowings</b>   |                  |                   |
| Short term debt (A)   | 211.46           | *                 |
| Long Term Debt (B)  | 361.14           | *                 |
| <b>Total debts (C)</b>  | <b>572.60</b>    | *                 |
| <b>Shareholders' funds</b>  |                  |                   |
| Equity share capital  | 300.00           | *                 |
| Reserve and surplus - as restated   | 761.22           | *                 |
| <b>Total shareholders' funds</b>  | <b>1061.22</b>   | *                 |
| <b>Long term debt / shareholders funds</b>  | 0.34             | *                 |
| <b>Total debt / shareholders funds</b>  | 0.54             | *                 |
| * The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished. |                  |                   |
| Short term Debts represent which are expected to be paid/payable within 12 months.  |                  |                   |
| Long term Debts represent debts other than Short term Debts as defined above.   |                  |                   |

## **SECTION VII –LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

*Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoter in the last five financial years, including outstanding action; or (v) Material Litigation (as defined below); involving our Company, its Directors and Promoters.*

*Our Board, in its meeting held on April 26, 2024 determined that outstanding legal proceedings involving the Company, its Directors and Promoter will be considered as material litigation (“Material Litigation”) if the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last audited financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.*

*The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended for creditors where outstanding due to any one of them exceeds 5% of the Company’s trade payables as per the last restated financial statements.*

#### **A. LITIGATION INVOLVING THE COMPANY**

##### **(a) Criminal proceedings against the Company**

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings against the Company.

##### **(b) Criminal proceedings filed by the Company**

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Company.

##### **(c) Other pending material litigations against the Company**

As on the date of this Red Herring Prospectus, there are no outstanding material litigation initiated against the Company.

##### **(d) Other pending material litigations filed by the Company**

As on the date of this Red Herring Prospectus, there are no outstanding material litigation initiated by the Company.

##### **(e) Actions by statutory and regulatory authorities against the Company**

As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

#### **B. LITIGATIONS INVOLVING THE PROMOTERS & DIRECTORS OF THE COMPANY**

##### **(a) Criminal proceedings against the Promoters & Directors of the company**

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings against the Promoters & Directors of the Company.

##### **(b) Criminal proceedings filed by the Promoters & Directors of the company**

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Promoters & Directors of the Company.

**(c) Other pending material litigations against the Promoters & Directors of the company**

As on the date of this Red Herring Prospectus, there are no outstanding material litigation initiated against the Promoters & Directors of the Company.

**(d) Other pending material litigations filed by the Promoters & Directors of the company**

As on the date of this Red Herring Prospectus, there are no outstanding material litigation filed by the Promoters & Directors of the Company.

**(e) Actions by statutory and regulatory authorities against the Promoters & Directors of the company**

As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Promoters & Directors of the company.

**(f) Disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five financial years, including outstanding action**

As on the date of this Red Herring Prospectus, there are no outstanding actions by SEBI or stock exchanges against the Promoters, nor any penalties have been imposed in the last five years.

**C. LITIGATIONS INVOLVING THE GROUP COMPANY OF THE COMPANY**

**(a) Criminal proceedings against the group company of the company**

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the group company of the company.

**(b) Criminal proceedings filed by the group company of the company**

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the group company of the company.

**(c) Other pending material litigations against the group company of the company**

As on the date of this Red Herring Prospectus, there are no outstanding litigations initiated against the group company, which have been considered material by the Company in accordance with the Materiality Policy.

**(d) Other pending material litigations by the group company of the company**

As on the date of this Red Herring Prospectus, there are no outstanding litigations initiated by the group company, which have been considered material by the Company in accordance with the Materiality Policy.

**(e) Actions by statutory and regulatory authorities against the group company of the company**

As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the group company.

**D. TAX PROCEEDINGS**

| Nature of Proceedings | Number of cases | Amount involved* (Rs. in lakhs) |
|-----------------------|-----------------|---------------------------------|
| <b>Of the Company</b> |                 |                                 |
| Direct Tax            | 7 <sup>#</sup>  | 1.40                            |
| Indirect Tax          | 2 <sup>*</sup>  | 156.32                          |

| <b>Of the Promoters and Directors</b>    |   |      |
|--|---|------|
| 1. Rahul Virendra Chandalia - Direct Tax | 1 | 9.31 |
| 2. Pradeep Shripal Jain - Direct Tax     | 1 | 0.52 |
| 3. Saloni Rahul Chandalia - Direct Tax   | 2 | 2.40 |

# Towards TDS Default

\* GST Intimation for Demand pertaining to FY 2021-22 (GST DRC-01A) was issued on July 10, 2024 by Department of GST, Government of Maharashtra, for certain discrepancies like: excess ITC claimed in GSTR 3B which is not confirmed in GSTR 2A, excess outward tax in GSTR 1 compared to GST 9/GSTR 3B and interest on delayed payments made with GSTR 3B. The total demand including interest and penalty is Rs. 1,10,17,557. The Company has filed its reply to the said notice on August 12, 2024. Final order in the matter has not been received yet.

\*Company has received a Notice in Form GST DRC-01C on April 24, 2024 as the input tax credit availed by the Company in the return furnished in FORM GSTR-3B exceeded the amount of input tax credit available to the Company in accordance with the auto-generated statement containing the details of input tax credit made available to the Company in FORM GSTR-2B for the period March 2024 for excess claim of an ITC by an amount of Rs 46,14,300. Reply to the concerned officer has already been submitted by the Company for the reason of mismatch of ITC due to Twastha Manufacturing Solutions Private Limited seller having submitted its GSTR 1 late therefore its credit of Rs. 46,14,300 is shown in April 2024 return.

#### **AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:**

The Board of Directors of our Company considers dues exceeding 5% of the Company's trade payables as per the last restated financial statements, to small scale undertakings and other creditors as material dues for our Company. Our Board of Directors considers dues owed by our Company to the creditors exceeding 5% of the Company's trade payables as per the last restated financial statements as material dues for the Company. The trade payables for the period ended on March 31, 2024 were Rs. 509.88 lakhs Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds Rs. 25.49 lakhs. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on April 26, 2024. Based on these criteria, details of outstanding dues owed as on March 31, 2024 by our Company on are set out below:

| (₹ in lakhs)                           |                            |                        |
|--|----------------------------|------------------------|
| <b>Types of creditors</b>              | <b>Number of creditors</b> | <b>Amount involved</b> |
| A. Micro, small and medium enterprises | Nil                        | -                      |
| B. Material Creditors                  | 2                          | 509.88                 |
| <b>Total (A+B)</b>                     | 2                          | 509.88                 |

The details pertaining to net outstanding dues towards our material creditors as on March 31, 2024 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at [www.wol3d.com](http://www.wol3d.com). It is clarified that such details available on our website do not form a part of this Red Herring Prospectus.

#### **SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2024 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS:**

Except as disclosed above and in this Red Herring Prospectus, there are no circumstances that have arisen since March 31, 2024, the date of the last financial statements included in this Red Herring Prospectus, which materially and adversely affect or is likely to affect our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

## **GOVERNMENT AND OTHER STATUTORY APPROVALS**

*Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/ regulatory authorities/certification bodies required to undertake the issue or continue our business activities and except as mentioned below, no further approvals are required for carrying on our present or proposed business activities.*

*In view of the approvals listed below, we can undertake this issue and our current 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 Red Herring Prospectus.*

*The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.*

*The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.*

### **I. Approvals for the Offer:**

The following approvals have been obtained or will be obtained in connection with the Offer:

#### **Corporate Approvals:**

- a. Our Board, pursuant to its resolution dated April 22, 2024 authorized the Offer subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and such other authorities as may be necessary;
- b. The shareholders of our Company have, pursuant to their resolution passed at the Extraordinary General Meeting of our Company held on April 25, 2024 under Section 62(1)(c) of the Companies Act, 2013, authorized the Offer;
- c. Our Board approved the Draft Red Herring Prospectus pursuant to its resolution dated May 09, 2024.
- d. Our Board approved this Red Herring Prospectus pursuant to its resolution dated September 13, 2024.

#### **Approval from the Stock Exchange:**

- e. In-principle approval dated September 05, 2024 from the NSE Emerge for using the name of the Exchange in the Offer documents for listing of the Equity Shares issued by our Company pursuant to the offer.

#### **Agreements with NSDL and CDSL:**

- f. Agreement dated January 31, 2023 between CDSL, the Company and the Registrar to the Offer;
- g. Agreement dated January 27, 2023 between NSDL, the Company and the Registrar to the Offer;
- h. The Company's International Securities Identification Number ("ISIN") is INE000201011.

### **II. Incorporation related Approvals obtained by our Company:**

| Sr.No | Nature of Registration/ License | CIN                   | Applicable Laws     | Issuing Authority       | Date of issue     | Date of Expiry       |
|-------|---------------------------------|-----------------------|---------------------|-------------------------|-------------------|----------------------|
| 1.    | Certificate of Incorporation    | U74110MH1988PTC049454 | Companies Act, 1956 | Registrar of Companies, | November 01, 1988 | Valid till cancelled |



|    |  |                       |                     |                                |                  |                      |
|----|--|-----------------------|---------------------|--------------------------------|------------------|----------------------|
|    |  |                       |                     | Maharashtra,<br>Mumbai         |                  |                      |
| 2. | Fresh Certificate of Incorporation consequent to change in name from Parekh Polyster Private Limited to Wol 3d India Private Limited | U74110MH1988PTC049454 | Companies Act, 2013 | Registrar of Companies, Mumbai | June 20, 2018    | Valid till Cancelled |
| 3. | Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company                                 | U74110MH1988PLC049454 | Companies Act, 2013 | Registrar of Companies, Mumbai | January 02, 2023 | Valid till Cancelled |

### III. Corporate/ General Authorisations:

| Sr. No. | Nature of Registration/ License                        | Registration/ License No. | Applicable Laws                          | Issuing Authority                             | Date of Issue     | Date of Expiry        |
|---------|--|---------------------------|--|---|-------------------|-----------------------|
| 1.      | Permanent Account Number (PAN)                         | AACCP7188B                | Income Tax Act, 1961                     | Commissioner of Income Tax                    | January 31, 2023  | Valid until cancelled |
| 2.      | Tax Deduction Account Number (TAN)                     | MUMW05939D                | Income Tax Act, 1961                     | Income Tax Department                         | January 31, 2023  | Valid until cancelled |
| 3.      | Certification of registration of Goods and Service tax | 36AACCP7188B1ZD           | Central Goods and Services Tax Act, 2017 | Government of India & Government of Telangana | July 27, 2020     | Valid until cancelled |
| 4.      | Certification of registration of Goods and Service tax | 29AACCP7188B1Z8           | Central Goods and Services Tax Act, 2017 | Government of India & Government of Karnataka | July 27, 2020     | Valid until cancelled |
| 5.      | Certification of registration of Goods and Service tax | 24AACCP7188B1ZI           | Central Goods and Services Tax Act, 2017 | Government of India & Government of Gujarat   | July 11, 2021     | Valid until cancelled |
| 6.      | Certification of registration of Goods and Service tax | 27AACCP7188B1ZC           | Central Goods and Services Tax Act, 2017 | Government of India & Government of Mumbai    | November 06, 2018 | Valid until cancelled |
| 7.      | Certification of registration of Goods and Service tax | 07AACCP7188B1ZE           | Central Goods and Services Tax Act, 2017 | Government of India & Government of Delhi     | July 20, 2023     | Valid until cancelled |
| 8.      | Certification of registration of Goods and Service tax | 06AACCP7188B1ZG           | Central Goods and Services Tax Act, 2017 | Government of India & Government of Haryana   | August 07, 2020   | Valid until cancelled |
| 9.      | Certification of registration of Goods                 | 19AACCP7188B1Z9           | Central Goods and Services Tax Act, 2017 | Government of India & Government of           | July 10, 2021     | Valid until cancelled |

| Sr. No. | Nature of Registration/ License              | Registration/ License No. | Applicable Laws   | Issuing Authority  | Date of Issue      | Date of Expiry        |
|---------|--|---------------------------|---|--|--------------------|-----------------------|
|         | and Service tax                              |                           |   | West Bengal  |                    |                       |
| 10.     | Certificate of Importer- Exporter Code (IEC) | AACCP7188B                | The Foreign Trade (Development and Regulation) Act, 1992        | Directorate General of Foreign Trade                     | February 20, 2019  | Valid until cancelled |
| 11.     | Udhyam Registration                          | UDYAM-MH-19-0036487       | Ministry of Micro Small and Medium enterprises                  | Ministry of Micro Small and Medium enterprises           | January 25, 2021   | Valid until cancelled |
| 12.     | Factory License                              | 1217022209000W            | Directorate of Industrial Safety and Health (Labour Department) | Industrial Safety and Health, Maharashtra State, Welfare | September 02, 2024 | December 31, 2026     |

