Red Herring Prospectus
November 30, 2024
Please read Section 26 and 32 of the Companies Act, 2013
100% Book Built Issue

(Please scan this QR Code to view the RHP)

PURPLE UNITED SALES LIMITED
Corporate Identity Number: U51909DL2014PLC271636

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL & TELEPHONE	WEBSITE
Khasra No. 55/14 & 55/15, Near Rani Khera Road, Mundka, West Delhi, New Delhi, Delhi, India, 110041	Tower B, Ground Floor, Smartworks Corporate Park, Plot 1 & 2, Amity Road, Sector 125, Noida, Gautam Buddha Nagar, Uttar Pradesh, India, 201303	Mr. Vishnu Kumar, Company Secretary and Compliance Officer	cs@purpleunited.in +91 9667792635 / 36	www.purpleunited.in

NAME OF PROMOTERS OF THE COMPANY

MR. JATINDER DEV SETH, MRS. BHAWNA SETH, MR. MANISH DEV SETH, MRS. MONICA SETH AND INNOVATIONM MOBILE AND WEB TECHNOLOGIES PRIVATE LIMITED

DETAILS OF ISSUE TO PUBLIC

Type	Fresh Issue Size	OFS* (by no. of share or by amount in ₹)	Total Size	Eligibility & Share Reservation among NII & RII
Fresh Issue	Upto 26,04,000 Equity Shares aggregating up to ₹ [●] Lakhs	NA	Upto 26,04,000 Equity Shares aggregating up to ₹ [●] Lakhs	The Issue is being made pursuant to Regulation 229(1) and 253(1) of Chapter IX of SEBI (ICDR) Regulations, 2018 as the Company's post issue paid-up capital is less than ₹ 1,000.0 lakhs. For details of Share reservation among QIBs, NIIs and RIIs, see "*Issue Structure*" beginning on page 225 of this Red Herring Prospectus.

OFS: Offer for Sale

DETAILS OF OFS BY PROMOTER(S)/ PROMOTER GROUP/ OTHER SELLING SHAREHOLDER – NA

RISKS IN RELATION TO THE FIRST ISSUE – This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10/- each and Floor Price and Cap Price are [●] times and [●] times of the face value of the Equity Shares, respectively. The Floor Price, Cap Price and the Issue Price (as determined by our Company, in consultation with the BRLM, in accordance with SEBI ICDR Regulations, and as stated in "*Basis of the Issue Price*" on page 82 of this Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the Red Herring Prospectus. Specific attention of the investors is invited to the section "*Risk Factors*" beginning on page 27 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares of our Company offered through this Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ("**NSE EMERGE**"), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated November 06, 2024 from National Stock Exchange of India ("**NSE**") for using its name in the Red Herring Prospectus for listing of our shares on the EMERGE Platform of National Stock Exchange of India Limited ("**NSE EMERGE**"). For the purpose of this Issue, National Stock Exchange of India ("**NSE**") shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER

DETAILS OF BOOK RUNNING LEAD MANAGER		CONTACT PERSON	TELEPHONE AND EMAIL
EXPERT GLOBAL	**EXPERT GLOBAL CONSULTANTS PRIVATE LIMITED**	Mr. Gaurav Jain	+91 11 4509 8234 ipo@expertglobal.in

DETAILS OF REGISTRAR TO THE ISSUE

NAME OF REGISTRAR		CONTACT PERSON	TELEPHONE & E-MAIL
KFINTECH	**KFIN TECHNOLOGIES LIMITED**	Mr. M Murali Krishna	+91 40 6716 2222; pusl.ipo@kfintech.com

BID/ISSUE PERIOD

Anchor portion Opens/Closes on [1]: Tuesday, December 10, 2024	Bid/Issue Opens on [1]: Wednesday, December 11, 2024	Bid/Issue Closes on [2]: Friday, December 13, 2024*

1) Our Company in consultation with the BRLM, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.
2) Our Company in consultation with the BRLM, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue 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/Issue Closing Day.

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Red Herring Prospectus
Dated: November 30, 2024
Please read section 26 and 32 of the Companies Act, 2013
100% Book Built Issue

PURPLE UNITED SALES LIMITED

Corporate Identity Number: U51909DL2014PLC271636

Our Company was originally incorporated as 'Purple United Sales Private Limited' under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated September 16, 2014 bearing Registration Number 271636 issued by Registrar of Companies, Delhi. 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 May 11, 2024 and consequently the name of the Company was changed from 'Purple United Sales Private Limited' to 'Purple United Sales Limited' vide fresh Certificate of Incorporation consequent upon conversion into public limited company dated June 20, 2024 by Registrar of Companies, Delhi bearing Corporate Identity Number U51909DL2014PLC271636. For details of incorporation, change of name and registered office of our Company, please refer to chapter titled "General Information" and "History and Certain Corporate Matters" beginning on page 50 and 148 respectively of this Red Herring Prospectus.

Registered Office: Khasra No. 55/14 & 55/15, Near Rani Khera Road, Mundka, West Delhi, New Delhi, Delhi, India, 110041;
Telephone No: +91 9667792635 / 36**; Website:** www.purpleunited.in **E-mail:** cs@purpleunited.in;
Contact Person: Mr. Vishnu Kumar, Company Secretary and Compliance Officer

PROMOTERS OF THE COMPANY: MR. JATINDER DEV SETH, MRS. BHAWNA SETH, MR. MANISH DEV SETH, MRS. MONICA SETH AND INNOVATIONM MOBILE AND WEB TECHNOLOGIES PRIVATE LIMITED

INITIAL PUBLIC ISSUE OF UPTO [●]* EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF PURPLE UNITED SALES LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ [●] ("THE ISSUE"), OF WHICH UP TO 1,31,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E NET ISSUE OF 24,73,000 EQUITY SHARES OF FACE VALUE OF 10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.10 % AND 25.73 % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF EQUITY SHARES IS ₹ 10/- EACH. THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER I.E. FINANCIAL EXPRESS, ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER I.E. JANSATTA AND REGIONAL NEWSPAPER I.E. GURGAON MAIL, EACH WITH WIDE CIRCULATION AT THE PLACE WHERE REGISTERED OFFICE OF THE ISSUER IS SITUATED, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.

**Subject to finalization of the basis of allotment.*

In case of any revision in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid /Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable.

All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility process including through UPI mode (as applicable) for making payment providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") as per the SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. For further details, please refer to section titled "*Issue Procedure*" beginning on page 228 of this Red Herring Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLM may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. 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 (other than the Anchor Investor Portion) ("Net 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 Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% 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 Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders, other than Anchor Investors, are required to participate in the Issue by mandatorily utilizing the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For Further Details, refer "*Issue Procedure*" on page 228 of this Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is [●] times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Book Running Lead Manager as stated in "*Basis of the Issue Price*" on page 82 of this Red Herring Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited to the section titled "*Risk Factors*" beginning on page 27 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares of our Company offered through this Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ("**NSE EMERGE**"), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated November 06, 2024 from National Stock Exchange of India ("**NSE**") for using its name in the Red Herring Prospectus for listing of our shares on the EMERGE Platform of National Stock Exchange of India Limited ("**NSE EMERGE**"). For the purpose of this Issue, National Stock Exchange of India ("**NSE**") shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
Expert Global Consultants Private Limited 1511, RG Trade Tower Netaji Subhash Place, Pitampura, New Delhi – 110034, India **Telephone:** +91 11 4509 8234 **Email:** ipo@expertglobal.in **Website:** www.expertglobal.in **Investor Grievance Email:** compliance@expertglobal.in **Contact Person:** Mr. Gaurav Jain **SEBI registration number:** INM000012874 **CIN:** U74110DL2010PTC205995	**Kfin Technologies Limited** Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana **Telephone:** +91 40 6716 2222; **Toll Free No:** 1800 309 4001; **Email:** pusl.ipo@kfintech.com; **Investor Grievance Email:** einward.ris@kfintech.com; **Contact Person:** Mr. M Murali Krishna **Website:** www.kfintech.com **SEBI Registration Number:** INR000000221 **CIN:** L72400TG2017PLC117649

BID/ISSUE PERIOD

Anchor portion Opens/Closes on[(1)]: Tuesday, December 10, 2024	Bid/Issue Opens on[(1)]: Wednesday, December 11, 2024	Bid/Issue Closes on[(2)]: Friday, December 13, 2024*

(1) *Our Company in consultation with the BRLM, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.*

(2) *Our Company in consultation with the BRLM, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue 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/Issue Closing Day.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies or unless otherwise specified, the following terms and abbreviations have the following meanings in this Red Herring Prospectus, and references to any statute or rules or guidelines or regulations or circulars or notifications or policies will include any amendments, clarifications, modifications, replacements or re-enactments notified thereto, from time to time.

The words and expressions used but not defined in this Red Herring Prospectus will (to the extent applicable) 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 Securities Contracts (Regulation) Act, 1956 (the 'SCRA'), the Depositories Act, 1996 (the 'Depositories Act') and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms used in the section titled "*Main Provisions of Articles of Association*", "*Statement of Tax Benefits*", "*Industry Overview*", "*Key Industry Regulations and Policies*", "*Financial Information*", "*Outstanding Litigation and Material Developments*", "*Basis of the Issue Price*" and "*Government and Other key Approvals*", beginning on pages *248, 91, 94 , 138, 182, 198, 82, and 201* and respectively, in this Red Herring Prospectus, will have the meaning ascribed to such terms in these respective section.

Conventional or General Terms

Term	Description
'Purple United', 'the Company', 'our Company', 'Purple United Sales Limited'	Purple United Sales Limited, a company incorporated in India under the provisions of the Companies Act, 2013, having its registered office situated at Khasra No. 55/14 & 55/15, Near Rani Khera Road, Mundka, West Delhi, New Delhi, Delhi, India, 110041.
Promoter (s)	The promoters of our Company, namely being, Mr. Jatinder Dev Seth, Mrs. Bhawna Seth, Mr. Manish Dev Seth, Mrs. Monica Seth and InnovationM Mobile and Web Technologies Private Limited. For further details, please refer to section titled *"Our Promoters and Promoter Group"* beginning on page 172 of this Red Herring Prospectus;
Promoter Directors	Mr. Jatinder Dev Seth and Mrs. Bhawna Seth are the promoters and also hold directorship in the capacity of being Managing Director and Whole Time Director respectively of our Company. For further details, please refer to section titled "*Our Management*" and "*Our Promoters and Promoter Group*" beginning on page 156 and page 172 and of this Red Herring Prospectus;
'we', 'us', 'our'	Unless the context otherwise indicates or implies, refers to our Company;
'you', 'your', 'yours'	Prospective investors in this Issue;

Company Related Terms

Term	Description
'AoA', 'Articles of Association', 'Articles'	The articles of association of our Company, as amended;
'Audit Committee'	Our Company has formed the Audit Committee vide resolution passed in the meeting of Board of Directors held on June 21, 2024 as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended), as described under section titled *"Our Management"* beginning on page 156 of this Red Herring Prospectus;
'Auditors', 'Statutory Auditors'	The statutory auditors of our Company, being NGMKS & Associates., Chartered Accountants, bearing Firm Registration No. '024492N';
'Bankers to our Company'	ICICI bank is the bankers to our Company, as described under section titled *"General Information"* beginning on page 50 of this Red Herring Prospectus;
'Board', 'Board of Directors'	The Board of Directors of our Company, including all duly constituted committees thereof. For further details of our Directors, please refer to the section titled *"Our Management"* beginning on page 156 of this Red Herring Prospectus;
'CFO', 'Chief Financial Officer'	The Chief Financial Officer of our Company is Mr. Naresh Kumar;
'CIN'	Corporate Identity Number of our Company i.e. U51909DL2014PLC271636;
'Compliance Officer'	The Compliance Officer of our Company is Mr. Vishnu Kumar;
'CSR Committee'	The Requirements to constitute Corporate Social Responsibility Committee are not applicable to our Company;

Term	Description
'Directors', 'our directors'	The director(s) on our Board of Directors, as described in the section titled *"Our Management"* beginning on page 156 of this Red Herring Prospectus;
'Equity Shares'	The equity shares of our Company having face value of ₹10/- (Rupees Ten only) each, unless otherwise specified in the context thereof;
'Equity Shareholders'	Persons/ Entities holding Equity Shares of our Company;
'Executive Directors'	Executive Directors are the Managing Director and / or Whole Time Directors of our Company;
'Group Company'	Companies (other than our Promoters and Subsidiaries) with which there were related party transactions as disclosed in the *"Financial Information"* as covered under the applicable accounting standards on page 182 of this Red Herring Prospectus, and as disclosed in the section titled *"Our Group Companies"* beginning on page 180 of this Red Herring Prospectus;
'Independent Director(s)'	Non-Executive and Independent director(s) on our Board who are eligible to be appointed as independent directors under the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations. For details of the Independent Directors, refer the section *"Our Management"* beginning on page 156 of this Red Herring Prospectus;
'Indian GAAP'	Generally Accepted Accounting Principles in India;
'ISIN'	International Securities Identification Number. In this case is INE0P5R01014;
'KMP', 'Key Managerial Personnel'	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013, as described in the section *"Our Management"* beginning on page 156 of this Red Herring Prospectus;
'Managing Director'	The Managing Director of our Company is Mr. Jatinder Dev Seth;
'Materiality Policy'	The policy adopted by our Board pursuant to its resolution dated June 21,2024 and amended as on November 23, 2024, for identificationof material Group Companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the requirements under the SEBI (ICDR) Regulations;
'MoA', 'Memorandum of Association'	The memorandum of association of our Company, as amended;
'Nomination and Remuneration Committee'	Our Company has formed the Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated June 21,2024, as described in the section *"Our Management"* beginning on page 156 of this Red Herring Prospectus;
'Non-Executive Director'	A Director not being an Executive Director;
'Peer Review Auditor'	NGMKS & Associates, statutory auditor having a valid Peer Review certificate number in our case being 014140 dated April 27, 2022, Chartered Accountants;
'Promoter Group'	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, as described in the section *"Our Promoters and Promoter Group"* beginning on page 172 of this Red Herring Prospectus;
'Registered Office'	The Registered Office of our Company is situated at Khasra No. 55/14 & 55/15, Near Rani Khera Road, Mundka, West Delhi, New Delhi, Delhi, India, 110041;
"Restated Financial Statements"	The restated audited financial information of the Company, which comprises of the Restated Statement of Assets and Liabilities as on March 31, 2022, March 31, 2023, March 31, 2024 and September 30, 2024 the Restated Statement of Profit and Loss for the period ended March 31, 2022, March 31, 2023, March 31, 2024 and September 30, 2024 and Restated Statement of Cash Flows for the period ended March 31, 2022, March 31, 2023, March 31, 2024 and September 30, 2024 together with the annexure and notes thereto;
'RoC', 'Registrar of Companies'	Registrar of Companies, Delhi;
'Stakeholders' Relationship Committee'	Our Company has formed the Stakeholders Relationship Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated June 21,2024, as described in the section *"Our Management"* beginning on page 156 of this Red Herring Prospectus;
'Subscriber to MOA', 'Initial Promoter'	Initial Subscriber to MoA and AoA, being Mr. Jatinder Dev Seth, Ms. Suman Kohli and Ms. Payal;
'Whole-time Director'	A Whole Time Director of our Company is Mrs. Bhawna Seth