**IV. Labour related Approvals obtained by our Company:**

| Sr. No. | Nature of Registration/ License                             | Registration/ License No.      | Applicable Laws   | Issuing Authority   | Date of Issue    | Date of Expiry        |
|---------|---|--------------------------------|---|---|------------------|-----------------------|
| 1.      | Registration under ESIC                                     | 31001206120001002              | Employees State Insurance Act, 1948   | Sub-Regional Office, Mumbai   | July 22, 2022    | Valid until cancelled |
| 2.      | Registration under Employees' Provident Funds               | MHBAN2716889000                | Employees (Provident Fund and Miscellaneous Provisions) Act, 1952                               | Regional Office, Bandra (Mumbai-I)                                      | July 22, 2022    | Valid until cancelled |
| 3.      | Shop and Establishment Registration (Mumbai, Maharashtra)   | 890834690/ /COMMERCIAL II      | Maharashtra Shop and Establishment (Regulation of Employment and condition of Service) Act 2017 | Office of Chief Facilitator, Mumbai                                     | January 16, 2023 | Valid until cancelled |
| 4.      | Shop and Establishment Registration (Mumbai, Maharashtra)   | 890684723/E ward/Commercial II | Maharashtra Shop and Establishment (Regulation of Employment and condition of Service) Act 2017 | Office of the Chief Facilitator, Mumbai                                 | January 16, 2023 | Valid until cancelled |
| 5.      | Shop and Establishment Registration (New Delhi)             | 2024048487                     | Delhi Shops & Establishment Act, 1954   | Department of Labour, Government of National Capital Territory of Delhi | March 11, 2024   | Valid until cancelled |
| 6.      | Shop and Establishment Registration (Somajiguda, Hyderabad) | SEA/HYD/ALO/17/0 825122/2024   | Telangana Shops & Establishments Act, 1988  | Government Of Telangana, Labour Department                              | March 12, 2024   | Valid until cancelled |

|     |   |              |   |   |                  |                       |
|-----|---|--------------|---|---|------------------|-----------------------|
| 7.  | Shop and Establishment Registration<br>(Thane, Maharashtra) | 100592862403 | Maharashtra Shop and Establishment (Regulation of Employment and condition of Service) Act 2017 | Office of the Assistant Commissioner of Labour  | January 13, 2024 | Valid until cancelled |
| 8.  | Shop and Establishment Registration<br>(Thane, Maharashtra) | 100587222403 | Maharashtra Shop and Establishment (Regulation of Employment and condition of Service) Act 2017 | Office of the Assistant Commissioner of Labour  | January 13, 2024 | Valid until cancelled |
| 9.  | PT certificate (Mumbai, Maharashtra)                        | 27075204105P | Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975                 | Government of Maharashtra, Sales Tax Department | January 04, 2003 | Valid until cancelled |
| 10. | PT certificate (Bangalore, Karnataka)                       | 1058792458   | Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976                        | Government of Karnataka                         | March 21, 2024   | Valid until cancelled |
| 11. | PT certificate (Telangana)                                  | 36397004909  | Telangana Tax on Profession, Trade, Calling and Employment Act, 1987                            | Government of Telangana                         | March 26, 2024   | Valid until cancelled |

**V. Environment related Approvals obtained by our Company:**

| Sr. No. | Nature of Registration/ License          | Registration/ License No.     | Applicable Laws                      | Issuing Authority   | Date of Issue     | Date of Expiry        |
|---------|--|-------------------------------|--------------------------------------|---|-------------------|-----------------------|
| 1.      | Registration Certificate for Importer    | IM-14-000-12-AACCP7188B-23    | Plastic Waste Management Rules, 2016 | CPCB Ministry Of Environment, Forest and Climate Change, Govt. of India | December 14, 2023 | Valid until cancelled |
| 2.      | EPR Registration Certificate of Producer | B-9016(5312) (EPR)/ 23/WM-III | E-Waste (Management) Rules 2022      | CPCB M/o Forest & Climate Change, Govt of India                         | October 26, 2023  | October 25, 2028      |

**VI. Quality Certifications Approvals obtained by our Company:**

| Sr. No. | Description      | Registration/ License No. | Nature of Registration   | Issuing Authority            | Date of Issue     | Date of Expiry    |
|---------|------------------|---------------------------|--|------------------------------|-------------------|-------------------|
| 1       | ISO 9001:2015    | 23DQMX37                  | Quality Management System for following scope:<br>Manufacturing And Trading Of 3D Printers, 3D Filaments, Additive Manufacturing Products & Allied Products. | ROHS Certification Pvt. Ltd. | December 22, 2023 | December 21, 2026 |
| 2.      | ROHS Certificate | QVA-WDPL-24-0755562       | -  | QVA Certification            | February 07, 2024 | February 06, 2027 |

|    |                   |                         |   |  |                      |                      |
|----|-------------------|-------------------------|---|--|----------------------|----------------------|
|    |                   |                         |   | accredited by<br>GAAFS.US                      |                      |                      |
| 3. | CE<br>Certificate | QVA-WDPL-24-<br>0755565 | - | QVA Certification<br>accredited by<br>GAAFS.US | February<br>07, 2024 | February 06,<br>2027 |

## VII. Intellectual Property Related Approvals

| Sr<br>No. | Name Applied   | Nature                   | Class    | Status     |
|-----------|--|--------------------------|----------|------------|
| 1.        | <br>I Touch       | Patent - 3D Printing Pen | 19-06    | Registered |
| 2.        | <br>I Touch plus  | Patent - 3D Printing Pen | 19-06    | Registered |
| 3.        | <br>I Touch Pro | Patent - 3D Printing Pen | 19-06    | Registered |
| 4.        |                 | Trademark*               | 35       | Registered |
| 5.        |                 | Trademark                | 9        | Registered |
| 6.        |                 | Trademark                | 17       | Registered |
| 7.        |                 | Trademark*               | 35,7, 17 | Registered |
| 8.        |  | Trademark*               | 35       | Registered |

|     |   |           |      |            |
|-----|---|-----------|------|------------|
|     |    |           |      |            |
| 9.  |    | Trademark | 7    | Registered |
| 10. |    | Trademark | 7    | Registered |
| 11. |    | Trademark | 7,35 | Registered |
| 12. |    | Trademark | 7    | Abandoned  |
| 13. |    | Trademark | 35   | Objected   |
| 14. |  | Trademark | 16   | Objected   |
| 15. |  | Trademark | 9    | Registered |
| 16. |  | Trademark | 7    | Registered |
| 17. |  | Trademark | 7    | Objected   |

*\*The said trademarks are registered in the name of our Promoter and Whole Time Director Saloni Rahul Chandalia. Our company has made the applications for trademark assignment in the name of the company.*

#### **APPLICATION MADE PENDING FOR APPROVAL**

1. Application no. 375238-001 and 375239-001 dated December 08, 2022 for registration of patent design of 3D Printing Pen
2. Acknowledgement no. 886154 dated March 13, 2024 for registration under Karnataka Shop & Commercial Establishment Act, 1961 & Rules there under.
3. Application No. MFS/PRO/KON/12062024/73 dated June 12, 2024 for Fire NOC.

### **OUR GROUP COMPANIES**

As per the SEBI ICDR Regulations, for the purpose of identification of Group Companies, our Company has considered those companies as our Group Companies which is covered under the applicable accounting standard (AS-18) issued by the Institute of Chartered Accountants of India as per Restated Financial Statements. Further, pursuant to a resolution of our Board dated April 26, 2024 for the purpose of disclosure in relation to Group Companies in connection with the Offer, a company shall be considered material and disclosed as a Group Company if such company fulfils both the below mentioned conditions: -

- (i) Such Company forms part of the Promoter Group of our Company in terms of Regulation 2(1)(z)(b) of the SEBI Regulations and;
- (ii) Our Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the company as per Restated Financial Statements. Based on the above, there are no Group Companies of our Company.

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Offer:**

#### **Corporate Approvals:**

The Board of Directors, pursuant to a resolution passed at their meeting held on April 22, 2024 authorized the Offer, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extraordinary General Meeting held on April 25, 2024 authorized the Offer.

### **Offer for Sale**

#### *Approval from the selling shareholders*

The Offer for Sale has been authorised by a resolution of the Board of Directors of the Company passed at their meeting held on April 22, 2024 and by shareholders of our Company at an Extra Ordinary General Meeting held on April 25, 2024

Each of the selling shareholders have, severally and not jointly, confirmed and authorised the transfer of its respective proportion of the Offered Shares pursuant to the Offer for Sale, as set out below:

| <b>Name of selling shareholders</b> | <b>Authorization letter date</b> | <b>No. of equity shares offered</b> | <b>% of the pre-Offer paid-up Equity Share capital of our Company</b> |
|-------------------------------------|----------------------------------|-------------------------------------|---|
| Rahul Virendra Chandalia            | April 22, 2024                   | 70,000                              | 1.40%   |
| Saloni Rahul Chandalia              | April 22, 2024                   | 1,00,000                            | 2.00%   |
| Pradeep Shripal Jain                | April 22, 2024                   | 47,000                              | 0.94%   |
| Swati Pradeep Jain                  | April 22, 2024                   | 35,000                              | 0.70%   |
| <b>Total</b>                        |                                  | <b>2,52,000</b>                     | <b>5.04%</b>  |

Each of the Selling Shareholders, severally and not jointly, confirm that it is in compliance with Regulation 8 of the SEBI (ICDR) Regulations, 2018 and it has held its respective portion of the Offered Shares for a period of at least one year prior to the date of filing of the Red Herring Prospectus.

#### **In-principle Approval:**

Our Company has obtained in-principle approval from the NSE Emerge (SME Platform) for using its name in the Offer Documents pursuant to an approval letter dated September 05, 2024 NSE is the Designated Stock Exchange.

### **Prohibition by SEBI or other Governmental Authorities:**

Our Company, Selling Shareholders, our Directors, our Promoters, Promoter Group, Directors, persons in control of our Company and companies or entities with which our Company's Directors are associated as Directors / Promoters / partners are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other securities market regulator or Governmental Authority in any other jurisdiction or any other authority/court.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Neither our Company, nor Promoters, nor Promoter Group, nor Selling Shareholders, nor any of our directors or persons in control of our Company are / were associated as promoters, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.

There has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter ***"Outstanding Litigations and Material Development"*** beginning on page 214 of this Red Herring Prospectus.

**Association with Securities Market:**

None of our Directors are, in any manner, associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors in the past 5 years.

**Prohibition by RBI:**

Neither our Company, our Promoters, Promoter Group, Selling Shareholders, our Directors, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as a wilful defaulter or a fugitive economic offender or a fraudulent borrower and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter ***“Outstanding Litigations and Material Development”*** beginning on page 214 of this Red Herring Prospectus.

**Prohibition with respect to wilful defaulters or a fraudulent borrower:**

Neither our Company, our Promoters, our Directors, Group companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

**Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018:**

Under the SBO Rules certain persons who are ‘significant beneficial owners’, are required to intimate their beneficial holdings to our Company in Form no. BEN-1. As on date of Red Herring Prospectus, there are no such significant beneficial owners in our Company.

**Eligibility for the Offer:**

Our Company has complied with the conditions of Regulation 230 of SEBI (ICDR) Regulations, 2018 for this Offer.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Offer is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Offer in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post Offer face value paid up capital is upto ten Crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “NSE Emerge”).

**We confirm that:**

- a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this offer will be 100% underwritten and that the BRLM to the Offer shall underwrite minimum 15% of the Total Offer Size. For further details pertaining to said underwriting please refer to section titled ***“General Information – Underwriting”*** beginning on page 60 of this Red Herring Prospectus.
- b) In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Offer shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working 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 (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.
- c) In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our BRLM submits a copy of the Red Herring Prospectus/ Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus/ Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus.
- d) In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, we hereby confirm that we shall enter into an



agreement with the BRLM and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the NSE Emerge. For further details of the arrangement of market making please refer to section titled ***“General Information – Details of the Market Making Arrangements for this Offer”*** beginning on page 61 of this Red Herring Prospectus.

- e) In accordance with Regulation 228(a) of the SEBI (ICDR) Regulations, our Company, its promoters, promoter group or directors are not debarred from accessing the capital markets by the Board;
- f) In accordance with Regulation 228(b) of the SEBI (ICDR) Regulations, the companies with which our promoters or directors are associated as a promoter or director are not debarred from accessing the capital markets by the Board;
- g) In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a wilful defaulter or a fraudulent borrower.
- h) In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer’s promoters or directors is a fugitive economic offender.
- i) In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to NSE Emerge and National Stock Exchange of India Limited is the Designated Stock Exchange.
- j) In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.
- k) In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid-up.
- l) In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialised form.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

- 1. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated January 31, 2023 and National Securities Depository Limited dated January 27, 2023 for establishing connectivity.
- 2. Our Company has a website i.e. [www.wol3d.com](http://www.wol3d.com).
- 3. There has been no change in the promoters of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.