Issue Related Terms

Term	Description
'Abridged Prospectus'	Abridged Prospectus to be issued under Regulation 255 of SEBI (ICDR) Regulations and appended to the Application Form;

Term	Description
'Acknowledgement Slip'	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form;
'Allot' / 'Allotment' / 'Allotted'	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful Applicants, including transfer of the Equity Shares pursuant to the Issue to the successful Applicants;
'Allotment Advice'	Note, advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange;
'Allottees'	The successful Applicant to whom the Equity Shares are being/ have been Allotted;
'Anchor Investor'	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs;
'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 Manager during the Anchor Investor Bid/Issue 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 the Prospectus;
'Anchor Investor Bidding Date'	The day, being one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investor, and allocation to Anchor Investors shall be completed;
'Anchor Investor Issue Price'	The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the BRLM;
'Applicant' / 'Investor'	Any prospective applicant who makes an application for Equity Shares in terms of this Red Herring Prospectus;
'Application Amount'	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of this Red Herring Prospectus;
'Application Form'	The form in terms of which the Applicant shall make an Application, including ASBA Form, and which shall be considered as the application for the Allotment pursuant to the terms of this Red Herring Prospectus;
'Application Supported by Blocked Amount', 'ASBA'	An Application, whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified bank account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism;
'ASBA Account'	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form;
'ASBA Applicant(s)'	Any prospective Applicant who makes an application pursuant to the terms of the Red Herring Prospectus and the Application Form including through UPI mode (as applicable);
'ASBA Bidder'	All Bidders except Anchor Investors;
'ASBA Application', 'Application'	An Application Form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Red Herring Prospectus;
'Bidding Centers'	Centers at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs;
'Banker(s) to the Company'	Such banks which are disclosed as Bankers to our Company as described under section titled *"General Information"* beginning on page 50 of this Red Herring Prospectus;
'Banker(s) to the Issue'	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being Axis Bank Limited;
'Banker to the Issue Agreement'	Agreement dated November 19, 2024 entered into amongst the Company, Book Running Lead Manager, the Registrar, Market Maker and the Banker of the Issue;
'Basis of Allotment'	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, as described under the section titled *"Issue Procedure"* beginning on page 228 of this Red Herring Prospectus;

Term	Description
'Bid'	An indication to make an issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of a Bid cum 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 in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly;
'Bidder'	Any 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, includes an Anchor Investor;
'Bid Amount'	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid;
'Bid cum Application Form'	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by ASBA Bidders, which will be considered as the application for Allotment in terms of the Red Herring Prospectus;
'Bid Lot'	[●] Equity Shares and in multiples of [●] Equity Shares thereafter;
'Bid/ Issue Closing Date'	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in all editions of the English national newspaper i.e. Financial Express, all editions of the Hindi national newspaper i.e. Jansatta and regional newspaper i.e. Gurgaon Mail, each with wide circulation at the place where registered office of the issuer is situated and in case of any revision, the extendedBid/ Issue closing Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations;
'Bid/ Issue Opening Date'	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all editions of the English national newspaper i.e. Financial Express, all editions of the Hindi national newspaper i.e. Jansatta and regional newspaper i.e. Gurgaon Mail, each with wide circulation at the place where registered office of the issuer is situated, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate andSCSBs, as required under the SEBI ICDR Regulations;
'Bid/ Issue Period'	The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof;
'Bidding Centers'	Centers at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs;
'Broker Centers'	Broker centers notified by the stock exchanges where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges (https://www.nseindia.com/);
'Book Building Process'	The book building process, as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue will be made;
'Business Day'	Monday to Friday (except public holidays)
'CAN', 'Confirmation of Allocation Note'	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange;
'Cap Price'	The higher end of the Price Band, i.e. ₹ [●] per Equity Share, above which the Issue Price and the Anchor Investor Issue Price will not be finalized and above which no Bids will be accepted, including any revisions thereof.
'Cash Escrow and Sponsor Bank Agreement'	Agreement entered into and amongst our Company, the Registrar to the Issue, the Book Running Lead Manager, the Market Maker, the Escrow Collection Bank(s), Public Issue Bank(s), Sponsor Bank and Refund Bank(s) in accordance with UPI Circulars, for inter alia, the appointment of the Sponsor Bank in accordance, for the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof;
'Client-ID'	Client identification number maintained with one of the Depositories in relation to Demat account;

Term	Description
'Collecting Depository Participant(s)', 'CDP(s)'	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of SEBI circular bearing reference number GR/CFD/POLICYCELL/11/2015 dated November 10, 2015;
'Controlling Branches'	Such branches of the SCSBs which co-ordinate Applications by the Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time;
'Cut-off Price'	The Issue Price, as finalized by our Company, in consultation with the Book Running Lead Manager which shall be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion, are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price;
'Demographic Details'	Details of the Applicants including the Applicants' address, name of the Applicants' father/husband, investor status, occupation and bank account details and UPI-ID wherever applicable;
'Depositories'	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 i.e. CDSL and NSDL;
'Depository Participant / DP'	A Depository Participant as defined under the Depositories Act, 1996;
'Depositories Act'	The Depositories Act, 1996, as amended from time to time;
'Designated Date'	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account(s) to the Public Issue Account(s) or the Refund Account(s), as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account(s) or the Refund Account(s), as the case may be, in terms of the Red Herring Prospectus and the Prospectus after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted in the Issue;
'Designated Intermediaries', 'Collecting Agent'	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depositary Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity);
'Designated CDP Locations'	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the stock exchange;
'Designated Market Maker'	Prabhat Financial Services Limited will act as the Market Maker and has agreed to receive or deliver the specified securitiesin the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations;
'Designated RTA Locations'	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange;
'Designated SCSB Branches'	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes; Intermediaries or at such other website as may be prescribed by SEBI from time to time;
'Designated Stock Exchange'	The EMERGE Platform of National Stock Exchange of India Limited i.e. NSE EMERGE for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations, as amended from time to time;
'DP'	Depository Participant;
'DP-ID'	Depository Participant's Identity Number;
'Draft Red Herring Prospectus'	Draft Red Herring Prospectus dated August 10, 2024, filed with SEBI and Stock Exchangeand issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the Issue, including the price at which the Equity Shares are issued and the size of the Issue, and includes any addenda or corrigenda thereto;
'Eligible NRI(s)'	An Non-Resident Indian from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Red Herring Prospectus will constitute an invitation to purchase the equity shares;

Term	Description
'Eligible QFI(s)'	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutesan invitation to purchase the Equity shares issued thereby and accounts with SEBI registered qualified depositary participants;
'Electronic Transfer of Funds'	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable;
'Escrow Account'	The 'no-lien' and 'non-interest bearing' account(s) opened with the Escrow Collection Bank(s) and in whose favour Anchor Investors will transfer money through direct credit/ NEFT/ RTGS/NACH in respect of Bid Amounts when submitting a Bid;
'Escrow Agreement', 'Banker to the Issue Agreement'	Agreement dated November 19, 2024 entered into amongst the Company, Book Running Lead Manager, the Registrar, Market Maker and the Banker to the Issue to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
'FII / Foreign Institutional Investors'	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors Regulations, 1995, as amended) registered with SEBI under applicable laws in India;
'First Applicant', 'Sole Applicant'	The Applicant whose name appears first in the Application Form or the Revision Form and in case of joint Applicants, whose name appears as the first holder of the beneficiary account held in joint names
'Floor Price'	The lower end of the Price Band, i.e., ₹ [●] subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalized and below which no Bids, will be accepted and which shall not be less than the face value of the Equity Shares;
'Fresh Issue'	Fresh issue of up to 26,04,000 Equity Shares aggregating up to ₹ [●] lakhs to be issued by company pursuant to the Issue;
'Foreign Venture Capital Investors'	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000;
'Foreign Portfolio Investor', 'FPIs'	A Foreign Portfolio Investor who has been registered pursuant to the of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended;
'Fugitive Economic Offender'	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;
'Foreign Venture Capital Fund'	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India;
'General Information Document', 'GID'	The General Information Document for investing in public issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and the circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 issued by SEBI. The General Information Document is available on the websites of the stock exchanges, the Book Running Lead Manager;
'Gross Proceeds'	The total Issue Proceeds to be raised pursuant to the Issue;
'GIR Number'	General Index Registry Number;
'Issue Proceeds'	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds, please refer to the section titled *"Objects of the Issue"* beginning on page 72 of this Red Herring Prospectus;
'Issue', 'Issue Size', 'Public Issue', 'IPO'	This Initial Public Issue of upto 26,04,000 (Twenty Six Lakh Four Thousand only) Equity Shares for cash at an Issue Price of ₹ [●]/- per Equity Share aggregating to ₹ [●] Lakhs by our Company;
'Issue Agreement'	The Agreement dated July 29, 2024 entered amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue;
'Issue Price'	The price at which the Equity Shares are being issued by our Company in consultation with the Book Running Lead Manager under this Red Herring Prospectus being ₹[●]/- per Equity Share;
'Issue Proceeds'	Proceeds to be raised by our Company through this Issue, for further details please refer section titled *"Objects of the Issue"* beginning on page 72 of this Red Herring Prospectus;
'Book Running Lead Manager'	Book Running Lead Manager to the Issue, is Expert Global Consultants Private Limited;
'Listing Agreement'	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and NSE EMERGE;
'Lot Size'	The Market lot and Trading lot for the Equity Shares is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful Applicants;

Term	Description
'Market Maker'	Member Brokers of NSE who are specifically registered as Market Maker with the NSE Platform. In our case, Prabhat Financial Services Limited
'Market Maker Reservation Portion'	The reserved portion of upto 1,31,000 Equity Shares at an Issue Price of ₹[●]/- aggregating to ₹[●] Lakhs for Designated Market Maker in the Public Issue of our Company;
'Market Making Agreement'	The Agreement among the Market Maker, the Book Running Lead Manager and our Company dated October 21, 2024;
'Minimum Promoters' Contribution'	Aggregate of 20.00% (Twenty percent) of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters which shall be provided towards minimum promoters of 20.00% (Twenty percent) and locked-in for a period of 3 (Three) years from the date of Allotment;
'Mobile App(s)'	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism;
'Mutual Fund'	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended;
'Net Issue'	The Net Issue of 24,73,000 Equity Shares at ₹ [●]/- per Equity Share aggregating to ₹[●]/- Lakhs by our Company;
'Non-Institutional Applicant'	All Applicants including FPIs that are not Qualified Institutional Buyers or Retail Individual Applicants and who have Applied for Equity Shares for a cumulative amount more than ₹2,00,000.00/- (Rupees Two Lakhs Only) (but not including NRIs other than Eligible NRIs, QFIs other than Eligible QFIs)
'Non-Resident'	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI.
'Non-Resident Indian/ NRI'	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended;
'NSE Emerge'	The EMERGE Platform of National Stock Exchange of India Limited for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations, as amended from time to time;
'OCB', 'Overseas Corporate Body'	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% (Sixty Percent) by NRIs including overseas trusts, in which not less than 60.00% (Sixty Percent) of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 03, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA;
'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;
'Payment through electronic means'	Payment through NECS, NEFT, or Direct Credit, as applicable;
'Pricing Date'	The date on which our Company in consultation with the BRLM, will finalize the Issue Price;
'Price Band'	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum Price of ₹ [●] per Equity Share (Cap Price) and includes revisions thereof, if any. The Price Band and the minimum Bid Lot for the Issue will be decided by our Company, in consultation with the Book Running Lead Manager, and will be advertised in all editions of the English national newspaper i.e. Financial Express, all editions of the Hindi national newspaper i.e. Jansatta and regional newspaper i.e. Gurgaon Mail, each with wide circulation at the place where registered office of the issuer is situated, at least two Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculatedat the Floor Price and at the Cap Price and shall be made available to the Stock Exchange for the purpose of uploading on their website;
'Person(s)'	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires;
'Prospectus'	The prospectus to be filed with the RoC, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations containing, amongst other things, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto;