We confirm that we comply with all the below requirements/ conditions so as to be eligible to be listed on the NSE Emerge:

- 1. Our Company was originally incorporated as a private limited Company under the name of “Parekh Polyster Private Limited” on November 01, 1988 bearing registration number as 11-49454. Subsequently, Ratan Mohanraj Chandalia, Virendra Mohanraj Chandalia, Sumitra Virendra Chandalia, Shweta Virendra Chandalia and Swati Virendra Chandalia, purchased the entire shareholding in the year 2003. Thereafter, the name of the company was changed from “Parekh Polyster Private Limited” to “Wol 3D India Private Limited” vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on April 30, 2018 and consequent to name change a fresh Certificate of Incorporation was granted to our Company on June 20, 2018 by the Registrar of Companies, Mumbai. Subsequently, our Company was converted into a public limited company vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on December 12, 2022 and consequently the name of our Company was changed from “WOL 3D India Private Limited” to “WOL 3D India Limited” vide fresh Certificate of Incorporation granted to our Company consequent upon conversion into public limited company dated January 02, 2023 by the Registrar of Companies, Mumbai bearing Corporate Identification Number U74110MH1988PLC049454.

2. The post offer paid up capital of the company will be 64,52,000 equity shares of face value of Rs.10/- aggregating up to Rs. 645.20 which is less than Rs. 25 Crores.
3. The Company has a track record of at least 3 years as on the date of filling Red Herring Prospectus.
4. The company/entity has 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.

(₹ in Lakhs)

| Particulars  | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|--|----------------|----------------|----------------|
| Net Worth  | 1061.22        | 566.80         | 326.25         |
| Operating profit<br>(earnings before interest, depreciation and tax) | 694.37         | 355.55         | 113.28         |

5. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, group companies, companies promoted by the promoter of the Company.
6. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
7. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
8. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
9. The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MAY 09, 2024.**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34, SECTION 35, SECTION 36 AND SECTION 38 (1) OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLM ANY IRREGULARITIES OR LAPSES IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT.**

All legal requirements pertaining to the offer will be complied with at the time of registration of the Red Herring Prospectus with the Registrar of Companies, Maharashtra in terms of sections 26, 32 and 33 of the Companies Act, 2013.

**Statement on Price Information of Past Issues handled by Hem Securities Limited (SME IPO's):**

| Sr. No. | Issue name                               | Issue size (₹ in Cr.) | Issue Price (₹) | Listing date       | Openin g Price on listing date | +/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing |
|---------|--|-----------------------|-----------------|--------------------|--------------------------------|---|---|--|
| 1.      | Vilas Transcore Limited                  | 95.26                 | 147.00          | June 03, 2024      | 215.00                         | 252.79% [4.40%]   | 186.63% [8.66%]   | N.A.   |
| 2.      | Aimtron Electronics Limited              | 87.02                 | 161.00          | June 06, 2024      | 241.00                         | 310.93% [6.17%]   | 191.86% [10.42%]  | N.A.   |
| 3.      | Ganesh Green Bharat Limited              | 125.23                | 190.00          | July 12, 2024      | 361.00                         | 149.42% [-0.63%]  | N.A.  | N.A.   |
| 4.      | Chetana Education Limited                | 45.90                 | 85.00           | July 31, 2024      | 98.90                          | -0.88% [1.14%]  | N.A.  | N.A.   |
| 5.      | Aprameya Engineering Limited             | 29.23                 | 58.00           | August 01, 2024    | 72.00                          | 17.24% [1.31%]  | N.A.  | N.A.   |
| 6.      | Sunlite Recycling Industries Limited     | 30.24                 | 105.00          | August 20, 2024    | 199.50                         | N.A.  | N.A.  | N.A.   |
| 7.      | Aeron Composite Limited                  | 56.10                 | 125.00          | September 04, 2024 | 150.00                         | N.A.  | N.A.  | N.A.   |
| 8.      | Namo eWaste Management Limited           | 51.20                 | 85.00           | September 11, 2024 | 161.50                         | N.A.  | N.A.  | N.A.   |
| 9.      | My Mudra Fincorp Limited                 | 33.60                 | 110.00          | September 12, 2024 | 130.00                         | N.A.  | N.A.  | N.A.   |
| 10.     | Vision Infra Equipment Solutions Limited | 106.21                | 163.00          | September 13, 2024 | 205.00                         | N.A.  | N.A.  | N.A.   |

\*Hem Securities Limited, BRLM, has carried out all SME IPOs.

Source: Price Information [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

- 1) The scrip of Vilas Transcore Limited and Aimtron Electronics Limited have not completed its 180<sup>th</sup> day from the date of listing; Ganesh Green Bharat Limited, Chetana Education Limited and Aprameya Engineering Limited have not completed its 90<sup>th</sup> day from the date of listing and Sunlite Recycling Industries Limited, Aeron Composite Limited, NamoeWaste Management Limited, My Mudra Fincorp Limited and Vision Infra Equipment Solutions Limited have not completed its 30<sup>th</sup> day from the date of listing.

**Summary statement of Disclosure:**

| Financial Year | Total no. of IPOs | Total amount of funds raised (₹ Cr.) | No. of IPOs trading at discount- 30 <sup>th</sup> calendar days from listing |                |               | No. of IPOs trading at Premium- 30 <sup>th</sup> calendar days from listing |                |               | No. of IPOs trading at discount- 180 <sup>th</sup> calendar days from listing |                |               | No. of IPOs trading at Premium- 180 <sup>th</sup> calendar days from listing |                |               |
|----------------|-------------------|--------------------------------------|--|----------------|---------------|---|----------------|---------------|---|----------------|---------------|--|----------------|---------------|
|                |                   |                                      | Over 50%   | Between 25-50% | Less than 25% | Over 50%  | Between 25-50% | Less than 25% | Over 50%  | Between 25-50% | Less than 25% | Over 50%   | Between 25-50% | Less than 25% |
| 2022-23        | 15 <sup>(1)</sup> | 220.57                               | -  | -              | -             | 6   | 6              | 3             | -   | -              | -             | 12   | -              | 3             |
| 2023-24        | 21 <sup>(2)</sup> | 680.45                               | -  | -              | 1             | 12  | 5              | 3             | -   | -              | 2             | 11   | 5              | 2             |
| 2024-25        | 17 <sup>(3)</sup> | 824.72                               | -  | -              | 1             | 6   | 1              | 4             | -   | -              | -             | -  | -              | -             |

- 1) *The scrip of Krishna Defence and Allied Industries Limited was listed on April 6, 2022; Eighty Jewellers Limited was listed on April 13, 2022; Kesar India Limited was listed on July 12, 2022; Silicon Rental Solutions Limited was listed on October 10, 2022; Cargosol Logistics Limited was listed on October 10, 2022; Cargotrans Maritime Limited was listed on October 10, 2022; Concord Control Systems Limited was listed on October 10, 2022; Lloyds Luxuries Limited was listed on October 11, 2022; Vedant Asset Limited was listed on October 12, 2022; Baheti Recycling Industries Limited was listed on December 08, 2022; Chaman Metallica Limited was listed on January 16, 2023; Earthstahl & Alloys Limited was listed on February 08, 2023; Macfos Limited was listed on March 01, 2023; Systango Technologies Limited was listed on March 15, 2023 and Labelkraft Technologies Limited was listed on March 23, 2023;*
- 2) *The scrip of Vasa Denticity Limited was listed on June 02, 2023; Hemant Surgical Industries Limited was listed on June 05, 2023; Greenchef Appliances Limited was listed on July 06, 2023; Kaka Industries Limited was listed on July 19, 2023; Asarfi Hospital Limited was listed on July 26, 2023; Kahan Packaging Limited was listed on September 15, 2023; Madhusudan Masala Limited was listed on September 26, 2023; Saakshi Medtech And Panels Limited was listed on October 03, 2023; Arabian Petroleum Limited was listed on October 09, 2023, E Factor Experiences Limited was listed on October 09, 2023, Paragon Fine and Speciality Chemical Limited was listed on November 03, 2023, Deepak Chemtex Limited was listed on December 06, 2023, S J Logistics (India) Limited was listed on December 19, 2023, Siyaram Recycling Industries Limited was listed on December 21, 2023, Shanti Spintex Limited was listed on December 27, 2023, Shri Balaji Valve Components Limited was listed on January 03, 2024, New Swan Multitech Limited was listed on January 18, 2024, Harshdeep Hortico Limited was listed on February 05, 2024, Megatherm Induction Limited was listed on February 05, 2024, Sona Machinery Limited was listed on March 13, 2024 and Enfuse Solutions Limited was listed on March 22, 2024;*
- 3) *The scrip of Aspire & Innovative Advertising Limited was listed on April 03, 2024, Blue Pebble Limited was listed on April 03, 2024, Amkay Products Limited was listed on May 08, 2024, TGIF Agribusiness Limited was listed on May 15, 2024, Energy-Mission Machineries (India) Limited was listed on May 16, 2024, Aztec Fluids & Machinery Limited was listed on May 17, 2024, Premier Roadlines Limited was listed on May 17, 2024, Vilas Transcore Limited was listed on June 03, 2024, Aimtron Electronics Limited was listed on June 06, 2024; Ganesh Green Bharat Limited was listed on July 12, 2024; Chetana Education Limited was listed on July 31, 2024, Aprameya Engineering Limited was listed on August 01, 2024, Sunlite Recycling Industries Limited was listed on August 20, 2024, Aeron Composite Limited was listed on September 04, 2024, Namo eWaste Management Limited was listed on September 11, 2024, My Mudra Fincorp Limited was listed on September 12, 2024 and Vision Infra Equipment Solutions Limited was listed on September 13, 2024.*

**Note:**

- a) Based on date of listing.
- b) BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
- c) Prices on BSE/NSE are considered for all of the above calculations.
- d) 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 next trading day has been considered.
- e) In case 30<sup>th</sup> /90<sup>th</sup> /180<sup>th</sup> day, scrips are not traded then last trading price has been considered.
- f) N.A. – Period not completed.
- g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings) managed by the Book Running Lead Manager. Hence, disclosures pertaining to recent 10 issues handled by Book Running Lead Manager are provided.

**Track Record of past issues handled by Hem Securities Limited:**

For details regarding track record of BRLM to the Offer as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM at: [www.hemsecurities.com](http://www.hemsecurities.com)

**Disclaimer from our Company, the Directors, the selling shareholders and the Book Running Lead Manager:**

Our Company, our Directors, the Selling Shareholders and the BRLM accept no responsibility for statements made otherwise than those contained in this Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information including our Company's website at [www.wol3d.com](http://www.wol3d.com) or any website of any affiliate of our Company, or any of the Selling Shareholder, would be doing so at his or her own risk. It is clarified that neither the Selling Shareholder, nor their affiliates, associates and officers, accept and/or undertake any responsibility for any statements made or undertakings provided other than those

specifically made or undertaken by such Selling Shareholder in relation to itself and/or the Equity Shares offered by him through the Offer for Sale.

The BRLM accept no responsibility, save to the limited extent as provided in the agreement entered between the BRLM (Hem securities Limited) our Company and selling shareholders of the Company on May 03, 2024 and the Underwriting Agreement dated September 10, 2024 entered into between the Underwriters , selling shareholders and our Company and the Market Making Agreement dated September 10, 2024 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the 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, at collection centres or elsewhere.

The BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, the Selling Shareholders, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, the Selling shareholders, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

#### **Disclaimer Clause of the Selling Shareholders**

The selling shareholder will be severally responsible for the respective statements confirmed or undertaken by it in this Red Herring Prospectus in relation to itself and its respective portion of the offered shares.

#### **Note:**

Investors who apply in the Offer will be required to confirm and will be deemed to have represented to our Company, the selling shareholders, the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Offer.

#### **Disclaimer in Respect of Jurisdiction:**

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹2,500.00 Lakhs and pension funds with a minimum corpus of ₹2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to jurisdiction of the competent court(s) in Mumbai, Maharashtra 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, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this 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 this Red Herring Prospectus nor any sale hereunder shall, under any circumstances,

create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**Disclaimer Clause of the NSE Emerge of NSE:**

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/3851 dated September 05, 2024, 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 offer document 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.

**Disclaimer Clause under Rule 144A of the U.S. Securities Act:**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

**Filing**

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

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

A copy of the Red Herring Prospectus along with the material contracts and documents required to be filed under Section 32 of the Companies Act, 2013 would be filed with the RoC at its office through the electronic portal at <http://www.mca.gov.in> and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC at its office and through the electronic portal at <http://www.mca.gov.in>

**Listing:**

The Equity Shares of our Company are proposed to be listed on NSE Emerge. Our Company has obtained in-principle approval from NSE by way of its letter dated September 05, 2024 for listing of equity shares on NSE Emerge.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer. If the permission to deal in and for an official quotation of the Equity Shares on the NSE Emerge is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Red Herring Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE Emerge mentioned above are taken within three (3) Working Days of the Offer Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Three (3) Working Days from the Offer Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

#### **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-

- i. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- ii. 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
- iii. Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013.