Term	Description
'Public Issue Account'	Account opened with Bankers to the Issue for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date;
'QIB Portion'	The portion of the Issue being not more than 50 % of the Issue or 12,36,000 Equity Shares, availablefor allocation to QIBs (including Anchor Investors) on a proportionate basis (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price;
'Qualified Foreign Investors', 'QFIs'	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI;
'Qualified Institutional Buyers', 'QIBs'	Qualified Institutional Buyers as defined under clause (ss) of Sub-Regulation (1) of Regulation 2 of the SEBI (ICDR) Regulations;
'Refund Bank(s)'	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being Axis Bank Limited;
'Registered Broker'	Individuals or companies registered with SEBI as "Trading Members"(except Syndicate/ Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges ,through which investors can buy or sell securities listed on stock exchanges, a list of which is available on: *https://www1.nseindia.com/membership/dynaContent/find_a_broker.htm*;
'Registrar Agreement'	The agreement dated July 29, 2024 among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue;
'Reserved Category/ Categories'	Categories of persons eligible for making application under reservation portion;
'Reservation Portion '	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations;
'Regulations'	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time;
'Registrar and Share Transfer Agents', 'RTAs'	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of SEBI circular bearing reference number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015;
'Registrar to the Issue'	Registrar to the Issue Being Kfin Technologies Limited;
'Retail Individual Investors'	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000.00/- (Rupees Two Lakhs only);
'Revision Form'	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s) QIB Applicants and Non-Institutional Applicants are not allowed to withdraw or lower their Applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date;
'SCRA'	The Securities Contracts (Regulation) Act, 1956 as amended from time to time;
'SEBI'	The Securities and Exchange Board of India;
'SEBI Act'	the Securities and Exchange Board of India Act, 1992, as amended from time to time;
'SEBI (SAST) Regulations'	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended, including instructions and clarifications issued by SEBI from time to time;
'SEBI (ICDR) Regulations' or 'SEBI ICDR Regulations' or 'ICDR Regulations'	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 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 (LODR) Regulations'	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time;
'SEBI (PFUTP) Regulations'	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003, as amended, including instructions and clarifications issued by SEBI from time to time;

Term	Description
'Self-Certified Syndicate Bank(s)', 'SCSBs'	The banks registered with SEBI, offering services, in relation to ASBA where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or such other website as updated from time to time, and in relation to RIBs using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time;
'SEBI (Foreign Portfolio Investor) Regulations'	Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations, 2014;
'Sponsor Bank'	A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the Book Running Lead Manager to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of RIIs as per the UPIMechanism, in this case being Axis Bank Limited;
'Specified securities'	The equity shares issued through this Red Herring Prospectus/ Prospectus;
'Syndicate Agreement'	Agreement to be entered into among the Company, the Book Running Lead Manager, the Registrar and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate;
'Syndicate Members'	Intermediaries (other than Book Running Lead Manager) registered with SEBI who are permitted to accept bids, application and place orders with respect to the Issue and carry out activities as syndicate member namely, Prabhat Financial Services Limited;
'Syndicate or members of the Syndicate'	Together, the Book Running Lead Manager and the Syndicate Member(s);
'Systemically Important Non-Banking Financial Company or NBFC-SI'	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations;
'TRS', 'Transaction Registration Slip'	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application;
'Unified Payments Interface', 'UPI'	The instant payment system developed by the National Payments Corporation of India. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two person's bank accounts using a payment address which uniquely identifies a person's bank Account;
'UPI-ID'	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI);
'UPI Mandate Request'	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment;
'UPI mechanism'	The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 read with SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI circular bearing reference number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and any subsequent circulars or notifications issued by SEBI in this regard;
'UPI Bidders'	Collectively, individual investors applying as Retail Individual Bidders in the Retail Portion, NIBs Bidding with an application size of more than ₹ 200,000 and up to ₹500,000 in the Non-Institutional Portion and Bidding under the UPI Mechanism. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).

Term	Description
'UPI-PIN'	Password to authenticate UPI transaction;
'Underwriter'	Underwriter to the Issue, is Expert Global Consultants Private Limited;
'Underwriting Agreement'	The Agreement among the Underwriter and our Company dated October 21, 2024;
'U.S. Securities Act'	U.S. Securities Act of 1933, as amended;
'UPI Circulars'	The SEBI circular no. (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 read with 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 08, 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/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and any subsequent circulars or notifications issued by SEBI in this regard;
'Wilful Defaulter or Fraudulent Borrower'	A wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations;
'Working Day'	In accordance with clause (mmm) of Sub-Regulation (1) of Regulation 2 of SEBI (ICDR) Regulation, working day means all days on which commercial banks in the city as specified in the Red Herring Prospectus are open for business: However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the city as notified in this Red Herring Prospectus are open for business; In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with SEBI circular bearing reference number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016;
'Venture Capital Fund'	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India;

Technical and Industry Related Terms & Abbreviations

Term	Description
"Childcare Products"	Include apparel (clothing, footwear, and accessories), consumables (diapering, bath and skin care, and baby food, among others), toys and games, hard goods (prams, feeding bottles, nursery, and safety gear, among others) and other products used by children in the age group of 0-12 years.
"D2C"	Direct to Consumer (D2C) are the brand owners who sell their product directly to their customers without resellers, wholesalers, or any other middle man.
"B2C"	One (Seller) to many(customer). D2C brands are also considered the B2C models. However, B2C business models can sell other brands products as well.
"B2B"	Many(business) to Many (Business). In B2B there are business people on both sides, whereas in B2C there is normally one business person and one consumer. B2B has many sellers and different stores, whereas B2C, is usually just one supplier. B2B concentrates on raw data for another company, but B2C focuses on producing something for consumers.
"Low Income Households"	Households with annual income less than ₹225,000 (US$2,800).
"Emerging Income Households"	Households with annual income between ₹225,000 to ₹585,000 (US$2,800 to US$7,300).
"Mature Income Households"	Households with annual income of more than ₹585,000 (US$7,300).
"Metro"	Bangalore, Chennai, Delhi NCR, Hyderabad, Kolkata, Mumbai, and Pune
"MBO"	Multi Brand Outlet
"Nuclear Households"	Includes "couple only" households, "couple with children" households, and "single parent with children" households.
"Online Shoppers"	Population buying at least one product online in a year.
"PFCE"	Expenditure incurred by the resident households and non-profit institutions serving households on final consumption of goods and services, whether made within or outside the economic territory
"Preschool"	Denotes school teaching students in the age group of one to six years and focusing on early childhood care and education. A preschool is different from a day care unit where only nutrition and childcare is provided.
"Retail Footprint"	Number of physical stores of retailers (including franchisee stores).
"Rural"	All population, housing and territories not included within Urban.

Term	Description
"Smartphone Users"	Population with access to smartphone.
"SKU"	Stock-keeping unit
"Tier 1 Cities"	Areas in India with a population of more than 1 million excluding metro cities.
"Tier 2+ Cities and Towns"	Areas in India with a population of less than 1 million.
"Urban"	Includes urbanized areas of 50,000 or more people and urbanized clusters (at least 2,500 and at most 50,000 people).

Conventional and General Terms or Abbreviations

Term	Description
'A/c'	Account;
'AGM'	Annual General Meeting;
'AIF'	Alternative Investment Fund as defined in and registered with SEBI under the Securities and ExchangeBoard of India (Alternative Investments Funds) Regulations, 2012;
'AS', or 'Accounting Standards'	Accounting Standards as issued by the Institute of Chartered Accountants of India;
'ASBA'	Applications Supported by Blocked Amount;
'AY'	Assessment Year;
'AOA'	Articles of Association;
'Approx'	Approximately;
'CAGR'	Compound Annual Growth Rate;
'CAPEX'	Capital Expenditure;
'Category I Foreign Portfolio Investor(s)','Category I FPIs'	FPIs who are registered as 'Category I Foreign Portfolio Investors' under the SEBI FPI Regulations;
'Category II ForeignPortfolio Investor(s)', 'Category II FPIs'	FPIs who are registered as 'Category II Foreign Portfolio Investors' under the SEBI FPI Regulations;
'Category III Foreign Portfolio Investor(s)','Category III FPIs'	FPIs who are registered as 'Category III Foreign Portfolio Investors' under the SEBI FPI Regulations;
'CDSL'	Central Depository Services (India) Limited;
'CEO'	Chief Executive Officer;
'CFO'	Chief Financial Officer;
'CII'	Confederation of Indian Industry;
'CIN'	Company Identity Number;
'CIT'	Commissioner of Income Tax;
'Client-ID'	Client identification number of the Applicant's beneficiary account;
'Companies Act, 1956'	The Companies Act, 1956, as amended from time to time;
'Companies Act, 2013'	The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date;
'Contract Act'	The Indian Contract Act, 1872 as amended from time to time;
'COVID – 19'	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020;
'CPI'	Consumer Price Index;
'CSR'	Corporate Social Responsibility;
'CST'	Central Sales Tax;
'CY'	Calendar Year;
'DIN'	Director Identification Number;
'DP'	Depository Participant, as defined under the Depositories Act 1996;
'DP-ID'	Depository Participant's identification;
'EBITDA'	Earnings before Interest, Taxes, Depreciation and Amortization;
'ECS'	Electronic Clearing System;
'EGM'	Extraordinary General Meeting;
'EMDEs'	Emerging Markets and Developing Economies;
'EOU'	Export Oriented Unit;
'EPS'	Earnings Per Share;
'FCNR Account'	Foreign Currency Non-Resident Account;
'FDI'	Foreign Direct Investment;
'FEMA'	Foreign Exchange Management Act, 1999, read with rules and regulations there under;
'FEMA Regulations'	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017;

Term	Description
'FIIs'	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India;
'FPIs'	Foreign Portfolio Investors as defined under the SEBI FPI Regulations;
'FIPB'	Foreign Investment Promotion Board;
'FVCI'	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations;
'FY', 'Fiscal', 'Financial Year'	Period of twelve months ended March 31 of that particular year, unless otherwise stated;
'GDP'	Gross Domestic Product;
'GoI', 'Government'	Government of India;
'GST'	Goods & Services Tax;
'GVA'	Gross Value Added;
'HNIs'	High Net worth Individuals;
'HUF'	Hindu Undivided Family;
'IAS Rules'	Indian Accounting Standards, Rules 2015;
'ICAI'	The Institute of Chartered Accountants of India;
'ICSI'	Institute of Company Secretaries of India;
'IFRS'	International Financial Reporting Standards;
'IMF'	International Monetary Fund;
'IMPS'	Immediate Payment Service;
'Indian GAAP'	Generally Accepted Accounting Principles in India;
'I.T. Act'	Income Tax Act, 1961, as amended from time to time;
'IPO'	Initial Public Offering;
'IPR'	Intellectual Property Rights;
'ISIN'	International Securities Identification Number;
'ISO'	International Organization for Standardization;
'KM', 'Km', 'km'	Kilo Meter;
'LMT'	Lakh Metric Tonnes
'Merchant Banker'	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992;
'MoF'	Ministry of Finance, Government of India;
'MICR'	Magnetic Ink Character Recognition;
'MOF'	Ministry of Finance, Government of India;
'MOU'	Memorandum of Understanding;
'NA', 'N. A.'	Not Applicable;
'NACH'	National Automated Clearing House;
'NAV'	Net Asset Value;
'NECS'	National Electronic Clearing Service;
'NEFT'	National Electronic Fund Transfer;
'No.'	Number;
'NOC'	No Objection Certificate;
'NPCI'	National Payments Corporation of India;
'NRE Account'	Non-Resident External Account;
'NRIs'	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000;
'NRO Account'	Non-Resident Ordinary Account;
'NSDL'	National Securities Depository Limited;
'p.a.'	per annum;
'P/E Ratio'	Price/Earnings Ratio;
'PAC'	Persons Acting in Concert;
'PAN'	Permanent Account Number;
'PAT'	Profit After Tax;
'PBT'	Profit Before Tax;
'PLR'	Prime Lending Rate;
'POA'	Power of Attorney;
'RBI'	Reserve Bank of India;
'R&D'	Research and Development;

Term	Description
'Regulation S'	Regulation S under the U.S. Securities Act;
'RoC'	Registrar of Companies;
'RoE'	Return on Equity;
'RoNW'	Return on Net Worth;
'Rupees', **'Rs.'**, **'₹'**	Rupees, the official currency of the Republic of India;
'RTGS'	Real Time Gross Settlement;
'SCRA'	Securities Contract (Regulation) Act, 1956, as amended from time to time;
'SCRR'	Securities Contracts (Regulation) Rules, 1957, as amended from time to time;
'SEBI'	Securities and Exchange Board of India;
'SEBI Act'	Securities and Exchange Board of India Act, 1992;
'SEBI AIF Regulations'	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012;
'SEBI FII Regulations'	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995;
'SEBI FPI Regulations'	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019;
'SEBI FVCI Regulations'	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000;
'SEBI VCF Regulations'	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations;
'Sec.'	Section;
'Securities Act'	U.S. Securities Act of 1933, as amended;
'SICA'	Sick Industrial Companies (Special Provisions) Act, 1985;
'SME'	Small and Medium Enterprises;
'STT'	Securities Transaction Tax;
'TAN'	Tax Deduction and Collection Account Number;
'TIN'	Taxpayers Identification Number;
'TDS'	Tax Deducted at Source;
'UPI'	Unified Payments Interface;
'US', **'United States'**	United States of America;
'USD', **'US$'** , **'$'**	United States Dollar, the official currency of the Unites States of America;
'VAT,	Value Added Tax;
'**VCF'**, '**Venture CapitalFund'**	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India;

Key Performance Indicators

Term	Description
Revenue from operation	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 is an indicator which determine the actual earnings available to equity shareholders
PAT %	PAT% is useful for assessing how efficiently a company is able to convert its sales into net profit after accounting for all expenses and taxes.
RoNW%	It is an indicator which shows how much company is generating from its available shareholders' funds
ROCE %	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Debt-Equity Ratio	The debt-to-equity ratio is used to assess the extent to which a company relies on debt to finance its operations relative to the equity provided by shareholders.
Interest Coverage Ratio	Interest coverage is a financial metric that assesses a company's ability to meet its interest payments on outstanding debt.
Days Working Capital	Days Working Capital is a financial metric that measures the average number of days it takes for a company to convert its working capital into revenue.