#### **Consents:**

Consents in writing of (a) Our Directors, Selling Shareholders, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Banker to the Company; (b) Book Running Lead Manager, Syndicate Member, Registrar to the Offer, Banker to the Offer (Sponsor Bank), Legal Advisor to the Offer, Underwriter to the Offer and Market Maker to the Offer to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of filing of the Prospectus with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. A D V & Associates, Chartered Accountants, Statutory Auditor of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and Restated Financial Statements as included in this Red Herring Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Red Herring Prospectus.

#### **Expert Opinion:**

Except for the reports mentioned in the section titled *“Financial Information of the Company”* and *“Statement of Special Tax Benefits”* on page 165 and page 94 our company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1933.

#### **Fees, Brokerage and Selling Commission payable:**

The total fees payable to the Book Running Lead Manager will be as per the (i) Offer Agreement dated May 03, 2024 with the Book Running Lead Manager, Hem Securities Limited and selling shareholders (ii) the Underwriting Agreement dated September 10, 2024 with Underwriter and selling shareholders (iii) the Market Making Agreement dated September 10, 2024 with Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 AM to 5.00 PM on Working Days from the date of the Prospectus until the Offer Closing Date.



**Fees Payable to the Registrar to the Offer:**

The fees payable to the Registrar to the Offer for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Offer dated May 07, 2024 a copy of which is available for inspection at our Company's registered Office.

The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send allotment advice by registered post/ speed post.

**Particulars regarding Public or Rights Issues during the last five (5) years:**

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Red Herring Prospectus.

**Previous issues of Equity Shares otherwise than for cash:**

For detailed description please refer to section titled "*Capital Structure*" beginning on page 64 of this Red Herring Prospectus.

**Underwriting Commission, brokerage and selling commission on Previous Issues:**

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares in last five (5) years.

**Particulars in regard to our Company and other listed subsidiaries/ associates under the same management within the meaning of Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:**

Neither our Company nor any other companies under the same management within the meaning of Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

**Performance vis-a-vis objects – Public/ Right issue of our Company:**

Except as stated in the chapter titled "*Capital Structure*" beginning on page 64. Our company has not undertaken any previous public or right issue.

**Option to Subscribe:**

- a) Investors will get the allotment of specified securities in dematerialization form only.
- b) The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

**Outstanding Debentures or Bond Issues or Redeemable Preference Shares:**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Red Herring Prospectus.

**Partly Paid-Up Shares**

As on the date of this Prospectus, there are no partly paid-up Equity Shares of our Company.

**Outstanding Convertible Instruments:**

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



### **Stock Market Data of the Equity Shares:**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

### **Mechanism for Redressal of Investor Grievances:**

The agreement between the Registrar to the Offer and our Company and the Selling Shareholders dated May 07, 2024 provides for retention of records with the Registrar to the Offer for a period of at least three (3) years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

We hereby confirm that there are no investor complaints received during the three years preceding the filing of this Red Herring Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Red Herring Prospectus.

Investors may contact the BRLM for any complaint pertaining to the Offer. All grievances, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, where the Application Form was submitted, quoting the full name of the sole or first Applicant, Application Form number, Applicants’ DP ID, Client ID, PAN, address of the Applicant, number of Equity Shares applied for, date of Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Applicant shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. Our Company, BRLM and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

### **Disposal of Investor Grievances by our Company:**

Our Company estimates that the average time required by our Company or the Registrar to the Offer for the redressal of routine investor grievances shall be seven (7) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Nayna Pratik Lunker, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Offer. Contact details for our Company Secretary and Compliance Officer are as follows:

**Nayna Pratik Lunker**  
**Company Secretary & Compliance Officer**  
**WOL 3D India Limited**

**Address:** 18, Ground Floor, Bombay Cotton Mill Estate,  
Dattaram Lad Marg, Kalachowky, Mumbai, Maharashtra, India, 400033.

**Tel. No.:** 022 – 23727396

**Email:** cs@wol3d.com

**Website:** [www.wol3d.com](http://www.wol3d.com)

The Selling Shareholder has authorised the Company Secretary and Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Applicants in respect of their respective portion of the Offered Shares.

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system “**SCORES**”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

Our Board by a resolution on April 26, 2024 constituted a Stakeholders Relationship Committee which is responsible for redressal of grievances of the security holders of our Company. For further details, please refer to section titled ***“Our Management”*** beginning on page 143 of this Red Herring Prospectus.

**Status of Investor Complaints:**

We confirm that we have not received any investor complaint during the three years preceding the date of this Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Red Herring Prospectus.

**Disposal of investor grievances by listed companies under the same management as our Company:**

We do not have any listed company under the same management.

**Tax Implications:**

Investors who are allotted Equity Shares in the Offer will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled ***“Statement of Special Tax Benefits”*** beginning on page 94 of this Red Herring Prospectus.

**Purchase of Property:**

Other than as disclosed in Section ***“Our Business”*** beginning on page 113 there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Offer or the purchase or acquisition of which has not been completed on the date of this Red Herring Prospectus.

Except as stated elsewhere in this Red Herring Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

**Capitalization of Reserves or Profits:**

Except as disclosed under section titled ***“Capital Structure”*** beginning on page 64 of this Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

**Revaluation of Assets:**

Our Company has not revalued its assets in five (5) years preceding the date of this Red Herring Prospectus.

**Servicing Behaviour:**

Except as stated in this Draft, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

**Payment or benefit to officers of our Company:**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled ***“Our Management”*** beginning on page 143 and chapter titled ***“Financial Information”*** beginning on page 165 none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

**Exemption from complying with any provisions of securities laws, if any:**

As on date of the Red Herring Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

## **SECTION VIII: OFFER RELATED INFORMATION**

### **TERMS OF THE OFFER**

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note ("CAN"), the Revision Form, Allotment advices, 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 Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the Offer of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/ or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/ or any other authorities while granting its approval for the Offer.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Offer 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, SEBI through 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, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and any subsequent circulars issued by SEBI in this regard, SEBI has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019. With effect from July 1, 2019, with respect to Application by retail individual investors 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 Applicants with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by retail individual investors ("UPI Phase III"), as may be prescribed by SEBI. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Offer 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.*

*Further vide the said circular Registrar to the Offer and Depository Participants have been also authorized to collect the Bid-cum-Application forms. Investor may visit the official website of the concerned for any information on operational utilization of this facility of form collection by the Registrar to the Offer and Depository Participants as and when the same is made available.*

#### **Authority for the Offer**

The present Public Offer of 17,04,000 Equity Shares includes a fresh issue of 14,52,000 equity shares and an offer for sale by the selling shareholder of 2,52,000 equity shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on April 22, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on April 25, 2024 in accordance with the provisions of Section 23(1)(c), 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013.

The Offer for Sale has been authorized by the Selling Shareholder by their respective consent letters dated April 22, 2024

| <b>Name of the Selling Shareholders</b> | <b>Type</b> | <b>No. of Equity Shares Offered</b> |
|---|-------------|-------------------------------------|
| Rahul Virendra Chandalia                | Promoter    | 70,000                              |
| Saloni Rahul Chandalia                  | Promoter    | 1,00,000                            |

|                      |          |                 |
|----------------------|----------|-----------------|
| Pradeep Shripal Jain | Promoter | 47,000          |
| Swati Pradeep Jain   | Promoter | 35,000          |
| <b>Total</b>         |          | <b>2,52,000</b> |

### Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our MOA and AOA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Offer, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, **“Main Provisions of Article of Association”**, beginning on page 283 of this Red Herring Prospectus.

### Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled **“Dividend Policy”** and **“Main Provisions of Article of Association”** beginning on page 164 and 283 respectively of this Red Herring Prospectus.

### Face Value and Offer Price

The face value of each Equity Share is ₹ 10.00 and the Offer 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 Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company and the Selling shareholders in consultation with the BRLM, and will be advertised, at least two Working Days prior to the Bid/ Offer Opening Date, in all editions of Business Standard, an English national daily newspaper and all editions of Business Standard, a Hindi national daily newspaper and Marathi Edition of Regional newspaper, Pratahkal where the registered office of the company is situated, each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. 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 website of the Stock Exchange. The Offer Price shall be determined by our Company and in consultation with the BRLM, after the Bid/ Offer 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 the Equity Shares of our Company, subject to applicable laws.

### The Offer

The Offer comprises a Fresh Offer by our Company and an Offer for Sale by the Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and each of the Selling Shareholders in the manner specified in **“Objects of the Offer”** on page 80 of Red Herring Prospectus.

### Compliance with SEBI ICDR Regulations, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### Compliance with Disclosure and Accounting Norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- a) Right to receive dividend, if declared;
- b) Right to receive Annual Reports and notices to members;
- c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- d) Right to vote on a poll either in person or by proxy;
- e) Right to receive offer for rights shares and be allotted bonus shares, if announced;
- f) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- g) Right of free transferability of the Equity Shares; and
- h) Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled ***“Main Provisions of the Articles of Association”*** beginning on page 283 of this Red Herring Prospectus.

## **Allotment only in Dematerialized Form**

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must 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. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated January 27, 2023 between NSDL, our Company and Registrar to the Offer; and
- Tripartite Agreement dated January 31, 2023 between CDSL, our Company and Registrar to the Offer.

## **Minimum Application Value, Market Lot and Trading Lot**

As per regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must 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. Hence, the Equity Shares being offered can be applied for in the dematerialized form only. In this context, two agreements shall be signed among our Company, the respective Depositories and Registrar to the Offer.

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- Tripartite Agreement dated January 27, 2023 between NSDL, our Company and Registrar to the Offer; and
- Tripartite Agreement dated January 31, 2023 between CDSL, our Company and Registrar to the Offer.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE Emerge from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Shares and is 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, 2018 the minimum number of allottees in this the Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Offer and all the monies blocked by SCSB s collected shall be unblocked forthwith.

## **Jurisdiction**

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/ authorities in Mumbai, Maharashtra, India.

**The Equity Shares have not been and will not be registered under the U.S Securities Act, 1933, as amended (the “Securities Act”) or any state securities laws in the United States, and may not be offered or sold within the United States, or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act), except pursuant to an exemption from or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being will be offered or and sold outside the United States in compliance with Regulation S under of the U.S. Securities Act, 1933 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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

## **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

## **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Corporate Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Offer is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

## **Period of Subscription List of Public Offer**

### **Offer Program**

| <b>Event</b>            | <b>Indicative Dates</b>       |
|-------------------------|-------------------------------|
| Bid/ Offer Opening Date | Monday, September 23, 2024    |
| Bid/ Offer Closing Date | Wednesday, September 25, 2024 |

|  |  |
|--|--|
| Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)                                  | On or about Thursday, September 26, 2024 |
| Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account* (T+2) | On or about Thursday, September 26, 2024 |
| Credit of Equity Shares to Demat Accounts of Allottees (T+2)   | On or about Friday, September 27, 2024   |
| Commencement of Trading of The Equity Shares on the Stock Exchange (T+3)                                     | On or about Monday, September 30, 2024   |

**The above time table is indicative and does not constitute any obligation on our Company. 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 NSE Emerge platform is taken within Three Working Days from the Offer Closing Date, the timetable may change due to various factors, such as extension of the Offer Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.**

*Note <sup>1</sup>Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations*

*<sup>2</sup>Our Company in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

**\*\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding two Working Days from the Bid/ Offer 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 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 3 Working Days of the Bid/ Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Offer 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 Offer Period (except for the Bid/ Offer Closing Date). On the Bid/ Offer 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 Applicants. The time for applying for Retail Individual Bidders Applicants on Bid/ Offer Closing Date maybe extended in consultation with the BRLM, RTA and NSE Emerge NSE Emerge taking into account the total number of applications received up to the closure of timings.

On the Bid/ Offer 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/ Offer 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 Offer 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/ Offer Opening Date till the Bid/ Offer 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 the limitation of time available for uploading the Bid-Cum-Application Forms on the Bid/ Offer Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Offer Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Offer 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/ Offer Closing Date, as is typically experienced in public Offer, 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 Offer. 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 Bidders 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 Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ Offer Closing Date. Allocation to Retail Individual Bidders, in this Offer 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 Bidder, 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 Bidder, the Registrar to the Offer shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Offer Period. 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/ Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Offer Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Offer 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 and Underwriting**

This Offer 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 Offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the Offer, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight 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.



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 allotted will not be less than 50 (Fifty).

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Offer is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled ***“General Information - Underwriting”*** on page 60 of this Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

### **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase above ₹ 25.00 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 favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

Or

If the Paid-up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores and if the company fulfils the eligibility criteria for listing laid down by the main board, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares offered through this Offer are proposed to be listed on the NSE Emerge, wherein the BRLM (Book Running Lead Manager) to this Offer shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the NSE Emerge.