Notwithstanding the foregoing:

1. In the section titled "*Main Provisions of Articles of Association*" beginning on page 248 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;

2. In the chapters titled "*Summary of the Issue Document*" and "*Our Business*" beginning on page 21 and 123 respectively, of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
3. In the section titled "*Risk Factors*" beginning on page 27 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
4. In the chapter titled "*Statement of Tax Benefits*" beginning on page 91 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
5. In the chapter titled "*Management Discussion and Analysis of Financial Position and Results of Operations*" beginning on page 185 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section.

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

CERTAIN CONVENTIONS

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

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

In this Red Herring Prospectus, the terms "we", "us", "our", the "Company", "our Company", "Purple United", "Purple United Sales Limited" and, unless the context otherwise indicates or implies, refers to Purple United Sales Limited. In this Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word "Lac / Lakh" means "one hundred thousand", the word "million (mn)" means "Ten Lac / Lakh", the word "Crore" means "ten million" and the word "billion (bn)" means "one hundred crores".

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Red Herring Prospectus are extracted from the Restated Financial Statements for the Half Year ended September 30, 2024 and Financial Year ended March 31, 2024, March 31, 2023 and March 31, 2022 of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations and Guidance Note on *'Reports in Company Prospectus (Revised 2019)'* issued by ICAI, as stated in the report of our Statutory Auditor, as set out in the section titled *"Financial Information"* beginning on page 183 of this Red Herring Prospectus.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figuresin decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. However, where any figures may have been sourced from third-party industry sources, such figures may be rounded off to such number of decimal places as provided in such respective sources.

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

There are significant differences between Indian GAAP, IFRS and US GAAP. Our Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on our Company's financial data. Accordingly, to what extent, the 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 practices / 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.

Our Statutory Auditors have provided no assurance or services related to any prospective financial information in this Red Herring Prospectus.

Unless the context otherwise indicates, any percentage amounts, as set forth in *"Risk Factors"*, *"Our Business"* and *'Management Discussion and Analysis of Financial Position and Results of Operations'* beginning on pages 27, 122 and 186 respectively, of this Red Herring Prospectus, and elsewhere in this Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements of our Company.

NON-GAAP FINANCIAL MEASURES

Net Worth, Return on Net Worth, Net Asset Value per Equity Share, EBITDA, EBITDA Growth, Revenue from Operations Growth, EBITDA Margin, PAT Growth, PAT Margin, Return on Capital Employed, Company Adjusted Profit for the year ("**Non-GAAP Measures**"), presented in this Red Herring Prospectus are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with Indian GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Indian GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Indian GAAP.

In addition, the Non-GAAP Measures are not standardized terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with

applicable accounting standards, our management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate an entity's operating performance.

CURRENCY, UNITS OF PRESENTATION AND EXCHANGE RATES

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

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

DEFINITIONS

For definitions, please refer the section titled "*Definitions and Abbreviations*" beginning on page 2 of this Red Herring Prospectus. In the section titled "*Main Provisions of Articles of Association*" beginning on page 253 of this Red Herring Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

INDUSTRY AND MARKET DATA

Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been obtained or derived from the Duns & Bradstreet (*herein referred to as "D&B"*) Report, and publicly available information as well as other industry publications and sources.

Industry sources as well as Government publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

D&B is an independent agency which has no relationship with our Company, our Promoters, any of our Directors or Key Managerial Personnel or the Book Running Lead Managers. The D&B Report has been exclusively commissioned by our Company pursuant to an engagement letter with D&B dated June 17, 2024, for the purposes of confirming our understanding of the industry in which our Company operates, in connection with the Offer.

Excerpts of the D&B Report are disclosed in this Red Herring Prospectus and there are no parts, information or data from the D&B Report which would be relevant for the Offer that have been left out or changed in any manner by our Company for the purposes of this Red Herring Prospectus. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable, on account of there being no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

Accordingly, the extent to which the market and industry data used in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors – Industry information included in this Red Herring Prospectus has been derived from an industry report commissioned and paid by us for such a purpose*" on page 49 of this Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

DISCLAIMER OF D&B

This study has been undertaken through extensive secondary research, which involves compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Dun & Bradstreet ("Dun & Bradstreet") and its assumptions are based on varying levels of quantitative and qualitative analysis including industry journals, company reports and information in the public domain.

Dun & Bradstreet has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics, and research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged.

Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.

The recipient should conduct its own investigation and analysis of all facts and information contained in this report is a part and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

FORWARD LOOKING STATEMENTS

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

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

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

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Failure to successfully upgrade our product portfolio, from time to time;
- Shortage of, and price increases in, materials and skilled and unskilled employee, and inflation in key supply market;
- Failure to comply with environmental, labour, health and safety laws and regulations may affect our business;
- Changes in laws and regulations that apply to the industries in which we operate;
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Conflict of interest with affiliated companies, the promoter group and other related parties;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition;
- The availability of finance on favourable terms for our business and for our customers;

For further discussions of factors that could cause our actual results to differ, please refer the sections titled *"Risk Factors"*, *"Our Business"* and *'Management Discussion and Analysis of Financial Position and Results of Operations'* beginning on page 27, 122, and 186 respectively, of this Red Herring Prospectus.

By their nature, certain 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. Forward-looking statements speak only as of this Red Herring Prospectus and are not a guarantee of future performance.
Our Company, our directors, our officers, the Book Running Lead Manager, and their respective affiliates or associates do not have any obligation to, and do not intend 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 the SEBI ICDR Regulations, our Company and the Book Running Lead Manager will ensure that Investors in India are informed of material developments from the date of filing of the Red Herring Prospectus until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

SECTION II – SUMMARY OF THE ISSUE DOCUMENT

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Red Herring Prospectus, including the sections entitled "Risk Factors", 'Industry Overview', 'Outstanding Litigation and Material Developments', 'Our Promoters and Promoter Group', 'Financial Information', 'Objects of the Issue', "Our Business", "Issue Procedure" and "Main Provisions of Articles of Association" beginning on pages 27, 94, 198, 172, 182, 72, 123, 228 and 248 respectively of this Red Herring Prospectus.

PRIMARY BUSINESS AND THE INDUSTRY

SUMMARY OF OUR BUSINESS

Our Company was originally incorporated as 'Purple United Sales Private Limited' under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated September 16, 2014, bearing Registration Number 271636 issued by Registrar of Companies, Delhi. Our Company was converted into a Public Limited Company vide Special Resolution passed by the shareholders at the Extra-Ordinary General Meeting held on May 11, 2024 and consequently the name of the Company was changed from 'Purple United Sales Private Limited' to 'Purple United Sales Limited' vide fresh Certificate of Incorporation consequent upon conversion to public company dated June 20, 2024 by Registrar of Companies, Delhi, bearing Corporate Identity Number U51909DL2014PLC271636.

We are exclusively catering kids wear in India with focus on mindful product categorization for kids of all age and segment. Our brand ethos revolves around celebrating childhood, emphasizing comfort, safety, and sustainability. Our trendy line of lab-tested products, designed to be gentle on delicate skin, sets us apart.

For detailed information on our business activities, please refer to section titled "*Our Business*" on page 123 of this Red Herring Prospectus.

OVERVIEW OF INDUSTRY IN WHICH THE COMPANY IS OPERATING

READYMADE GARMENT INDUSTRY IN INDIA

India is a leading garment-manufacturing country globally, known for its fine craftsmanship across the textile value chain, from fiber, yarn, and fabric to apparel with high international appeal. Indian textiles such as cotton, silk, and denim are highly popular abroad, and Indian apparel has found success in global fashion centers. India is one of the largest consumers and producers of cotton, with the highest acreage of 12.5 million hectares, accounting for 38% of the global area under cotton cultivation. The Indian textile and apparel industry is highly diversified, encompassing traditional handloom, handicrafts, wool, and silk products, as well as a well-organized textile sector.

This industry significantly contributes to the economy and is the second-largest employer after agriculture, providing direct employment to 45 million people and indirectly supporting 100 million in allied sectors. The top textile and clothing manufacturing states in India include Andhra Pradesh, Telangana, Haryana, Jharkhand, and Gujarat.

For detailed overview of our industry, please refer section titled "*Industry Overview*" on page 94 of this Red Herring Prospectus.

NAME OF THE PROMOTERS

Our Company is promoted by Mr. Jatinder Dev Seth, Mrs. Bhawna Seth, Mr. Manish Dev Seth, Mrs. Monica Seth and InnovationM Mobile and Web Technologies Private Limited.

For detailed information on our Promoters and Promoter Group, please refer to section titled "*Our Promoters and Promoter Group*" on page 172 of this Red Herring Prospectus.

ISSUE SIZE

Fresh Issue

Public Issue of upto 26,04,000 Equity Shares to be issued by our Company for cash at an Issue Price of ₹ [●] (including a premium of ₹ [●]) aggregating to ₹ [●] Lakhs, of which 1,31,000 Equity Shares will be reserved for subscription by Market Maker to the Issue. The Issue less Market Maker Reservation Portion i.e. Net Issue of 24,73,000 Equity Shares. The Issue and the Net Issue will constitute 27.10% and 25.73%, respectively of the post-Issue paid-up Equity Share capital of our Company. The Issue has been authorised by a resolution of our Board dated June 21, 2024. Our Shareholders have authorised the Issue pursuant to a special resolution dated July 08, 2024.

Offer for Sale

There is no offer for sale, as our Company is making only a Fresh Issue.

OBJECTS OF THE ISSUE

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

Sr. No.	Particulars	Amount (₹ in Lakhs) *	% Of Net Proceeds
1	Working capital requirement;	1,800.00	[●]
2	Expenditure for opening new stores;	535.40	[●]
3	General corporate purposes; and	[●]	[●]
	Total Proceeds from the Issue	[●]	**100.00%**

**Subject to finalization of basis of allotment*
Note: The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds from the Issue.

For detailed information on the "*Objects of the Issue*", please refer on page 72 of this Red Herring Prospectus.

AGGREGATE PRE-ISSUE SHAREHOLDING OF THE PROMOTERS AND THE PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE COMPANY

The aggregate equity shareholding and the percentage of pre-Issue Equity Share capital of our Promoters and the Promoter Group asa percentage of the paid-up share capital of the Company as on the date of this Red Herring Prospectus is set forth below:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Issue Equity Share Capital
A)	**Promoters**		
1	Mr. Jatinder Dev Seth	40,00,000	57.10%
2	Mrs. Bhawna Seth	10,00,000	14.27%
3	Mr. Manish Dev Seth	-	-
4	Mrs. Monica Seth	-	-
5	InnovationM Mobile and Web Technologies Private Limited	11,33,000	16.17%
	Total A	**61,33,000**	**87.54%**
B)	**Promoters Group**		
	-	-	-
	Total B	**-**	**-**
	Total (A+B)	**61,33,000**	**87.54%**

SUMMARY OF RESTATED FINANCIAL STATEMENTS

The table below sets forth a summary of the Restated Standalone Financial Statements for the half year ended September 30, 2024 and financials year March 31, 2024, March 31, 2023 and March 31, 2022:

(₹ in Lakhs except per share data)

Particulars	September 30, 2024	FY 2024	FY 2023	FY 2022
Issued, subscribed and fully paid-upshare capital	700.58	663.30	608.08	553.82
Net Worth	2,368.62	1733.64	1036.58	617.59
Revenue from Operations	3,050.10	4,277.44	2,569.45	1,651.89
Profit After Tax	329.28	481.54	149.22	177.16
Earnings Per Share				

Particulars	September 30, 2024	FY 2024	FY 2023	FY 2022
Basic	4.77	7.84	2.45	3.20
Diluted	4.77	7.84	2.45	3.20
Net Asset Value Per Equity Share	33.81	26.14	17.05	11.15
Total Borrowings	3,366.66	2,562.80	1187.42	1,105.76

For detailed information on the "*Financial Information*", please refer on page 182 of this Red Herring Prospectus.

QUALIFICATIONS OF THE AUDITORS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS

Our Statutory Auditor has not made any qualifications in the examination report that have not been given effect in the Restated Financial Statements.

SUMMARY OF OUTSTANDING LITIGATION

A summary of outstanding litigation proceedings involving our Company, Directors and Promoters as on the date of this Red Herring Prospectus is provided below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (₹ in Lakhs)
Company						
By the Company	-	-	-	-	-	-
Against the Company	-	4	-	-	-	4.09
Directors						
By the Directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-
Promoters						
By the Promoters	-	-	-	-	1	61.55
Against the Promoters	1	2	1	-	-	5.99*
Subsidiaries						
By Subsidiaries	-	-	-	-	-	-
Against Subsidiaries	-	-	-	-	-	-
Group Companies						
By Group Companies	-	-	-	-	-	-
Against Group Companies	-	-	-	-	-	-

**amount with respect to criminal proceeding not ascertained yet*

For further details, in relation to the legal proceedings involving our Company, our Directors, and our Promoters, please refer to the section titled *"Outstanding Litigation and Material Developments"* and *"Risk Factors"* beginning on page 198 and 27 respectively of this Red Herring Prospectus.

RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. Potential Investors should carefully consider all the information in this Red Herring Prospectus and are advised to read the section titled *"Risk Factors"* beginning on page 27 of this Red Herring Prospectus, including the risks and uncertainties, before making/ taking an investment decision in our Equity Shares.

In making an investment decision prospective investor must rely on their own examination of our Company and the terms of this issue including the merits and risks involved. The risks described in the said sections are relevant to the industry our Company is engaged in, our Company and our Equity Shares. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries.

For further details, please refer the section titled *"Risk Factors"* beginning on page 27 of this Red Herring Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

There is no contingent liabilities for the period ended on September 30, 2024, FY 2024, FY 2023 and FY 2022. For further details, please refer to the section titled *"Financial Information"* beginning on page 182 of this Red Herring Prospectus.

SUMMARY OF RELATED PARTY TRANSACTIONS (RESTATED STANDALONE)

A. Directors and Key Managerial Personnel (KMP)

Name of KMP	Designation
Jatinder Dev Seth	Managing Director
Bhawna Seth	Whole-time Director
Niraj Rajpal (w.e.f. September 15 2023)	Non-Executive Director
Pankaj Lal Gupta (w.e.f. May 11 2024)	Independent Director
Vishal Sharma (w.e.f. May 11 2024)	Independent Director
Tarun Anand (w.e.f. May 11 2024)	Independent Director
Naresh Kumar (w.e.f. May 01 2024)	Chief Financial Officer
Vishnu Kumar (w.e.f. May 20 2024)	Company Secretary
InnovationM Mobile & Web Technologies Private Limited	Promoter
Manish Dev Seth	Promoter
Monica Seth	Promoter

B. Transactions with the related parties during the year:

(₹ in Lakhs)

Name of related party	Relationship	September 30, 2024	FY 2024	FY 2023	FY 2022
Share Capital issued during the year					
Jatinder Dev Seth	Managing Director	-	-	310.00	-
Bhawna Seth	Whole-time Director	-	-	90.00	-
InnovationM Mobile & Web Technologies Private Limited	Promoter	-	113.30	-	-
Loans					
Jatinder Dev Seth	Managing Director				
Opening Balance		29.77	2.49	514.57	736.50
Loan/Advances Received		433.60	363.89	265.73	334.83
Loan/Advances Repaid		313.25	336.62	777.80	556.75
Closing Balance		150.12	29.77	2.49	514.57
Bhawna Seth	Whole-time Director				
Opening Balance		3.99	0.82	148.03	102.37
Loan/Advances Received		49.42	116.30	23.29	60.17
Loan/Advances Repaid		15.05	113.13	170.50	14.50
Closing Balance		38.37	3.99	0.82	148.03
Director remuneration					
Jatinder Dev Seth	Managing Director	30.00	54.00	34.00	12.00
Bhawna Seth	Whole-time Director	30.00	54.00	34.00	12.00
Remuneration to KMPs					
Naresh Kumar	CFO	10.42	-	-	-
Vishnu Kumar	Company Secretary	2.31	-	-	-

Name of related party	Relationship	September 30, 2024	FY 2024	FY 2023	FY 2022
Interest on loan					
Jatinder Dev Seth	Managing Director	4.59	0.66	22.36	61.64
Bhawna Seth	Whole-time Director	0.54	0.27	5.60	10.02
InnovationM Mobile & Web Technologies Private Limited	Promoter				
Opening Balance		81.07	670.15	336.24	328.21
Loan and Advances Received		54.89	290.00	354.41	29.39
Loan and Advances Repaid		27.00	879.08	20.50	21.36
Closing Balance		108.96	81.07	670.15	336.24
Interest on loan		4.89	71.61	49.34	32.65
Jaydee Enterprises	Proprietorship				
Purchases*		1.07	5.25	3.25	5.27
Sales*		-	0.99	39.28	0.64

**Above balances are inclusive of GST, all Sales/purchases from KMP are on Arm Length Price (ALP)*

Note 1: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

For further details of related party transactions, please refer to the section titled *"Financial Information"* beginning on page 182 of this Red Herring Prospectus.

FINANCING ARRANGEMENTS:

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

WEIGHTED AVERAGE PRICE AT WHICH THE SHARES WERE ACQUIRED BY THE PROMOTERS IN THE ONE YEAR PRECEDING THE DATE OF THIS RED HERRING PROSPECTUS

The weighted average price at which Equity Shares were acquired by the Promoters in the one year preceding the date of this Red Herring Prospectus is:

Name of the Promoter	No. of Equity Shares acquired	Weighted average price (Per Equity Share)
Mr. Jatinder Dev Seth	-	-
Mrs. Bhawna Seth	-	-
Mr. Manish Dev Seth	-	-
Mrs. Monica Seth	-	-
InnovationM Mobile and Web Technologies Private Limited	11,33,000	62

**As certified by NGMKS & Associates, Chartered Accountants, by way of their certificate dated July 15, 2024.*

For further details, refer the section titled *"Capital Structure"* beginning on page 60 of this Red Herring Prospectus.

AVERAGE COST OF ACQUISITION OF SHARES OF THE PROMOTERS

The average cost of acquisition of Equity Shares acquired by the Promoters as on the date of this Red Herring Prospectus is:

Name of the Promoter	No. of Equity Shares held	Average cost of acquisition per Equity Share
Mr. Jatinder Dev Seth	40,00,000	10
Mrs. Bhawna Seth	10,00,000	10
Mr. Manish Dev Seth	-	-
Mrs. Monica Seth	-	-
InnovationM Mobile and Web Technologies Private Limited	11,33,000	62

**As certified by NGMKS & Associates, Chartered Accountants, by way of their certificate dated November 23, 2024.*

DETAILS OF PRE-IPO PLACEMENT

Our Company has not made any pre-IPO placement. Further, our Company does not contemplate any issuance or placement of Equity Shares from the date of this Red Herring Prospectus until the listing of the Equity Shares.

SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH IN LAST ONE YEAR

Except mentioned herein below, our Company has not issued any equity shares for consideration other than cash during the last one year.

Date of Allotment	Name of Allottees	Reasons for allotment	No. of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Benefits Accrued to our Company
March 30, 2024	InnovationM Mobile and Web Technologies Private Limited	Conversion of Loan	11,33,000	10/-	62/-	Utilize towards the working capital

For further details, refer the chapter titled *"Capital Structure"* beginning on page 60 of this Red Herring Prospectus.

SPLIT/ CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken any split or consolidation of Equity Shares during the last one year from the date of this Red Herring Prospectus.

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAW, IF ANY, GRANTED BY SEBI

Our Company has not received any exemption from SEBI from complying with any provisions of securities laws, as on the date of this Red Herring Prospectus.

SECTION III – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. Potential investors should carefully consider all the information in the Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors; and additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, results of operations and financial condition could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment.If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business,results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Our Business", "Industry Overview", 'Management Discussion and Analysis of Financial Position and Results of Operations' and "Financial Information" beginning on pages 123, 94, 185, and 182 respectively, of this Red Herring Prospectus, as well as the other financialand statistical information contained in this Red Herring Prospectus.

Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ 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. For details, please see "Forward Looking Statements" on page 19 of this Red Herring Prospectus.

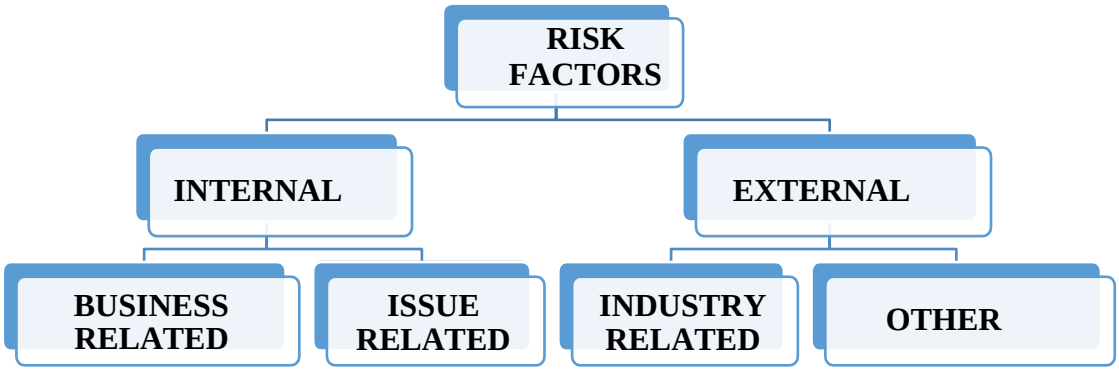
Unless otherwise stated, the financial data in this chapter is derived from our Restated Financial Information for the financials year March 31, 2024, March 31, 2023 and March 31, 2022, as included in "Financial Information" on page 182 of this Red Herring Prospectus.

MATERIALITY

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

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

The risk factors are classified as under for the sake of better clarity and increased understanding:



INTERNAL RISK FACTORS

A. Business Related

1. Our business from retail outlet is concentrated in the National Capital Region (NCR) only. As of September 30, 2024, revenue from National Capital Region (NCR) constitute ₹ 506.63 Lakhs i.e. 16.61% of our revenue for September 30, 2024. Any adverse impact in this region may adversely affect our business, results of operations and financial condition.

While we have a diversified geographical presence, our portfolio has historically been concentrated in National Capital Region (NCR), India. We started our retail outlet business operations in Delhi and have gradually expanded to Uttar Pradesh, Haryana, Punjab, Uttarakhand, Madhya Pradesh, Bihar and Rajasthan. For further information see "*Our Business"* on page 123 of this Red Herring Prospectus.

Revenue from projects undertaken in the state of National Capital Region (NCR) for the past three financial years is mentioned in the table below:

(₹ in lakhs, except percentage)

Particulars	For the period ended Sept 30, 2024	For the Financials year ended		
		FY 2024	FY 2023	FY 2022
Total Revenue from operation*	3,050.10	4,277.44	2,569.45	1,651.89
Revenue from National Capital Region (NCR)**	506.63	920.21	335.28	202.37
% of Total Revenue	16.61%	12.25%	13.05%	21.51%

**Total revenue from operation include online sale as well as sale offline sales.*

*** Revenue from National Capital Region (NCR) includes sale from retail outlets only.*

2. Our proposed expansion plans relating to the opening of new stores are subject to the risk of unanticipated delays in implementation and cost overruns.

Our capital expenditure plans in relation to the proposed setting up of new stores are subject to the potential risks and uncertainties that these activities typically face, including cost overruns or delays. Problems that could adversely affect our expansion plans include labour shortages, increased costs of equipment or manpower, delays in completion, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, increase in other expenses, and other external factors which may not be within the control of our management. There can be no assurance that the proposed expansions 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 such activities, we may not be able to achieve the intended economic benefits of such capital expenditure, 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 expansion and additions 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. For further information, see "Objects of the Offer" on page 22 of this Red Herring Prospectus.

3. Our business requires significant working capital, necessitating substantial financing. If we are unable to secure additional debt or equity financing on favourable terms, it may lead to increased interest costs, restrictive covenants, or equity dilution, adversely impacting our financial performance, operations, and the market price of our Equity Shares.

Our business operations, particularly the management of inventory, demand significant working capital, necessitating reliance on various sources of financing. As of September 30, 2024, our short-term borrowings amounted to ₹ 2,320.92 lakhs. To support ongoing growth and operational needs, we may need to raise additional debt in the future. However, acquiring more debt financing could lead to increased interest costs and introduce further restrictions through covenants in our credit agreements, limiting our operational flexibility. Alternatively, raising additional equity financing could dilute our earnings per Equity Share, reduce shareholders' ownership, and potentially pressure the market price of our Equity Shares.

Over the past years, our revenue from operations has experienced significant growth, as highlighted in the following table:

(₹ in lakhs, except percentage)

Particulars	2021-22 Audited	2022-23 Audited	2023-24 Audited	September 30, 2024 Audited	2024-25 Estimates
Revenue from operations (₹ in Lakhs)	1,651.89	2,569.45	4,277.44	3,050.10	7,847.12
Growth in revenue (%)	14.05	55.55	66.47	43*	83.45
Net working capital (₹ in Lakhs)	1,558.93	1,760.73	3,788.22	5,188.44	6,058.83
Working capital turnover ratio (in times)	1.03	1.55	1.54	1.36*	1.59

*Annualized

Despite these encouraging trends, our business remains heavily reliant on working capital financing to support this growth. The increase in working capital requirements, from ₹1,558.93 lakhs in FY 2021-22 to an estimated ₹6,058.83 lakhs in FY 2024-25, further emphasizes the need for diverse funding sources.

The objects of this Issue include funding the working capital requirements of our Company, based on management estimates and assumptions. For more information on these estimates and assumptions, please refer to the "Objects of the Issue" section on page 72 of the Red Herring Prospectus.

Our working capital requirements may also be impacted by factors beyond our control, including force majeure events, delayed or defaulted payments from clients, and limited availability of funding from banks or financial institutions. Consequently, our actual working capital requirements may differ from current estimates, and investors should not place undue reliance on such projections.

Any failure to meet debt obligations or adhere to restrictive covenants could result in the termination of credit facilities, trigger cross-default provisions, and severely affect our operations and financial performance. We cannot guarantee that we will secure additional financing on favourable terms or within the necessary timeframe. The inability to renew or secure financing could adversely impact our planned capital expenditures, operations, financial health, and overall business stability.

4. There are certain discrepancies and non-compliances noticed in some of our financial reporting and/or records relating to filing or returns and deposit of statutory dues with the taxation and other statutory authorities.