For further details of the agreement entered into between the Company the BRLM (Book Running Lead Manager) and the Market Maker please refer to section titled ***“General Information - Details of the Market Making Arrangements for this Offer”*** on page 61 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 SME platform of NSE.

### **As per the extent Guideline of the Government of India, OCBs cannot participate in this Offer:**

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.

### **Allotment of Equity Shares in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Offer shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

### **New Financial Instruments**

There are no new financial instruments such as deeply discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Offer.

### **Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### **Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for lock-in of the Pre- Offer Equity Shares and Promoters minimum contribution in the Offer as detailed under section titled "*Capital Structure*" beginning on page 64 of this Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled "*Main Provisions of the Articles of Association*" beginning on page 283 of this Red Herring Prospectus.

### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Red Herring Prospectus with the RoC publish a pre-Offer advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

### **Withdrawal of the Offer**

Our Company and the Selling Shareholder in consultation with the BRLM, reserve the right to not to proceed with the Offer after the Bid/ Offer Opening date but before the Allotment. In such an event, our Company would Offer a public notice in the newspaper in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLM through, the Registrar of the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed. If the Offer is withdrawn after the designated Date, amounts that have been credited to the Public Offer Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days of the Offer Closing Date or such other time period as prescribed under Applicable Law and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. If our Company withdraws the Offer after the Offer Closing Date and thereafter determines that it will proceed with an Offer or offer for sale of the Equity Shares, our Company shall file a fresh Draft Red

Herring Prospectus with the Stock Exchanges. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared, and the Stock Exchanges will also be informed promptly.

*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 and regulations, which may occur after the date of this 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 and regulations.*

## **OFFER STRUCTURE**

This Offer is being made in terms of Regulation 229 (1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer, whose post Offer face value paid up capital is upto ten Crore rupees shall Offer shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("***SME Exchange***", in this case being the *NSE Emerge*). For further details regarding the salient features and terms of such an Offer please refer chapter titled "***Terms of the Offer***" and "***Offer Procedure***" on page 236 and 249 of this Red Herring Prospectus.

### **Offer Structure:**

The present offer is of 17,04,000 Equity Shares of face value of ₹10.00/- each ("Equity Shares") for cash at a price of ₹ [●] per equity share including a share premium of ₹. [●] per equity share (the "Offer Price") aggregating to ₹. [●] Lakhs ("the Offer") by the issuer Company (the "Company") comprising of a fresh issue of 14,52,000 equity shares aggregating to ₹ [●] Lakhs (the "Fresh Issue") and an Offer for Sale of 2,52,000 equity shares by the selling shareholders ("Offer for Sale") aggregating to ₹ [●] Lakhs of which 88,000 equity shares of face value of ₹10.00/- 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 Offer (the "Market Maker Reservation Portion").

The Offer comprises a reservation of 88,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("*the Market Maker Reservation Portion*") and Net Offer to Public of 16,16,000 Equity Shares of ₹ 10 each ("*the Net Offer*"). The Offer and the Net Offer will constitute 26.41 % and 25.05 %, respectively of the post Offer paid up equity share capital of the Company. The Offer is being made through the Book Building Process.

| <b>Particulars of the Offer<sup>(2)</sup></b>            | <b>Market Maker Reservation Portion</b> | <b>QIBs<sup>(1)</sup></b>   | <b>Non-Institutional Investors</b>  | <b>Retail Individual Investors</b>                                    |
|--|---|---|---|---|
| <b>Number of Equity Shares available for allocation</b>  | Up to 88,000 Equity Shares              | Not more than 8,07,000 Equity Shares  | Not less than 2,43,000 Equity Shares  | Not less than 5,66,000 Equity Shares                                  |
| <b>Percentage of Offer Size available for allocation</b> | 5.16% of the Offer Size                 | Not more than 50% of the Net Offer being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion | Not less than 15% of the Net Offer  | Not less than 35% of the Net Offer                                    |
| <b>Basis of Allotment<sup>(3)</sup></b>                  | Firm Allotment                          | Proportionate as follows (excluding the Anchor Investor Portion):<br>(a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and<br>(b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds   | Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares | Proportionate basis subject to minimum allotment of [●] Equity Shares |

| Particulars of the Offer <sup>(2)</sup> | Market Maker Reservation Portion   | QIBs <sup>(1)</sup>  | Non-Institutional Investors  | Retail Individual Investors  |
|---|--|--|--|--|
|   |  | receiving allocation as per (a) above.<br><br>Up to 60% of the QIB Portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price |  |  |
| <b>Mode of Allotment</b>                | Compulsorily in dematerialized form.   |  |  |  |
| <b>Minimum Bid Size</b>                 | [●] 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 and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000  | [●] Equity Shares  |
| <b>Maximum Bid Size</b>                 | [●] Equity Shares  | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to applicable limits   | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (excluding the QIB portion), subject to applicable limits | Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000 |
| <b>Trading Lot</b>                      | [●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.  | [●] Equity Shares and in multiples thereof   | [●] Equity Shares and in multiples thereof   | [●] Equity Shares and in multiples thereof   |
| <b>Terms of Payment</b>                 | Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) 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. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup> |  |  |  |
| <b>Mode of Bid</b>                      | Only through the ASBA process.   | Only through the ASBA process. (Except for Anchor investors)   | Only through the ASBA process  | Through ASBA Process Through Banks or by using UPI ID for payment  |

\* Subject to finalization of basis of allotment.

This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

<sup>(1)</sup> Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion

shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.

- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Offer for at least 25% of the post Offer paid-up Equity share capital of the Company. This Offer 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 Offer 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.
- (4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Bid-cum-Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under **“Offer Procedure - Bids by FPIs”** on pages 259 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, 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 depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

### Withdrawal of the Offer

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Offer at any time before the Bid/ Offer Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Offer after Bid/ Offer Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Offer. 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 Offer, 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-Offer advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Offer after the Bid/ Offer 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 Offer 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 filing of Red Herring Prospectus/ Prospectus with RoC.

### Offer Program

| Event   | Indicative Date                          |
|---|--|
| Bid/ Offer Opening Date   | Monday, September 23, 2024               |
| Bid/ Offer Closing Date   | Wednesday, September 25, 2024            |
| Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)   | On or about Thursday, September 26, 2024 |
| Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID linked bank account Id Linked Bank Account* (T+2) | On or about Thursday, September 26, 2024 |
| Credit of Equity Shares to Demat Accounts of Allottees (T+2)  | On or about Friday, September 27, 2024   |
| Commencement of Trading of The Equity Shares on the Stock Exchange(T+3)   | On or about Monday, September 30, 2024   |

**The above time table is indicative and does not constitute any obligation on our Company. 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 NSE Emerge is taken within Three Working Days from the Offer Closing Date, the timetable may change due to various factors, such as extension of the Offer Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.**

*Note <sup>1</sup>Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations.*

*<sup>2</sup>Our Company in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

Applications and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (Indian Standard Time) during the Offer Period at the Application Centres mentioned in the Bid-Cum- Application Form.

Standardization of cut-off time for uploading of applications on the Bid/ Offer Closing Date:

- a) A standard cut-off time of 3.00 P.M. for acceptance of applications.
- b) A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular applicant, the details as per physical Bid-Cum-application form of that Applicant 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 bank holidays).

## **OFFER PROCEDURE**

All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, and the UPI Circulars (the "General Information Document") which highlights the key rules, processes, and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations 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 BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note ("CAN") and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of applications and electronic registration of bids; (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 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 through its UPI 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 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 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 RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public offers, whichever is later ("**UPI Phase II**"), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors ("**UPI Phase III**"), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public Offer to three Working Days. This shall be applicable voluntarily for all public offers opening on or after September 1, 2023, and shall be mandatory for all public offers opening on or after December 1, 2023. Please note that we may need to make appropriate changes in the Red Herring Prospectus and the Prospectus depending on the timing of the opening of the Offer.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbrokers, Depository Participants (DP), Registrar to an Offer and Share Transfer Agent (RTA) that have been notified by SME Platform of National Stock Exchange of India Limited ("NSE EMERGE") to act as intermediaries for submitting Application Forms are provided on [www1.nseindia.com/emerge](http://www1.nseindia.com/emerge) For details on their designated branches for submitting Application Forms, please



see the above -mentioned website of Platform of National Stock Exchange of India Limited ("NSE EMERGE").

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that their application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus and the Prospectus.

Further, the Company and the BRLM are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for application in this Offer.

### **Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public Offer of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public Offer closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public Offer closure to listing continued to be six working days.

**Phase II:** This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public Offer closure to listing would continue to be six Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public Offer closure to listing has been reduced to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Offer is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

## **PART A**

### **Book Building Procedure**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Offer is being made for at least 25% of the post-Offer paid-up Equity Share capital of our Company. The Offer is being made under Regulation 229(1) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated 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.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

***Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, 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 the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.***

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- i. RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

- ii. RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

**Anchor Investors are not permitted to participate in the Offer through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

| Category   | Colour* |
|--|---------|
| Anchor Investor**  | White   |
| Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)                               | White   |
| Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA) | Blue    |

\*Excluding Electronic Bid cum Application Form

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

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 Offer, 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 Offer 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 Offer.  |
| <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.

#### **Availability of Red Herring Prospectus and Bid Cum Application Forms**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Offer Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

#### **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 Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- 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);
- 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 Offer;
- 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 Offer, 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 Offer. 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 Offer 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 Rs. 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 Offer 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 Offer 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 BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft 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 Offer and the same shall be advertised in all editions of the English national daily newspaper Business Standard, and all editions of Hindi national daily newspaper Business Standard and of Regional newspaper Pratahkal where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid/ Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid/ Offer Period.

- a) The Bid / Offer Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Offer Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Offer Period, if applicable, will be published in all editions of the English national daily newspaper Business Standard, and all editions of Hindi national daily newspaper Business Standard and of Regional newspaper Pratahkal 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) During the Bid/ Offer Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Offer Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.
- c) 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 Offer Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Offer Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) 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 Offer. 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”.

- e) Except in relation to the Bids received from the Anchor Investors, 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
- f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Offer Period i.e. one working day prior to the Bid/ Offer Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “***Offer Procedure***” beginning on page 249 of this Red Herring Prospectus
- h) 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.
- i) 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.
- j) 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.
- k) 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 Offer Account, or until withdrawal/failure of the Offer 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 Offer 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 Offer Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

#### **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/ Offer 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 Offer 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.

- e) The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

#### **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 Offer 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 Offer, 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.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Offer under the Anchor Investor Portion.

#### **Option to Subscribe in the Offer**

- 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 Bid/ Offer Opening Date and Bid/ Offer 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 Bid/ Offer 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 Offer, 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 Offer 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 ANCHOR INVESTORS:**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Offer for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹ 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 200.00 lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to ₹ 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than ₹ 200.00 Lakhs but up to ₹ 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹ 100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than ₹ 2500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation up to ₹ 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹ 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹ 100.00 Lakhs per Anchor Investor.

- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Offer Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Offer Closing Date. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

#### **BIDS BY ELIGIBLE NRI'S:**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

#### **BIDS BY FPI INCLUDING FII'S:**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Offer, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the 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. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI 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.

In terms of the SEBI FPI Regulations, the Offer of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may Offer 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 an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further Offer or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

#### **BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation 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.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

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.

**BIDS BY HUFs:**

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 Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

**BIDS BY MUTUAL FUNDS:**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

**BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES:**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Offer shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

**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 reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Offer only through the ASBA process.

**BIDS BY INSURANCE COMPANIES:**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- 2) 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
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS UNDER POWER OF ATTORNEY:**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 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 Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to 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
- e) 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 such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

#### **BIDS BY PROVIDENT FUNDS / PENSION FUNDS:**

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

#### **BIDS BY BANKING COMPANY:**

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 which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation

Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

### **BIDS BY SCSB'S:**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum 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 Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE OFFER:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

### **Offer 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 Offer 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 Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer 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 Offer 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 Offer and consequent transfer of the

Application Amount to the Public Offer Account, or until withdrawal/ failure of the Offer 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 Offer 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 Offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a. In case of resident Anchor Investors: **“WOL 3D INDIA LIMITED - ANCHOR-R ACCOUNT”**
- b. In case of Non-Resident Anchor Investors: **“WOL 3D INDIA LIMITED- ANCHOR-NR ACCOUNT ”**
- c. Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections from the Anchor Investors.

#### **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 5.00 p.m. of the Offer 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 Offer, 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 offer an electronic facility for registering applications for the Offer. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Offer 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 Offer 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 Offer 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 a 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 Promoter, our



management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this 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 5.00 p.m. on the Bid/Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer 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/Offer Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Offer.
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/ Offer 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 centres during the Bid/ Offer Period.

#### **Withdrawal of Bids**

- a) RIIs can withdraw their Bids until Bid/ Offer Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Offer 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 Offer 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 finalise the Offer Price and the Anchor Investor Offer Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer 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 Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. 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.

- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

**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 Offer; 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, Offer 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 Offer 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 Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Offer Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

#### **Signing of Underwriting Agreement and Filing of Red Herring Prospectus/ Prospectus with RoC**

- Our company has entered into an Underwriting Agreement dated September 10, 2024.
- A copy of Red Herring Prospectus/ Prospectus will be filed with the RoC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

#### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre-Offer advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre-Offer advertisement, we shall state the Bid Opening Date and the Bid/Offer Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICRD Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

#### **ADVERTISEMENT REGARDING OFFER PRICE AND PROSPECTUS:**

Our Company will Offer a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Offer Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

#### **GENERAL INSTRUCTIONS:**

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/Offer period and withdraw their Bids until Bid/Offer Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

#### **Do's:**

- 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;
- Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
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;
6. If the first applicant is not the 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;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. 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;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) 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;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. 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;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Offer;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for

blocking of fund on your account through UPI ID using UPI application;

25. 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 via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by 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 submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed ₹ 2,00,000/- (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Offer size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. 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 Applicant;
14. 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;
15. 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);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Other instructions for the Bidders**

**Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

**Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and

duplicate copies of Bid\ cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

### **Investor Grievance**

In case of any pre-Offer or post Offer related problems regarding demat credit/ refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

### **Submission of Bids**

- a) During the Bid/Offer Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the RHP.

### **GROUND OF TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the RHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Offer Opening Date advertisement and the RHP and as per the instructions in the RHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;

- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

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**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer 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.
- b) 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.
- c) In case of under subscription in the Offer, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Offer. 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 and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. 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 Offer. However, in case the Offer is in the nature of Offer 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 Offer 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 Offer Price.

The Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer 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 Offer 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 Offer 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 Offer Price.

The Offer size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer 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 Offer 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**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer 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 Offer 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 [●]% of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
- In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Offer 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 Offer Price shall be allotted Equity Shares on a proportionate basis, up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% 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, up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below [●]% 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.

d. **ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
- i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
  - ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
    - in case of allocation above twenty five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty five crore rupees and an additional 10 such investors for every additional twenty five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

c) **In the event that the Offer Price is higher than the Anchor Investor Allocation Price:**

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

d) **In the event the Offer Price is lower than the Anchor Investor Allocation Price:**

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

e) **Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Offer:**

In the event of the Offer 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 Offer specified under the Capital Structure mentioned in this RHP.

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 Offer 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.

#### **Flow of Events from the closure of Bidding period (T DAY) Till Allotment:**

- On T Day, RTA To validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The DSE, post verification approves the basis and generates drawl of lots wherever applicable , through a random number generation software.
- The RTA uploads the drawl numbers in their system and generates the final list of allottees as per process mentioned below:

#### **Process for generating list of allottees: -**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawl of lots provided by DSE is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these application s will be allotted the shares in that category.

- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.

On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

#### **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 offer.

The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the offer. 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 2 working days of the Offer 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 Offer Account to Public Offer 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 Offer Account with the Bankers to the offer.

The Company will Offer 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 2 working days of the Bid/Offer 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 Offer 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) and 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 Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Offer with effect front 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 Offer 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 Offer.

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 Offer, 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 Offer should be addressed to the Registrar to the Offer 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 Offer in case of any pre-Offer or post Offer 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 3 (three) working days from Offer 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 3 (Three) days of the Offer Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2(two) working days of the Offer 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.

### **Right to Reject Applications**

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

### **Impersonation**

*Attention of the Bidders 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.”

### **Undertakings by Our Company**

We undertake as follows:

- 1) That the complaints received in respect of the Offer shall be attended expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within three working days from Offer Closure date.
- 3) That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Offer by our Company;
- 4) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within three Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 5) That our Promoter 's contribution in full has already been brought in;
- 6) That no further Offer of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
- 7) That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- 8) If our Company does not proceed with the Offer after the Bid/Offer Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the Pre-Offer advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) If our Company withdraws the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange, in the event our Company subsequently decides to proceed with the Offer;
- 10) If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time,

our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

### **Undertakings by the Selling Shareholders**

Only statements and undertakings which are specifically “confirmed” or “undertaken” by the Selling Shareholders in this Red Herring Prospectus shall be deemed to be “*Statements and Undertakings made by the Selling Shareholders*”. All other statements and/ or undertakings in this Red Herring Prospectus shall be statements and undertakings made by our Company even if the same relates to the Selling Shareholders. The Selling Shareholders specifically confirms and undertakes the following in respect of himself and the Equity Shares being offered by him pursuant to the Offer for Sale:

- i. The portion of the offered Shares shall be transferred in the Offer free and clear of any pre-emptive rights, liens, mortgages, charges, pledges, trusts or any other encumbrance or transfer restrictions, both present and future, in a manner prescribed under Applicable Law in relation to the Offer, and without any objection by it and in accordance with the instructions of the Registrar to the Offer.
- ii. It shall not offer, lend, pledge, charge, transfer or otherwise encumber, sell, dispose off any of its respective Offered Shares being offered pursuant to the Offer until such time that the lock-in (if applicable) remains effective save and except as may be permitted under the SEBI ICDR Regulations;
- iii. The portion of the offered Shares have been held by the Selling Shareholders for a minimum period of one year prior to the date of filing the Red Herring Prospectus, such period determined in accordance with Regulation 26 (6) of the SEBI ICDR Regulations.
- iv. He is the legal and beneficial owner and has full title of its respective portion of the offered Shares.
- v. That he shall provide all reasonable co-operation as requested by our Company and the Book Running Lead Manager in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of his portion of the offered Shares.
- vi. He will not have recourse to the proceeds of the Offer for Sale, until approval for final listing and trading of the Equity Shares is received from the Stock Exchanges.
- vii. He will deposit his respective portion of the offered Shares in an escrow account opened with the Share Escrow Agent prior to filing of the Prospectus with the RoC.
- viii. He shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making a Application in the Offer, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person who makes a Application in the Offer, except as permitted under applicable law;
- ix. That he will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the Book Running Lead Manager in redressal of such investor grievances that pertain to the Equity Shares held by him and being offered pursuant to the Offer.

The Selling Shareholders has authorized the Company Secretary and Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Applicants in respect of the Offer for Sale.

### **Utilization of Offer Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Offer shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Offer referred above shall be disclosed and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Offer, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Offer.
- 5) Our Company shall not have recourse to the Offer Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- 6) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Offer shall be attended by our Company expeditiously and satisfactorily.

### **Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Tripartite Agreement dated January 27, 2023 between NSDL, the Company and the Registrar to the Offer;
- Tripartite Agreement dated January 31, 2023 between CDSL, the Company and the Registrar to the Offer;

The Company's equity shares bear an ISIN No. INE000201011.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the "FDI Policy"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. 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 to the Offer in writing about such approval along with a copy thereof within the Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange

Management (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment up to aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

#### **Investment by FPIs under Portfolio Investment Scheme (PIS)**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

#### **Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

#### **Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2000/371/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Offer in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such Issue made under exemptions available under the Prospectus Directive, provided that no such Issue shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.



Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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 and do not exceed the applicable limits under the laws and regulations.

## **SECTION IX - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY**

*Pursuant to Schedule I of the Companies Act, and the SEBI (ICDR) Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.*

*The following regulations comprised in these Articles of Association were adopted pursuant to the members' resolution passed at the Extra - Ordinary General Meeting held on December 12, 2022 in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Association of the Company.*

### **1. Constitution**

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, The Regulations for management of the Company and for the observance of the members shall be such as are contained in these Articles. In case of any conflict between the provisions of these Articles and Table 'F', the provisions of these Articles shall prevail.

### **Interpretation**

- i. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.
- ii. Words importing the singular number shall include where the context admits or requires the plural number and vice versa and words importing the masculine gender shall include feminine;
- iii. References herein to statutory provisions shall be construed as references to those provisions as respectively amended or re-enacted from time to time and references to any document or agreement shall be deemed to include references to such document or agreement as amended, modified, supplemented or novated from time to time;
- iv. The words "hereof", "herein" and "hereunder" and words of similar import when used in these Articles shall refer to these Articles as a whole and not to any particular provision of these Articles;
- v. Article headings are for convenience only and shall not affect the construction of these Articles;
- vi. References to any Ministry or Department shall mean a Ministry or Department of the Government of the Republic of India, unless otherwise indicated;
- vii. A reference to a Person includes a reference to its Permitted Transferees and assigns and to its successors;
- viii. The words "include", "including" and "among other things" shall be deemed to be followed by "without limitation" or "but not limited to" whether or not they are followed by such phrases or words of like import;
- ix. In the event of any inconsistency between an amount written in words and such amount stated in figures, the amount as written in words shall prevail.

| <b>Term</b> | <b>Meaning</b>   |
|-------------|--|
| Act         | means the Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.  |
| Affiliate   | means with respect to any Person, any other Person that, directly or indirectly, controls, is controlled by, or is under direct or indirect common control with, such Person, or is a director or officer of such Person or of any Person who would otherwise qualify as an Affiliate of such Person pursuant to this definition; provided that an Affiliate shall include any entity that, directly or indirectly (including through limited partner or general partner interests), owns more than 20% of voting equity or interest of such Person. For purposes of |

|                    |   |
|--------------------|---|
|                    | this definition, the term “control” when used with respect to any Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.   |
| Articles           | shall mean the Articles of Association of the Company as amended, modified or supplemented from time to time.   |
| Auditors           | means and includes those persons appointed as such for the time being by the Company.   |
| Business Day       | shall mean a day (other than a Saturday or Sunday or a public holiday) on which banking institutions in the city of Mumbai are open for business.   |
| Board of Directors | means a collective body of Directors.   |
| Company            | means Wol 3D India Limited  |
| Directors          | means the Directors for the time being of the Company.  |
| Dividend           | includes interim dividend.  |
| Members            | means members of the Company holding a share or shares of any class.  |
| Capital            | means the share capital for the time being of the Company.  |
| Government         | shall mean the Government of India, or any state or local government in India, or any political or statutory subdivision or authority thereof or therein or any other government or subdivision, instrumentality, agency or authority thereof having jurisdiction over any activity required to be undertaken by the Company or any Shareholder to perform its obligations under or in connection with these Articles.  |
| Month              | shall mean a calendar month.  |
| Paid up capital    | shall include credited as fully paid-up.  |
| Special Resolution | means special resolution as defined in Section 114 of the Act.  |
| The Register       | means the registers to be kept as per the provisions of Companies Act, 2013.  |
| Proxy              | includes Attorney duly constituted under a Power of Attorney.   |
| Seal               | means common seal of the Company.   |
| Fiscal year        | shall begin on April 1 of each calendar year and terminate on March 31 of the next calendar year.   |
| Subsidiary         | shall mean, with respect to any Person, any entity of which more than 50% of the securities or ownership interest having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are owned directly or indirectly by such Person; and any other Person directly or indirectly controlled by the first mentioned Person. For purposes of this definition, the term “control” when used with respect to any Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise. |

#### ***Share Capital***

1. The authorized share capital of the Company shall be such amount and be divided into such shares as may, from time to time, be provided in the Memorandum of Association of the Company, with power to increase or reduce the capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights and privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may, for the time being, be provided by the regulations of the Company.

#### ***Shares under Control of the Board***

2. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provisions of Section 53 of the Companies Act, 2013) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued,

shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

#### ***Shares for Consideration other than Cash***

3. Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment in full or part for any property or assets of any kind whatsoever, sold or transferred, goods or machinery supplied or for any services rendered to the Company in conduct of its business and any shares which may be so allotted may be issued as fully paid up shares or partly fully paid up otherwise than for cash and if so issued, shall be deemed to be fully paid shares or partly paid shares, as the case maybe.

#### ***Kinds of Share Capital***

4. The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable bye-laws:

a) Equity share capital: (i) with voting rights; and/or (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and

b. Preference share capital.

#### ***Issue of Share Certificates***

5. (i) Every Member or allottee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name.

(ii) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them

(iii) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.

#### ***Limitation of time for issue of certificates***

6. Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within fifteen days of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holder.

(ii) Every certificate shall be under the seal and shall specify the number and distinctive number of the Shares to which it relates and the amount paid-up thereon and shall be in such form as the Directors may prescribe and approve, provided that in respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate of shares to one or several joint holders shall be sufficient delivery to all such holders.

7. A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the shares to enable the depository to enter in its records the name of such person as the beneficial owner of that share.

### ***Issue of New Certificate in place of one defaced, lost or destroyed***

8. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board of Directors. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board. Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

9. The provisions of the foregoing Articles relating to issue of certificates apply *mutatis mutandis* to issue of certificates for any other securities including debentures of the Company.

10. Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

### ***Power to Pay Commission in connection to the Securities issued***

11. The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

12. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

13. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

### ***Variation of the members' right***

14. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

15. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further share ranking *pari passu* therewith. Subject to the provisions of section 55, any preference shares may, with the sanction of a special resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

### ***Further issue of share capital***

16. Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered-

- a. to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:—
  - i. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
  - ii. unless the articles of the company otherwise provide, 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 (i) shall contain a statement of this right;
  - iii. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not dis-advantageous to the shareholders and the company;
- b. to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed; or
- c. to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed.
- d. The notice referred to in sub-clause (a)(i) of Clause (1) shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.
- e. Nothing aforesaid shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:

Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.

### ***Sweat Equity Shares***

**17.** Subject to the provisions of the Act and other applicable provisions of law, the Company may with the approval of the shareholders by a special resolution in general meeting issue sweat equity shares in accordance with such rules and guidelines issued by the Securities and Exchange Board of India and/or other competent authorities for the time being and further subject to such conditions as may be prescribed in that behalf.

**18.** Any debentures, debenture-stock or other securities may be issued subject to the provisions of the Act and these Articles, at a discount, premium or otherwise and may be issued on the condition that they shall be convertible into shares of any denomination and with any special privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting, appointment of Directors and otherwise. Debentures or other securities with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the general meeting by way of a special resolution.

### ***Lien***

**19.** (i) The Company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The Company's lien, if any, on a share shall extend to all dividend payable and bonuses declared from time to time in respect of such shares.

(iii) The fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares;

#### ***As to enforcing lien by Sale***

**20.** The Company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

#### ***Validity of Sale***

**21.** (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case maybe) constitute a good title to the share and the purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

#### ***Application of Proceeds of Sale***

**22.** The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

#### ***Outsiders Lien not to affect Company's Lien***

**23.** In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

**24.** The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including debentures of the Company.

#### ***Right of Director to Refuse Sub Division***

**25.** (i) Notwithstanding anything contained elsewhere in these Articles, the Board may in their absolute discretion refuse sub-division of share certificates or debenture certificates into denominations of less than the marketable lots except where such sub-division is required to be made to comply with a statutory provision or an order of a competent court of law

(ii) Notwithstanding anything contained elsewhere in these Articles, a certificate, if required, for a dematerialised share, debenture and other security shall be issued in the name of the Depository and all the provisions contained in these Articles in respect of the rights of a member/debenture holder of the Company shall *mutatis mutandis* apply to the Depository as if it were

a member / debenture holder / security holder excepting that and notwithstanding that the Depository shall have been registered as the holder of a dematerialised share, debenture and other security, the person who is the beneficial owner of such shares, debentures and other securities shall be entitled to all other rights available to the registered holders of the shares, debentures and other securities in the Company as set out in the other provisions of these Articles

***Company entitled to dematerialise its shares, debentures and other securities***

**26.** (i) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialised form and on the same being done, the Company shall further be entitled to maintain a register of members/ debenture-holders/ other security-holders with the details of members/ debenture-holders/ other security-holders holding shares, debentures or other securities both in materialised and dematerialised form in any media as permitted by the Act

(ii) Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. 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 records the name of the allottee as the beneficial owner of the security

(iii) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service 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 and except as aforesaid) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.

(iv) In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply. Provided that in respect of the shares and securities held by the Depository on behalf of a beneficial owner, provisions of Section 9 of the Depositories Act, 1996, shall apply so far as applicable

(v) Every Depository shall furnish to the Company, information about the transfer of securities in the name of the beneficial owner at such intervals and in such manner as may be specified by the bye-laws of the Depository and the Company in that behalf.

(vi) Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act, 1996.

***Calls/Installments on shares to be duly paid***

**27.** (i) If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.

(iv) A call may be revoked or postponed at the discretion of the Board.

(v) All calls shall be made on a uniform basis on all shares falling under the same class.



(vi) Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof 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 payment of any such money shall preclude the forfeiture of such shares as herein provided.

(vii) The provisions of these Articles relating to calls on shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

**28.** A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

**29.** If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.

**30.** The joint holders of a share shall be jointly and severally liable for and in respect of all calls or installments and other payments which ought to be made in respect of such share.

#### ***When Interest on Call Payable***

**31.** (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

#### ***Sums Deemed to be on Call***

**32.** (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

#### ***Payment on anticipation of call may carry Interest***

**33.** The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be agreed upon between the Board and the member paying the sum in advance. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends; or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him. that moneys paid up in advance of calls on any shares may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits.

#### ***Transfer of shares***

**34.** The Company shall cause to be kept a Register and Index of Members in accordance with all applicable provisions of the Act and the Depositories Act, 1996 with details of Shares held in physical and dematerialized forms in any medium as may be permitted by law, including in any form of electronic medium. The Company shall be entitled to keep in any state or country outside India, a branch Register of Members resident in that state or country.

**35.** (i) The instrument of transfer of any Shares shall be in such form as may be prescribed under the Act and in writing and all the applicable provisions of the Act for the time being in force shall be duly complied with in respect of all transfers of shares and the registrations thereof.

(ii) The instrument of transfer of any share in the company shall be duly stamped and executed by or on behalf of both the transferor and transferee. The instrument of transfer duly stamped and executed by the transferor or the transferee shall be delivered to the Company in accordance with the provisions of the Act. The instrument of transfer shall be accompanied by such evidence as the Board may require to prove the title of transferor and his right to transfer the Shares and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board. The transferor shall be deemed to be the holder of such Shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a transfer the certificate or certificates of the Shares must be delivered to the Company. The transfer of the Shares shall be effected within one month from the date of the lodging the transfer with the Company.

**36.** The Board may decline to recognize any instrument of transfer unless—

- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of shares.

**37.** Notwithstanding anything contained contrary in these Articles, the shareholders shall have full, absolute, unrestricted and unfettered right to transfer, pledge, create lien, charge, mortgage and otherwise encumber the shares of the Company in favour of the lenders or in favour of any person/s acting for the benefit of the lenders as security for the loans and such lenders or the person/s acting for the benefit of the lenders, as the case may be, shall have full, absolute, unrestricted and unfettered right to sell the shares so pledged, charged and/or under the security interest and/or transfer in their name, in the name of their nominees or in the name of third person, at their sole and absolute discretion in accordance with the terms of financing/ security/ debenture documents. The Company shall immediately give effect to such transfer of share and/ or sale of the shares and register the name of the lenders or the person acting for the benefit of the lender or transferee or the subsequent purchaser as shareholder.

**38.** Nothing contained contrary in these Articles shall apply to any transfer or sale of shares which are charged, pledged or under the security interest as security for the loans or the transfer, sale or appropriation of shares by the lenders or by any person/s acting for the benefit of the lenders and the Company/Director shall immediately without demur register the name of the lenders or the person acting for the benefit of the lenders or any such person to whom the lenders or the person acting for the benefit of the lenders have sold or transferred the shares pursuant to its right available in any of the financing and/or security documents or the subsequent transferee.

**39.** On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

#### ***Directors may refuse to register transfer***

**40.** Subject to the provisions of Section 58 & 59 of the Companies Act, 2013, these Articles and other applicable provisions of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956 or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within a period of thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to 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, giving reasons for such refusal.

Provided That the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

### ***Transmission of shares***

**41.** (i) On the death of any one or more of the joint holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

**42.** (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either —

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

(iii) The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.

**43.** (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

**44.** A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except applicable that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have complied with.

**45.** No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

**46.** The provisions of these Articles relating to transmission by operation of law shall *mutatis mutandis* apply to any other securities including debentures of the Company.

### ***Forfeiture of shares***

**47.** If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or 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.

**48.** The notice aforesaid shall (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

**49.** If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect

**50.** A forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed off to any person on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

**51.** A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

**52.** All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realisation. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.

**53.** The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.

**54.** (i) A duly verified declaration in writing that the declarant is a Director, the Manager or the Secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

**55.** The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

**56.** Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the Shares shall (unless the same shall on demand by the Company have been previously surrendered to, by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said Shares to the person entitled thereto.

#### ***Alteration of capital***

**57.** The Company may, from time to time, by ordinary resolution increase the authorized share capital by such sum as it thinks expedient;

#### ***Powers to alter Share Capital***

**58.** Subject to the provisions of section 61, the company may, by ordinary resolution,—

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

#### ***Shares may be converted into Stocks***

**59.** Where shares are converted into stock,—

- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

#### ***Reduction of Share Capital***

**60.** The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.

**61.** Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at a general meeting, appointment of directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in a general meeting by special resolution.

#### ***Capitalisation of profits***

**62.** (i) The company in general meeting may, upon the recommendation of the Board, resolve—

- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
- (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

- a. Paying up any amounts for the time being unpaid on any shares held by such members respectively;
- b. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- c. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
- d. a securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- e. the Board shall give effect to the resolution passed by the company in pursuance of this regulation.

**63.** (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

- a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
- b. generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
- (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

#### ***Buy-back of shares***

**64.** Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### ***Power to borrow***

**65.** Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:

- i. accept or renew deposits from Shareholders;
- ii. borrow money by way of issuance of Debentures;
- iii. borrow money otherwise than on Debentures;
- iv. accept deposits from Shareholders either in advance of calls or otherwise; and
- v. generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the Power to borrow money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting. Provided further that the Board may delegate the power specified in (c) herein above (i.e. to borrow money otherwise than on debentures) to a committee constituted for the purpose.

### ***Securing payment or repayment of Moneys borrowed***

**66.** The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charge, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or Company of any obligation undertaken by the Company or any person or Company as the case may be.

### ***Bonds, Debentures etc. to be under the control of the Directors***

**67.** Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

### ***Mortgage of uncalled Capital***

**68.** If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

### ***Indemnity may be given***

**69.** Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

### ***General meetings***

**70.** All general meetings other than annual general meeting shall be called extraordinary general meeting.

**71.** A general meeting of a Company may be called by giving not less than clear twenty-one days notice either in writing or through electronic mode in such manner as may be prescribed in the Act or rules made thereunder.

**72.** (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

(iii) The Board of Directors shall call an extraordinary general meeting, upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid-up capital as on that date carries the right of voting. Any valid requisition so made by Members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the registered office of the Company, provided that such requisition may consist of several documents in like form each signed by one or more requisitionists. Upon the receipt of any such requisition, the Board of Directors shall forthwith call an extraordinary general meeting and if they do not proceed within twenty-one days from the date of the requisition being deposited to cause a meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists may themselves call the meeting, within a period of three months from the date of the requisition. Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.

### ***Proceedings at general meetings***

**73.** (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) The quorum for the general meetings shall be as provided in section 103 as amended from time to time.

**74.** The Chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

**75.** If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

**76.** If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

**77.** No business shall be discussed at any general meeting except the election of a Chairman, whilst the chair is vacant.

### ***Adjournment of meeting***

**78.** (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) 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.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

**79.** In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which poll is demanded shall be entitled to a second or casting vote.

**80.** The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.

**81.** There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting: (a) is or could reasonably be regarded, as defamatory of any person; or (b) is irrelevant or immaterial to the proceedings; or (c) is detrimental to the interests of the Company.

**82.** The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.

**83.** The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.

**84.** A member of the Company may participate in a General Meeting through the electronic mode, subject to compliance of section 110 of the Act and such other circulars as may be prescribed.



### ***Voting rights***

- 85.** Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (a) on a show of hands, every member present in person shall have one vote; and
  - (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
- 86.** A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 87.** (i) Any one of two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to vote in preference to a joint holder present by attorney or by proxy although the name of such joint holder present by any attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares.
- (ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders
- 88.** 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.
- 89.** Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 90.** No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
- 91.** (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### ***Proxy***

- 92.** The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
- 93.** An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
- 94.** A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### ***Board of Directors***

**95.** Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 152 of the Act, the number of Directors (including Debentures and Alternate Directors) shall not be less than three or more than fifteen.

**96.** The Present Directors of the Company are:

[1] RAHUL VIRENDRA CHANDALIA

[2] SALONI RAHUL CHANDALIA

[3] PRADEEP SHRIPAL JAIN

**97.** The Board shall have the power to appoint/re-appoint from time to time any of its members as Chairman and Managing Director or Manager of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit. The appointment and terms and conditions, including remuneration of Managing Director or Manager or Whole-Time Director shall be in accordance with Section 197 and Schedule V of the Companies Act, 2013. The Managing Director or Manager or Whole-Time Director who are in whole-time employment in the Company shall be subject to supervision and control of the Board of Directors of the Company.

#### ***Same individual may be Chairperson and Managing Director/ Chief Executive Officer***

**98.** 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.

### ***Nominee Directors***

**99.** (i) The Company may agree with any financial institution or any authority or person or State Government that in consideration of any loan or financial assistance of any kind whatsoever, which may be rendered by it to the Company, it shall till such time as the loan or financial assistance is outstanding have power to nominate one or more Directors on the Board of the Company and from time to time remove and reappoint such Directors and to fill in any vacancy caused by the death or resignation of such Directors otherwise ceasing to hold office. Such nominee Directors shall not be required to hold any qualification shares nor shall they be liable to retire by rotation.