In the past, our company has at very few instances, delayed in filing returns for GST, EPF, ESIC and deposit of such statutory dues, as a result of which, we have been required to pay the late filing fees along with interest on delayed deposit of due taxes and statutory dues. Although the late filing fees levied are small, if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows. Further no show-cause notice has been issued against our Company till date, in respect of above, in the event of any cognizance being taken by the concerned authorities in respect of above, actions may be taken against our Company and its directors, in which event the financial positions of our Company and our directors may be affected. For further details see "*Financial Information*" beginning on page 182 of this Red Herring Prospectus.

5. Our Company has delayed in complying with certain statutory provisions under various laws. Such delayed compliance /lapses may attract certain penalties.

Our Company is required to make filings under various rules and regulations as applicable under the applicable provisions of the Companies Act, 2013 which is usually done within the prescribed time period by the Company. However in some instances delay has occurred in filing RoC filings like DPT-3 (return of acceptance of deposit) for FY 2019-20, ADT-1 (auditors appointment) for FY 2019-20, AOC-4 (annual filing) for FY 2021-22, ADT-1 (auditors appointment) for FY 2023-24 and INC-27 (conversion from Private Limited to Limited company).

Due to delays in filings pursuant to non-functionality of MCA, our Company had, on some occasions, paid the requisite late fees. No show cause notice in respect of the above has been received by the Company till date, however any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent. Any delay / non-compliance in the past or future may render us liable to statutory penalties / actions.

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

Currently, we fund our working capital requirements in the ordinary course of our business through bank finances and internal accruals. The details of our Company's working capital requirement based on Restated Standalone Financials for FY 2022, FY 2023, FY 2024 and FY 2025 (Projected) are as follows:

(Amount in ₹ Lakhs)

Particulars	As per Restated Financial Statements				Projected
	FY 2022	FY 2023	FY 2024	Sep 30, 2024	FY 2025
Current Assets					
Cash and Cash Equivalent	17.41	21.17	59.62	124.00	1,179.04
Inventories	713.08	731.24	966.22	1,961.15	2,265.86
Trade receivables	1,159.26	1,779.37	2,860.68	3,535.33	3,492.80
Loans and Advances	9.65	30.42	21.56	26.92	51.99
Advance to suppliers	-	27.34	266.62	453.54	630.25
Other current assets	191.15	114.11	92.05	221.88	73.64
Total (A)	**2,090.55**	**2,703.66**	**4,266.74**	**6,322.82**	**7,693.56**
Current Liabilities					
Trade payables	481.57	875.78	251.71	674.64	1,362.56
Provisions	20.61	24.26	103.14	149.66	123.76
Other current liabilities	29.43	42.88	123.68	310.08	148.41
Total (B)	**531.62**	**942.93**	**478.52**	**1,134.38**	**1,634.73**
Net Working Capital (A) – (B)	**1,558.93**	**1,760.73**	**3,788.22**	**5,188.44**	**6,058.83**
Incremental working capital	**172.45**	**201.80**	**2,027.49**	**1,400.22**	**2,270.61**
Funding Pattern:					
Funding from Banks / Financial Institutions	1,105.76	1,187.42	2,562.80	3,366.66	1,666.39
Internal Accruals	453.17	573.32	1,225.42	1,821.78	2,592.44
IPO Proceeds	-	-	-	-	1,800.00

7. We may not be able to collect receivables due from our clients, in a timely manner, or at all, which may adversely affect our business, financial condition, results of operations and cash flows.

As collection from debtors are subject to some risk and as of September 30, 2024, ₹ 3,597.98 lakhs are total trade receivables and ₹ 1,110.84 lakhs out of total trade receivables had been outstanding for a period exceeding six months. We have also created a provision for doubtful debts for ₹ 62.64 lakhs out of these debtors. We hereby included the above risk factor as precautionary measure because we cannot guarantee collection of our receivables in time or at all which may have an adverse effect on our cash flows, business, results of operations and financial condition.

8. Our inability to collect receivables and default in payment from our customers could result in the reduction of our profits and affect our cash flows.

Our operations involve extending credit for extended periods of time to our customers and distributors in respect of our services, and consequently, we face the risk of non-receipt of these outstanding amounts in a timely manner or at all, particularly in the absence of long-term arrangements with customers and distributors. Our credit terms vary from 45 days to 90 days for our customers and distributors. While our customers typically provide us with their commitments, we cannot guarantee that our customers and distributors will not default on their payments. Our inability to collect receivables from our customers and distributors in a timely manner or at all in future, could adversely affect our working capital cycle and cash flows

Macroeconomic conditions could also result in financial difficulties, including insolvency or bankruptcy, for our customers and agents, and as a result could cause customers and distributors to delay payments to us, request modifications to their payment arrangements, that could increase our receivables or affect our working capital requirements, or default on their payment obligations to us. An increase in bad debts or in defaults by our customers and distributors may compel us to utilize greater amounts of our operating working capital and result in increased interest costs, thereby adversely affecting our results of operations and cash flows.

9. In the past Company had delayed in the EPF and GST returns. This may adversely affect the financial performance and regulatory compliance of the company.

The Company's past delays in GST returns indicate a failure to meet regulatory compliance obligations. Such non- Compliance can have serious consequences, including penalties, fines, legal actions, and reputational damage. The delays in GST can result in

interest liabilities, penal charges, and strained relationships with client.

Potential legal disputes. Additionally, late filing of GST returns may attract penalties and disrupt the Company's cash flow, hindering its ability to meet financial obligations and impacting liquidity. The impact of past delays extends beyond financial implications. Regulatory authorities may increase scrutiny on the Company's operations due to non-compliance with EPF and GST requirements, leading to audits, investigations, and potential legal actions. This can divert management's attention from core business activities and cause operational disruptions.

Moreover, the Company's reputation among stakeholders, including employees, investors, suppliers, and customers, may be compromised due to persistent delays in EPF payments and GST returns. Negative publicity and loss of trust can have long-term consequences, affecting business relationships and the Company's growth prospects.

It is important for prospective investors to consider the potential risks and consequences associated with the delay in EPF payments and GST returns while evaluating the investment opportunity. The company shall implement robust systems.

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

Any shortfall in raising / meeting the same could adversely affect our growth plans, operations, and financial performance. As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the Issue. We meet our capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue Proceeds may delay the implementation schedule and could adversely affect our growth plans. However, the Company will alternatively arrange fund from Banks or financial institutions through loans, and increased credit terms from Creditors will support the Business.

11. Our Directors and Promoters are not involved and may in the future, be involved in certain legal proceedings, which, if determined adversely, may adversely affect our business and financial condition.

Our Directors and Promoters may in the future be, implicated in lawsuits in the ordinary course of our business, including lawsuits and arbitrations involving compensation for loss due to various reasons including tax matters, civil disputes, labour and service matters, statutory notices, regulatory petitions, consumer cases and other matters. Any Litigation or arbitration could result in substantial costs and a diversion of effort by us and/or subject us to significant liabilities to third parties. In addition, our Directors and Promoters are subject to risks of litigation including public interest litigation, contract, employment related, personal injury and property damage. Our Company cannot provide any assurance that these legal proceedings will be decided in their favour. Any adverse decision may have a significant effect on our business including the financial condition of our Company, delay in implementation of our current or future project and results of operations. There can be no assurance that the results of such legal proceedings will not materially harm our business, reputation or standing in the marketplace or that our Company will be able to recover any losses incurred from third parties, regardless of whether our Company is at fault or not. There can be no assurance that losses relating to litigation or arbitration will be covered by insurance, that any such losses would not have a material adverse effect on the results of our operations or financial condition, or that provisions made for litigation and arbitration related losses would be sufficient to cover our ultimate loss or expenditure. Details of outstanding proceedings that have been initiated against our Company, our Promoters, our Group Companies and our Directors are set forth in the Chapter titled "*Outstanding Litigation and Material Developments*" starting from page 198 of this Red Herring Prospectus.

12. Our Company has entered into certain related party transactions in the past and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have in the course of our business entered into, and will continue to enter into, several transactions with our related parties. For further information, see **"Financial Statements – Note -31 "Related Party Disclosures"** on page 182 of this Red Herring Prospectus. We cannot assure you that we will receive similar terms in our related party transactions in the future. While we confirm that all such related party transactions that we have entered into in last three fiscals years are legitimate business transactions conducted on an arms' length basis, in compliance with the requirements stipulated in Companies Act, 2013, and relevant Accounting Standards and other statuary compliances, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Any further transactions with our related parties could involve conflicts of interest.

While we have not had any conflict of interest in relation to our equity shareholders in the past, we cannot assure you that such conflicts will not arise in the future. Further, we cannot assure you that such transactions, individually or in the aggregate, will not have any adverse effect on our business and financial results, including because of potential conflicts of interest or otherwise. For details, please refer **"Financial Statements – Note 31 - Related Party Disclosures"** on page 182 of the Red Herring Prospectus.

(₹ in lakhs)

Name of related party	Relationship	September 30, 2024	FY 2024	FY 2023	FY 2022
Share Capital issued during the year					
Jatinder Dev Seth	Managing Director	-	-	310.00	-
Bhawna Seth	Whole-time Director	-	-	90.00	-
InnovationM Mobile & Web Technologies Private Limited	Promoter	-	113.30	-	-
Loans					
Jatinder Dev Seth	Managing Director				
Opening Balance		29.77	2.49	514.57	736.50
Loan/Advances Received		433.60	363.89	265.73	334.83
Loan/Advances Repaid		313.25	336.62	777.80	556.75
Closing Balance		150.12	29.77	2.49	514.57
Bhawna Seth	Whole-time Director				
Opening Balance		3.99	0.82	148.03	102.37
Loan/Advances Received		49.42	116.30	23.29	60.17
Loan/Advances Repaid		15.05	113.13	170.50	14.50
Closing Balance		38.37	3.99	0.82	148.03
Director remuneration					
Jatinder Dev Seth	Managing Director	30.00	54.00	34.00	12.00
Bhawna Seth	Whole-time Director	30.00	54.00	34.00	12.00
Remuneration to KMPs					
Naresh Kumar	CFO	10.42	-	-	-
Vishnu Kumar	Company Secretary	2.31	-	-	-
Interest on loan					
Jatinder Dev Seth	Managing Director	4.59	0.66	22.36	61.64
Bhawna Seth	Whole-time Director	0.54	0.27	5.60	10.02
InnovationM Mobile & Web Technologies Private Limited	Promoter				
Opening Balance		81.07	670.15	336.24	328.21
Loan and Advances Received		54.89	290.00	354.41	29.39
Loan and Advances Repaid		27.00	879.08	20.50	21.36
Closing Balance		108.96	81.07	670.15	336.24
Interest on loan		4.89	71.61	49.34	32.65
Jaydee Enterprises	Proprietorship				

Name of related party	Relationship	September 30, 2024	FY 2024	FY 2023	FY 2022
Purchases*		1.07	5.25	3.25	5.27
Sales*		-	0.99	39.28	0.64

13. We face intense competition in our businesses, which may limit our growth and prospects. Our Company faces significant competition from other companies.

We compete on the basis of a number of factors, including execution, depth of service offerings, innovation, reputation and price. Our competitors may have advantages over us, including, but not limited to:

- Substantially greater financial resources;
- Longer operating history than our business;
- Greater brand recognition among consumers;
- More diversified operations which allow profits from certain operations to support others with lower profitability. These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

14. Our high levels of trade receivables from extending credit to customers, particularly within the past six months, could negatively impact our liquidity and profitability if customers delay or default on payments, despite our credit management efforts.

Our company's high levels of trade receivables, particularly within the past six months, arise from industry-specific supply chain delays, extended payment cycles for key accounts, and seasonal sales patterns. In the fashion retail industry, supply chain challenges such as supplier lead times, sales returns, and reconciliations create a gap of 30 to 45 days between invoice generation and receipt of goods by customers. Additionally, a significant portion of our revenue is generated in the last quarter of the financial year, which coincides with the launch of the summer season and ongoing reconciliations for winter inventory. While these factors contribute to a temporary increase in trade receivables, they also reflect our strategic decision to attract and retain key clients by offering extended payment terms of 45 to 90 days.

Despite our credit management efforts, we face the risk of delayed or defaulted payments from customers and distributors, particularly in the absence of long-term arrangements. Our inability to collect receivables in a timely manner, or at all, could reduce our profitability and adversely impact our working capital and cash flows. Macroeconomic conditions or financial difficulties among our customers, including insolvency or bankruptcy, may further exacerbate these risks, leading to requests for modified payment terms, increased receivables, or defaults. If such risks materialize, we may be required to increase provisions for bad debts, resulting in higher working capital requirements, increased interest costs, and adverse effects on our financial performance and liquidity.

There can be no assurance that we will be able to fully mitigate these risks, and any deterioration in the timely collection of receivables could materially affect our financial health and ability to execute our business strategy.

15. We are dependent upon the experience and skill of our management team (including promoters) and a number of KMPs and senior management personnel. If we are unable to attract or retain such qualified personnel, this could adversely affect our business, results of operations and financial condition.

We are dependent on a highly qualified, experienced and capable management team (including promoters) for design and execution of our projects. Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. The loss of the services of our key personnel or our inability to recruit or train sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects. Further, if we are unable to hire additional qualified personnel or retain them, our ability to expand our business may be impacted. As we intend to continue to expand our operations and develop new projects, we will be required to continue to attract and retain experienced personnel. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting suitable employees. There can be no assurance that our competitors will not offer better compensation incentives and other perquisites to such skilled personnel.

Further, as on the date of this Red Herring Prospectus, we do not have keyman insurance policies. In the event that we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, results of operations and financial condition may be adversely affected.

For further information, please see "*Our Management*" on page 156 of this Red Herring Prospectus.

16. We operate in an extremely competitive industry and failure to successfully compete could result in loss of one or more of our significant customers and may adversely affect our business.

The cloth trading sector is competitive and highly fragmented. We compete against various fashion, trading and branded companies. Thus, we operate in a very competitive environment. Our competition varies depending on the size, nature and design of the clothes and on the geographical region in which the population need to cater. For further information concerning our competitors in specific industry and project segments, please see "*Industry Overview*" on page 94 of this Red Herring Prospectus.

We may be unable to compete with larger branded companies, as many of them may have greater financial resources, economies of scale and operating efficiencies. If we are unable to capture bigger market share or compete with larger competitors, we may be unable to sustain or increase, our volume of order intake and our results of operations may be materially adversely affected.

17. Our insurance coverage may not be adequate to protect us against certain losses and this may have a material adverse effect on our business.

Our Company has obtained insurance coverage in respect of certain risks i.e vehicle, machineries, equipment and warehouse insurance. For further details in relation to our Insurance, please refer to the section titled – Insurance in the chapter titled "*Our Business*" beginning on page 123 of this Red Herring Prospectus. This insurance policy are renewed periodically to ensure that the coverage is adequate, however, such insurance policies do not cover all risks. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject- matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business,financial condition and results of operations may be materially and adversely affected. For further details, please refer chapter titled "*Our Business*" beginning on page 123 of this Red Herring Prospectus.

18. If we are unable to effectively manage or expand our retail network and operations or pursue our growth strategy, our new stores as well as our existing stores may not achieve our expected level of profitability which may adversely affect our business prospects, financial condition and results of operations.

Our ability to achieve desired profitability and sustain business growth is significantly dependent on the effective management of our existing retail operations and the successful execution of our expansion strategy. If we fail to efficiently oversee our current stores or expand our retail network as planned, new and existing stores may not meet expected profitability targets. This could adversely impact our financial performance, business prospects, and overall results of operations. Challenges such as operational inefficiencies, misjudged market entries, high capital expenditures, inconsistent customer experiences, and intensified competition could further exacerbate these risks. Consequently, our financial health and growth trajectory may be adversely affected.

19. We cannot assure you that we will be able to successfully execute our growth strategies, which could affect our business prospects, results of operations and financial condition.

As part of our growth strategy, we propose to expand our existing business as well as diversify into sectors, other than kids clothing that we are primarily engaged in currently. Our growth strategies could place significant demand on our management and our administrative, technological, operational and financial infrastructure. As a result, we may be unable to maintain the quality of our products as our business grows. Our growth strategies are dependent on various circumstances, including business developments, new business(es), investment opportunities or unforeseen contingencies. We could also encounter difficulties and delays in executing our growth strategies due to a number of factors, including, without limitation, delays in project execution resulting in significant time and cost overruns, delays or failure in receiving government and regulatory approvals, unavailability of human and capital resources, delayed payments or non-payments by clients, failure to correctly identify market trends, increase in cost of raw material, fuel, labour etc. or any other risks that we may or may not have foreseen. There can be no assurance that we will be able to execute our growth strategy on time and within the estimated costs, or that we will meet the expectations of our clients.

In the instances where we have ventured in sectors other than kids clothing, we cannot assure you that we will be successful or continue to obtain new projects in such sectors. In order to manage growth effectively, we must implement and improve operational systems, procedures and controls on a timely basis, which, as we grow and diversify, we may not be able to implement, manage or execute efficiently and in a timely manner or atall, which could result in delays, increased costs and diminished quality and may adversely affect our results of operations and our reputation. In addition, if we raise additional funds for our growth through incurrence of debt,our interest and debt repayment obligations will increase, and we may be subject to additional covenants, which could limit our ability to access cash flow from operations and/or other means of financing. Further, our management may also

change its view on the desirability of current strategies, and any resultant change in our strategies could put significant strain on our resources.

Due to our limited experience in undertaking certain types of projects or offering certain services, our entry into new business segments or new geographical areas may not be successful, which could hamper our growth and damage our reputation. We may be unable to compete effectively for projects in these segments or areas or execute the awarded projects efficiently. Further, our new business or projects may turn out to be mutually disruptive and may cause an interruption to our business as a result.

20. We require various statutory and regulatory permits and approvals in the ordinary course of our business, and our failure to obtain, renew or maintain them in a timely manner may adversely affect our operations.

We require certain statutory and regulatory approvals, licenses, registrations and permissions for our business and operations. For details of the key laws and regulations applicable to us, see "*Key Industry Regulations and Policies*" on page 138 of this Red Herring Prospectus. We may need to apply for further approvals in the future including renewal of approvals that may expire from time to time. There can be no assurance that the relevant authorities will issue such permits or approvals in the time frame anticipated by us or at all.

Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in theinterruption 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 notbe 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 theapprovals, licenses, registrations and permits that have been or may be issued to us, may impede our operations. For further details, see "*Government and Other Key Approvals*" on page 201 of this Red Herring Prospectus.

21. We are subject to risks arising from interest rate fluctuations, which could reduce the profitability of our projects and adversely affect our business, financial condition and results of operations.

Interest rates for borrowings have been volatile in India in recent periods. Our operations are funded to a significant extent by debt and increases in interest rate and a consequent increase in the cost of servicing such debt may have an adverse effect on our results of operations and financial condition. Changes in prevailing interest rates affect our interest expense in respect of our borrowings and our interest income in respect of our interest on short term deposits with banks. Our current debt facilities carry interest at variable rates as well as fixed rates. Although we may in the future engage in interest rate hedging transactions or exercise any right available to us under our financing arrangements to terminate the existing debt financing arrangement on the respective reset dates and enter into new financing arrangements, there can be no assurance that we will be able to do so on commercially reasonable terms or that these agreements, if entered into, will protect us adequately against interestrate risks. Further, if such arrangements do not protect us adequately against interest rate risks, they would result in higher costs.

22. Any failure to maintain quality control systems for our services could have a material adverse effect on our business, reputation, results of operations and financial condition.

The quality and timely delivery of the products we provided is critical to our success. Maintaining consistent service quality and timely delivery depends significantly on the effectiveness of the quality control systems, policies and guidelines that our suppliers have in place, which in turn depends on a number of factors, including the design of the quality control systems and employee implementation and compliance with those quality control systems. There can be no assurance that the quality control systems that our suppliers have in place will prove to be effective. Any significant failure or deterioration of these quality control systemscould have a material adverse effect on our business, reputation, results of operations and financial condition and can cause negative publicity that can affect our brand. If such cases are determined against us, there could be an adverse effect on our reputation, business, results of operations and financial condition.

23. We do not own registered office, corporate office, warehouse and retail outlets which are currently in use by our Company.

Our registered office, corporate office, warehouse and retail outlets is rented, vide different lease deeds. In the event, the permission to use and/or lease agreement under which we occupy the premises mentioned in this RHP or certain terms and conditions that are unfavourable to us are imposed on us in relation to the said premises, or if we are otherwise unable to occupy such premises, we may suffer a disruption in our operations, which could have an adverse effect on our business and financial results.

For more details of registered office, corporate office, warehouse and retail outlets, refer properties in *"Our Business"* page 123.

24. There are certain outstanding legal proceedings pending against our Company and Directors. Any adverse outcome in any of

these proceedings may adversely affect our profitability and reputation and may have an adverse effect on our results of operations and financial condition.

Our Company and Directors are currently involved in certain tax proceedings in India which are pending at different levels of adjudication before the concerned authority/ forum. We cannot assure you that these tax proceedings will be decided in favour ofour Company and Directors, as the case may be. Any adverse decision in such proceedings may render us liable to penalties andmay have a material adverse effect on our reputation, business, financial condition and results of operations. Additionally, duringthe course of our business we are subject to risk of litigation in relation to contractual obligations, employment and labour law related, personal injury and property damage, etc.

A classification of these outstanding litigations is given in the following table:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (₹ in Lakhs)
Company						
By the Company	-	-	-	-	-	-
Against the Company	-	4	-	-	-	4.09
Directors						
By the Directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-
Promoters						
By the Promoters	-	-	-	-	1	61.55
Against the Promoters	1	2	1	-	-	5.99*
Subsidiaries						
By Subsidiaries	-	-	-	-	-	-
Against Subsidiaries	-	-	-	-	-	-
Group Companies						
By Group Companies	-	-	-	-	-	-
Against Group Companies	-	-	-	-	-	-

**amount with respect to criminal proceeding not ascertained yet*

For further details, in relation to the legal proceedings involving our Company, our Directors, and our Promoters, please refer to the section titled *"Outstanding Litigation and Material Developments"* and *"Risk Factors"* beginning on page 198 and 27 respectively of this Red Herring Prospectus.

25. Our Promoters have provided guarantees for loans availed by us, and in the event the same is enforced against our Promoters, it could adversely affect our Promoters' ability to manage the affairs of our Company.

Our Promoters have given guarantees in relation to certain borrowings availed by our Company. In the event of default on such borrowings, these guarantees may be invoked by our lenders thereby adversely affecting our Promoters' ability to manage the affairs of our Company and this, in turn, could adversely affect our business, prospects, financial condition and results of operations. Further, if any of these guarantees are revoked by our Promoters, our lenders may require alternate securities or guarantees and may seek early repayment or terminate such facilities. Any such event could adversely affect our financial condition and results of operations. For further details in relation to the personal guarantees provided by our corporate Promoter, see "*History and Certain Corporate Matters – Guarantees given by our Promoter*" on page 148 of this Red Herring Prospectus.

26. Our Company has not declared any dividends in the three financial years preceding the date of this Red Herring Prospectus. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

Our Company has not paid any dividend on its Equity Shares during the last three Fiscals. The amount of future dividend payments, if any, will depend upon a number of factors, including our future earnings, financial condition, cash flows, working capital requirements, contractual obligations, applicable Indian legal restrictions and capital expenditures.

Our business model involves substantial upfront (or periodic) payments to statutory authorities towards bids awarded to us and some capital expenditure and the recovery of the same (specially for long term contracts) is spread over a number of years. There is no assurance that we would have sufficient profitability and cash flow to pay dividends to the Shareholders.

In addition, our ability to pay dividends may be impacted by a numberof factors, including restrictive covenants under the loan or financing agreements our Company may enter into to finance our fund requirements for our business activities. There can be no assurance that our Board will decide to declare dividends in the foreseeable future or if we will be able to pay dividends in the future. For additional details relating to our dividend policy, see "*Dividend Policy*" on page 181 of this Red Herring Prospectus.

27. General economic and market conditions in India and globally could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

Our business is highly dependent on economic and market conditions in India. General economic and political conditions in India, such as macroeconomic and monetary policies, industry-specific trends, mergers and acquisitions activity, legislation and regulations relating to the financial and securities industries, household savings rate, investment in alternative financial instruments, upward and downward trends in the market, business and financial sectors, volatility in security prices, perceived lack of attractiveness of the Indian capital markets, inflation, foreign direct investment, consumer confidence, currency and interestrate fluctuations, availability of short term and long term market funding sources and cost of funding, could affect our business. Global economic and political conditions may also adversely affect the Indian economic conditions. Market conditions may change rapidly and the Indian capital markets have experienced significant volatility in the past. The Indian economy has had sustained periods of high inflation in the recent past. If inflation or real interest rates were to rise significantly, the trends towards increasedfinancial savings might slow down or reverse, our employee costs may increase and the sales of many of our services may decline.

28. The Objects of the Issue for which funds are being raised, are based on our management estimates and any bank or financial institution or lead manager or any independent agency has not appraised the same. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titles "Objects of the Issue".

The fund requirement and deployment, as mentioned in the "*Objects of the Issue*" on page 72 of this Red Herring Prospectus is based on the estimates of our management and has not been appraised by any bank or lead manager or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business strategies, development and other plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and result of operations. The deployment of the funds as stated under chapter "Objects of the Issue" is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter "*Objects of the Issue*" will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control.

29. Major fraud, lapses of internal control or system failures could adversely impact the Company's business.

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

30. Certain sections of this Red Herring Prospectus contain information from the D&B Report which has been prepared exclusively for the Offer and exclusively commissioned and paid for by us. There can be no assurance that such report is complete, and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.

Pursuant to being engaged by us, D&B prepared a report titled "Industry report on Readymade Garments with focus on Kidwear in India" dated August, 2024. A copy of the D&B Report is available on the website of our Company at https://www.purpleunited.in. Certain sections of this Red Herring Prospectus include information based on, or derived from, the D&B Report or extracts of the D&B Report. We commissioned and paid D&B for this report for the purpose of confirming our understanding of the industry in connection with the Offer. We commissioned D&B as no report is publicly available which provides a comprehensive industry analysis, particularly for our Company's services, that may be similar to the D&B Report that we commissioned. All such information in this Red Herring Prospectus indicates the D&B Report as its source. Accordingly, any information in this Red Herring Prospectus derived from, or based on, the D&B Report should be read taking into consideration the foregoing.

Industry sources and publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources do not guarantee the accuracy, adequacy or completeness of the data, and there are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. The D&B Report, which has been exclusively commissioned and paid for by us in connection with the Offer, is not a recommendation to invest or disinvest in any company covered in the D&B Report. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on this information.

Investors should consult their own advisors and undertake an independent assessment of information in this Red Herring Prospectus in connection with the Offer before making any investment decision regarding the Offer. See "*Industry Overview*" on page 94. For the disclaimers associated with the D&B Report, which has been exclusively commissioned and paid for by us in connection with the Offer, see "*Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Disclaimer of D&B*" on page 16.