(ii) The Director, including Alternate and Nominee Directors, if any, shall be entitled to sitting fees, for participating/attending Board Meeting or Meeting of Committee of Board of Directors, a sum not exceeding such sum as may be fixed by the Board of Directors, from time to time. However, the same shall not exceed the maximum sum as is permissible under the provisions of the Act or Guidelines issued by appropriate authority, from time to time.

#### ***Directors not liable to retire by rotation***

**100.** Subject to the provisions of the Act, the Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.

### ***Remuneration of the Directors***

**101.** (i) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them —

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

**102.** The fees payable to the Director for attending the meeting of the Board or committee thereof shall be decided by the Board of Directors from time to time within the maximum limits of such fees that may be prescribed under the Act or the Rules.

**103.** The Board may pay all expenses incurred in getting up and registering the Company.

**104.** The Company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that (section) make and vary such regulations as it may think fit respecting the keeping of any such register.

**105.** All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

**106.** Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

#### ***Appointment of Additional Director***

**107.** (i) Subject to the provisions of section 149 and section 161, the Board shall have the power at any time, and from time to time, to appoint a person as an additional director, provided that the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

(iii) The Board shall have the power, at any time, and from time to time, to appoint a person, not being a person holding any alternate directorship for any other director in the company, to act as an alternate director for a director during his absence for a period of not less than 3 (three) from India. An alternate director appointed under this Article shall not hold office as such for a period longer than that permissible to the director in whose place he has been appointed and shall vacate office if and when the original director returns to the State in which the meetings of the Board are ordinarily held.

(iv) The Board shall appoint persons as directors being nominees of an institution in pursuance of an agreement with such institution in accordance with the provisions of sub-section (3) of Section 161 of the Act.

(v) The Board shall have the power at any time, and from time to time, to appoint any other person to be a Director to fill a casual vacancy provided that the total number of directors shall not at any time exceed the maximum as fixed hereinafter. Any person appointed to fill a casual vacancy shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated as aforesaid.

#### ***General powers of the Company vested in the Board***

**108.** The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made

#### ***Proceedings of the Board***

**109.** (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. A Director may, and the Manager or Secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

(iii) Subject to the provisions of the Act, the Board of Directors may convene their meeting/s via teleconference or video conference or vide any other Audio / Visual mode etc. Further, subject to applicable laws, a meeting may also be held with some Directors present in person and others by means of participating through video conference, teleconference or any other similar audio / visual means and the presence of one or more Directors by conference, teleconference or any other similar means at a meeting shall be included when determining quorum and voting. The provisions relating to notice, agenda, quorum and minutes stated herein shall mutatis mutandis apply to the meetings held through such audio-visual media.

(iv) The Company may maintain a book in respect of attendance of every director present at any meeting of the Board or of a committee thereof.

**110.** (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

**111.** The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

**112.** (i) The quorum for a meeting of the Board of Directors shall be one third of its total strength or two directors whichever is higher. If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Directors it shall be adjourned until such date and time as the Directors present shall appoint.

(ii) With reference to Article 68(i) aforesaid, any Director attending meeting of Board of Directors or its committee via teleconference or video conference or vide any other Audio / Visual mode be considered as present in person for the purpose of calculating the quorum for the same.

**113.** (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

**114.** (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

**115.** (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

**116.** (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

**117.** All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

**118.** Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

### ***Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer***

**119.** Subject to the provisions of the Act,

(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 think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

**120.** A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

### ***Statutory Registers***

**121.** The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.

### ***The Seal***

**122.** (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

### ***Dividends and Reserve***

**123.** The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

**124.** The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

**125.** (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

**126.** The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

**127.** Any dividend, interest or other monies payable in cash in respect of shares maybe paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

**128.** Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

**129.** Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

**130.** No dividend shall bear interest against the company.

**131.** The Board of Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies.

#### ***Unpaid or unclaimed dividend***

**132.** (i) Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called unpaid dividend Account.

(ii) Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 205 of the Companies Act, 1956.

(iii) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases;

#### ***Accounts***

**133.** (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### ***Winding up***

**134.** Subject to applicable law:

(i) If the company shall be wound up whether voluntarily or otherwise, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be *divided* as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

### ***Indemnity and Insurance***

**135.** (i) Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

(ii) Subject to the provisions of the Act, every Director, managing director, wholetime director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such Director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such Director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.

(iii) Subject as aforesaid, every Director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by a court or such authority.

(iv) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

### ***General Power***

**136.** Wherever in the Act or the Rules, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

### ***Secrecy Clause***

**137.** Subject to the provisions of the Act, no member shall be entitled to require discovery of any information respecting any detail of the Company's trading or any matter in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board of Directors it may be inexpedient in the interest of the Company to communicate to the public.

## **SECTION X – OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Prospectus, delivered to the Registrar of Companies, for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the registered office between 10 A.M. and 5 P.M. on all Working Days from the date of this Red Herring Prospectus until the Offer Closing Date.

#### **Material Contracts**

1. Agreement dated May 03, 2024 between our Company, Selling Shareholders and the Book Running Lead Manager to the Offer.
2. Agreement dated May 07, 2024 executed between our Company, Selling Shareholders and the Registrar to the Offer.
3. Banker to the Offer Agreement dated September 10, 2024 among our Company, Book Running Lead Manager, Selling Shareholders Banker to the Offer and the Registrar to the Offer.
4. Share Escrow Agreement dated September 10, 2024 entered into among the Selling Shareholders, our Company and the Share Escrow Agent.
5. Market Making Agreement dated September 10, 2024 between our Company, Book Running Lead Manager and Market Maker.
6. Underwriting Agreement dated September 10, 2024 between our Company, Book Running Lead Manager, Selling Shareholders and Underwriter.
7. Syndicate Agreement dated September 10, 2024 between our Company, Book Running Lead Manager and Registrar to the Offer, Syndicate Members
8. Tripartite Agreement dated January 31, 2023 among CDSL, the Company and the Registrar to the Offer.
9. Tripartite Agreement dated January 27, 2023 among NSDL, the Company and the Registrar to the Offer.

#### **Material Documents**

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated November 01, 1988 issued by the Registrar of Companies, Maharashtra.
3. Fresh Certificate of Incorporation dated June 20, 2018 issued by the Registrar of Companies, consequent upon Change of name of the Company.
4. Fresh Certificate of Incorporation dated January 02, 2023 issued by the Registrar of Companies, consequent upon Conversion of the Company to Public Company.
5. Copy of the Board Resolution dated April 22, 2024 authorizing the Offer and other related matters.
6. Copy of Shareholder's Resolution dated April 25, 2024 authorizing the Offer and other related matters.
7. Copies of Audited Financial Statements of our Company for period ended March 31, 2024, March 31 2023 and March 31, 2022.
8. Statutory Auditors Report dated September 12, 2024 on the Restated Financial Statements for the financial years ended March 31, 2024, March 31 2023 and March 31, 2022
9. Copy of the Statement of Tax Benefits dated May 07, 2024 from the Statutory Auditor.
10. Certificate on KPI's issued by our statutory auditors namely M/s. A D V & Associates, Chartered Accountants dated September 12, 2024
11. Consents of the Book Running Lead Manager, Legal Advisor to the Offer, Registrar to the Offer, Market Maker, Underwriter, Syndicate Member, Banker to the Offer/ Sponsor Bank, Statutory Auditor of the Company, Bankers to our Company, Promoters, Directors, Selling Shareholders, Company Secretary and Compliance Officer and Chief Financial Officer, as referred to, in their respective capacities.
12. Board Resolution dated May 09, 2024 for approval of Draft Red Herring Prospectus, dated September 13, 2024 for approval of Red Herring Prospectus and dated [●] for approval of Prospectus.
13. Due Diligence Certificate from Book Running Lead Manager dated May 09, 2024.
14. Approval from NSE vide letter dated September 05, 2024 to use the name of NSE in the Red Herring Prospectus & Prospectus for listing of Equity Shares on the NSE Emerge (SME Platform) of the NSE.

Any of the contracts or documents mentioned in this 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, without reference to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, 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, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>                                    | <b>Signature</b> |
|--|------------------|
| Rahul Virendra Chandalia<br>Managing Director<br>DIN: 08384580 | Sd/-             |

Date: September 13, 2024

Place: Mumbai

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, 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, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>  | <b>Signature</b> |
|--|------------------|
| Saloni Rahul Chandalia<br>Whole Time Director & CFO<br>DIN: 08384610 | Sd/-             |

Date: September 13, 2024  
Place: Mumbai

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, 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, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>                                  | <b>Signature</b> |
|--|------------------|
| Pradeep Shripal Jain<br>Whole-time director<br>DIN: 08384613 | Sd/-             |

Date: September 13, 2024

Place: Mumbai

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, 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, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>                                   | <b>Signature</b> |
|---|------------------|
| Swati Pradeep Jain<br>Non-Executive Director<br>DIN: 08384581 | Sd/-             |

Date: September 13, 2024

Place: Mumbai

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, 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, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>                                      | <b>Signature</b> |
|--|------------------|
| Bipin Moolchand Kothari<br>Independent Director<br>DIN: 10052227 | Sd/-             |

Date: September 13, 2024

Place: Mumbai

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, 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, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>                                   | <b>Signature</b> |
|---|------------------|
| Keyur Keshavji Karia<br>Independent Director<br>DIN: 06720072 | Sd/-             |

Date: September 13, 2024

Place: Mumbai

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, 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, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE COMPANY SECRETARY OF OUR COMPANY:**

| <b>Name and Designation</b>   | <b>Signature</b> |
|---|------------------|
| Nayna Pratik Lunker<br>Company Secretary & Compliance Officer<br>M. No.: A32833 | Sd/-             |

Date: September 13, 2024

Place: Mumbai

**DECLARATION BY SELLING SHAREHOLDERS**

I, Rahul Virendra Chandalia, hereby certifies that all statements and undertakings specifically made or confirmed by me in this Red Herring Prospectus, about or in relation to myself as a selling shareholder and my portion of the offered shares, are true and correct, I, Rahul Virendra Chandalia, assume no responsibility for any other statements, disclosures and undertakings made or confirmed by, about or relating to the Company, its business, the other Selling Shareholders or any other person(s) in this Red Herring Prospectus.

**SIGNED BY THE SELLING SHAREHOLDER OF OUR COMPANY:**

| <b>Name and Designation</b>                     | <b>Signature</b> |
|---|------------------|
| Rahul Virendra Chandalia<br>Selling Shareholder | Sd/-             |

Date: September 13, 2024

Place: Mumbai



**DECLARATION BY SELLING SHAREHOLDERS**

I, Saloni Rahul Chandalia, hereby certifies that all statements and undertakings specifically made or confirmed by me in this Red Herring Prospectus, about or in relation to myself as a selling shareholder and my portion of the offered shares, are true and correct, I, Saloni Rahul Chandalia, assume no responsibility for any other statements, disclosures and undertakings made or confirmed by, about or relating to the Company, its business, the other Selling Shareholders or any other person(s) in this Red Herring Prospectus.

**SIGNED BY THE SELLING SHAREHOLDER OF OUR COMPANY:**

| Name and Designation                          | Signature |
|---|-----------|
| Saloni Rahul Chandalia<br>Selling Shareholder | Sd/-      |

Date: September 13, 2024

Place: Mumbai

**DECLARATION BY SELLING SHAREHOLDERS**

I, Pradeep Shripal Jain, hereby certifies that all statements and undertakings specifically made or confirmed by me in this Red Herring Prospectus, about or in relation to myself as a selling shareholder and my portion of the offered shares, are true and correct, I, Pradeep Shripal Jain, assume no responsibility for any other statements, disclosures and undertakings made or confirmed by, about or relating to the Company, its business, the other Selling Shareholders or any other person(s) in this Red Herring Prospectus.

**SIGNED BY THE SELLING SHAREHOLDER OF OUR COMPANY:**

| <b>Name and Designation</b>                 | <b>Signature</b> |
|---|------------------|
| Pradeep Shripal Jain<br>Selling Shareholder | Sd/-             |

Date: September 13, 2024

Place: Mumbai

**DECLARATION BY SELLING SHAREHOLDERS**

I, Swati Pradeep Jain, hereby certifies that all statements and undertakings specifically made or confirmed by me in this Red Herring Prospectus, about or in relation to myself as a selling shareholder and my portion of the offered shares, are true and correct, I, Swati Pradeep Jain, assume no responsibility for any other statements, disclosures and undertakings made or confirmed by, about or relating to the Company, its business, the other Selling Shareholders or any other person(s) in this Red Herring Prospectus.

**SIGNED BY THE SELLING SHAREHOLDER OF OUR COMPANY:**

| <b>Name and Designation</b>               | <b>Signature</b> |
|---|------------------|
| Swati Pradeep Jain<br>Selling Shareholder | Sd/-             |

Date: September 13, 2024

Place: Mumbai