31. Our inability to manage growth could disrupt our business and reduce our profitability. We propose to expand our business activities in coming financial years.

We expect our future growth to place significant demands on both our management and our resources. This will require us to continuously evolve and improve our operational, financial and internal controls across the organization.
In particular, continued expansion increases the challenges we face in:

- Our ability to acquire and retain clients for our services;
- Services, products or pricing policies introduced by our competitors;
- Capital expenditure and other costs relating to our operations;
- The timing and nature of, and expenses incurred in, our marketing efforts;
- Recruiting, training and retaining sufficient skilled technical and management personnel;
- Developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems. You should not rely on yearly comparisons of our results of operations as indicators of future performance. It is possible that in some future periods our results of operations may be below the expectations of public, market analysts and investors. If we are unable to manage our growth it could have an adverse effect on our business, results of operationsand financial condition.

32. If we are unable to source business opportunities effectively, we may not achieve our financial objectives.

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees and to implement systems capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to thesuccess of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

33. We are subject to restrictive covenants under our financing agreements that could limit the flexibility we have to manage our business.

There are restrictive covenants in the financing agreements that we have entered into, including, but not limited to, requirements that we obtain the prior approval of, or provide notice to, our lenders in connection with certain activities.

Our financing arrangements are secured by our current assets. Many of our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions.

Any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of one or more of our credit facilities, acceleration of amounts due under such facilities and cross-defaults under certain of our other financing agreements, any of which may adversely affect our ability to conduct our business and have an adverse effect on our financial condition and results of operations.

34. Our inability to identify and understand evolving industry trends and consumer preferences, and to provide new services to meet our customers' demands may adversely affect our business.

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

To compete successfully, we may need to increase the diversity and sophistication of our product portfolio, which may require substantial capital expenditure. In developing such services, we may need to make investments in our research and analysis team. If we exceed our budgeted capital expenditure and cannot meet the additional capital requirements through operating cash flows and planned financing, we may have to delay our projects which could make us less competitive and lead to customer loss.

If we do not continue to distinguish our products through distinctive design, and to continue to build and strengthenour brand recognition, we could lose market share and our revenues and earnings could decline.

35. After the completion of the Issue, our Promoters will continue to collectively hold substantial shareholding in our Company.

As on the date of this Red Herring Prospectus, our Promoters held 87.54 % of the share capital of our Company, for details of their shareholding pre and post Issue, see the chapter titled "*Capital Structure*" beginning on page 60 of this Red Herring Prospectus. After the completion of the Issue, our Promoters will continue to collectively hold substantial shareholding in our Company. Upon listing of the Equity Shares on recognized stock exchanges, our Promoters shall continue to exercise significant influence over our business policies and affairs and all matters requiring Shareholders' approval, including the composition of our Board, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these stockholders. The interests of the Promoters as our controlling shareholder could conflict with our interests or the interests of its other shareholders. We cannot assure that the Promoters will act to resolve any conflicts of interest in our favour and any such conflict may adversely affect our ability to execute our business strategy or to operate our business. For further details in relation to the interests of our Promoters in the Company, please see the section titled "*Our Promoters and Promoter Group*", "*Our Management*" and "*Financial Information*" beginning on pages 172, 156 and 182 respectively of this Red Herring Prospectus.

36. Certain Promoters and Directors are interested in our Company's performance in addition to their remuneration and reimbursement of expenses.

Certain of our Promoters and Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses and such interests are to the extent of their shareholding in our Company, their rights to nominate directors on our Board pursuant to such shareholding and interest received against a loan extended to us, amongst others. We cannot assure that our Promoters and Directors will exercise their rights to the benefit and best interest of our Company. As shareholders of our Company, our Promoters or Directors may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders. For further information on the interest of our Promoters and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see the chapter titled *"Our Management", "Our Promoters and Promoter Group"* and *"Financial Information"* beginning on pages 156, 172 and 182 respectively of this Red Herring Prospectus.

37. Any future acquisitions, joint ventures, partnerships, strategic alliances, tie-ups or investments could fail to achieve expected synergies and may disrupt our business and harm the results of operations and our financial condition.

Our success will depend, in part, on our ability to expand our business in response to changing technologies, customer demands and competitive pressures. We have, in the past, explored and continue to explore opportunities on our own, through collaborations, tie-ups, strategic alliances, partnerships or joint venture across the country and regions of focus. In some circumstances, we may also decide to acquire, or invest in, complementary technologies instead of internal development. While we are currently evaluating opportunities and negotiating with several potential partners, we have not entered into any definitive agreements.
The risks we face in connection with acquisitions may include integration of product and service offerings, and marketing functions and the diversion of management's time and focus from operating our business to addressing challenges pertaining to acquisition and integration. Our failure to address these risks or other problems encountered in connection with our acquisitions and investments

could result in our failure to realize the anticipated benefits of these acquisitions or investments, cause us to incur unanticipated liabilities, and harm our business generally.

B Issue Related

38. There are restrictions on daily/weekly/monthly movements in the price of the Equity Shares, which may adversely affect a shareholders' ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

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

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

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

The Issue Price of our Equity Shares is ₹ [●]. This price is being based on numerous factors. For further information, please refer to the section titled *"Basis of the Issue Price"* beginning on page 82 of this Red Herring Prospectus and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. We cannot assure that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation the following;

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

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

The funds that we receive would be utilized for the objects of the Issue as has been stated in the section ***"Objects of the Issue"*** beginning on page 72 of this Red Herring Prospectus. The proposed schedule of implementation of the objects of the Issue is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, we may have to revise our business, development and working capital plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

EXTERNAL RISK FACTORS

42. Changing laws, rules and regulations in India could lead to new compliance requirements that are uncertain.

The regulatory and policy environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations and policies that could affect our business in general, which could lead to new and additional compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose

onerous requirements. For instance, the GoI has introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations, which may restrict our ability to grow our business in the future and increase our expenses.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, 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.

We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, financial condition and prospects. Uncertainty in the applicability, interpretation or implementation of any amendmentto, 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 businessesor restrict our ability to grow our businesses in the future.

43. The occurrence of natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect the financial markets and our business.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19 and man- made disasters, including acts of war such as Russia's invasion of Ukraine, terrorist attacks and other events, many of which are beyondour control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect ourbusiness, financial condition and results of operations.

Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains ofinfluenza in birds and swine and more recently, the COVID-19 virus. A worsening of the current outbreak of COVID-19 pandemicor future outbreaks of COVID-19 or a similar contagious disease could adversely affect the global economy and economic activityin the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

44. A downgrade in ratings of India and other jurisdictions in which we operate may affect the trading price of the Equity Shares.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any further adverse revisions to credit ratings for India and other jurisdictions we operate in, by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available. Further, a downgrading of India's credit ratings may occur, for example, upon change of government tax or fiscal policy,which are outside our control. This could have an adverse effect on our ability to fund our growth on favorable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

45. We may be affected by competition laws in India, the adverse application or interpretation of which could adversely affect our business.

The Competition Act, 2002 ("Competition Act") seeks to prevent business practices that have an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and attracts substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or number of consumers in the relevant market or in any other similar

way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition.

The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished. On March 4, 2011, the GoI notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India, or CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among other things, prohibit all agreements and transactions, including agreements between vertical trading partners i.e. entities at different stages or levels of the production chain in different markets, which may have an appreciable adverse effect on competition in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. We may also be subject to queries from the CCI pursuant to complaints by consumers or any third persons, which could be made without any or adequate basis given our market presence. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. However, the effect of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage.

46. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally,such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

47. Malpractices by some players in the industry affect overall performance of emerging Companies.

The industry in which our Company operates is subject to risk associated with unethical business practices such as unethical marketing, dishonest advertising, questionable pricing practices, inaccurate claims with regards to safety and efficacy of the product etc. Consumers' attitude toward the industry today is dominated by a sense of mistrust, paving a way for regulators for stricter entry barriers and introduction of code of conducts; making the entire industry environment regulated and controlled. Malpractices by some players in the industry affects the overall performance of the emerging Companies like us as the industry norms are applicable to all at parity. Any unethical business practices by any industry player or intermediary may impact our business and results of operations.

48. Significant portion of our revenue is derived from business in India and a decrease in economic growth in India could cause our business to suffer.

We derive significant portion of our revenue from operations in India and, consequently, our performance and the quality and growth of our business are dependent on the health of the economy of India. However, the Indian economy may be adversely affected by factors such as adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violenceor war, natural calamities or interest rates changes, which may also affect the microfinance industry. Any such factor may contribute to a decrease in economic growth in India which could adversely impact our business and financial performance.

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

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

50. You will not be able to sell immediately on Indian Stock Exchanges any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this Red Herring Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

51. There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the EMERGE Platform of NSE in a timely manner, or at all.

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

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

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

53. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India.

A securities transaction tax ("STT") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long term capital gains tax in India at the specified rates depending on certain factors, such as STT is paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the sellers resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

The Government of India has recently announced the union budget for Fiscal 2023, pursuant to which the Finance Act may undergo various amendments. 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. We cannot predict whether any amendments made pursuant to the Finance Act would have an adverse effect on our business, financial condition and results of operations. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. 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 businesses or restrict our ability to grow our businesses in the future.

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

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

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

55. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their application (in terms of quantity of Equity Shares or the Application Amount) at any stage after submitting the Application.

Pursuant to the SEBI (ICDR) Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their application (in terms of quantity of Equity Shares or the Application Amount) at any stage after submitting the Application. Retail Individual Investors can revise their Applications during the Issue Period and withdraw their Application until Issue Closing Date. While our Company is required to complete Allotment pursuant to the Issue within six Working Days from the Issue Closing Date, events affecting the Applicant' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, cash flows, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Applicants' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

56. Foreign investors are subject to foreign investment restrictions under Indian laws that may limit our ability to attract foreign investors, which may have a material adverse impact on the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified bythe RBI. For further details, please refer to the section titled *'Restrictions on Foreign Ownership of Indian Securities'* beginning on page 247 of this Red Herring Prospectus. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls 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 Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority.Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, Government of India, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in FDI Policy. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBIor any other governmental agency can be obtained on any particular terms or at all.

SECTION IV: INTRODUCTION

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS

Equity Shares Issued [(1)] Present Issue of Equity Shares byour Company	Upto 26,04,000^ 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
Of which	
Issue reserved for MarketMaker	Upto 1,31,000^ 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
*Net Issue to the public**	Upto 24,73,000^ 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
of which	
A. QIB portion	Not more than 12,36,000^ Equity Shares
of which	
(a) Anchor Investor Portion [(2)]	Upto 7,41,000^ Equity Shares aggregating to ₹ [●] Lakhs
(b) Net QIB Portion (assumingthe anchor Investor Portion is fully subscribed)	Upto 4,95,000^ Equity Shares aggregating to ₹ [●] Lakhs
of which	
(i) Available for allocation to Mutual Funds only (5% of theNet QIB Portion)	Upto 24,000^ Equity Shares aggregating to ₹ [●] Lakhs
(ii) Balance of QIB Portion for all QIBs including MutualFunds	Upto 4,71,000^ Equity Shares aggregating to ₹ [●] Lakhs
B. Non – institutional portion [(3)]	**Not Less than 3,71,000^ Equity Shares aggregating to ₹ [●] Lakhs**
C. Retail portion [(4) (5)]	**Not Less than 8,66,000^ Equity Shares aggregating to ₹ [●] Lakhs**
Pre and Post Issue Share Capital of our Company	
Equity Shares outstandingprior to this Issue	70,05,800 Equity Shares of face value of ₹10.00/- each (Rupees Ten Only)
Equity Shares outstanding after this Issue	Upto 96,09,800 equity shares of face value of ₹10.00/- each (Rupees Ten Only)
Objects of the Issue	Please refer the section titled *"Objects of the Issue"* beginning on page 72 of this Red Herring Prospectus.

^Subject to finalisation of basis of allotment.

(1) Public Issue of up to 26,04,000 Equity Shares face value of ₹10/- each for cash at a price of ₹ [●] including premium of ₹ [●] per Equity Share of our Company aggregating to ₹ [●] Lakh. This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to section "Issue Structure" beginning on page 225 of this Red Herring Prospectus. The Issue has been authorised by a resolution of our Board dated June 21, 2024. Our Shareholders have authorised the Issue pursuant to a special resolution dated July 08, 2024.

(2) Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. 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 Net 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 Net 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 Issue Price. However, if the aggregate demand from Mutual Funds is less than as specified above, 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 see the section titled "Issue Procedure" beginning on page 228 of this Red Herring Prospectus;

(3) Further, not less than 15% of the Net Issue was reserved for applicants with application size of more than ₹ 2 lakhs. The allocation to each NII was not less than the Minimum NII Application Size, subject to availability of Equity Shares in the Non- Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

(4) Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Investors and Retail Individual Investors, shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price. The allocation to each Non-Institutional Investor and Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Non-Institutional Portion and the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis.

(5) SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 5,00,000, shall use UPI. UPI Bidders using the UPI Mechanism, shall provide their UPI ID in the Bid-cum- Application Form for Bidding through 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.

For further details, please see the section titled "*Issue Structure*" and "*Issue Procedure*" beginning on page 225 and 228 of this Red Herring Prospectus.

SUMMARY OF FINANCIAL INFORMATION

STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	Note	As at Sept 30, 2024	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
1. Equity					
(a) Equity share capital	3	700.58	663.30	608.08	553.82
(b) Reserves and Surplus	4	1,668.04	1,070.34	428.50	63.77
Total Equity		**2,368.62**	**1,733.64**	**1,036.58**	**617.59**
2. Liabilities					
Non – Current Liabilities					
(a) Long-term borrowings	5	1,045.74	952.70	743.81	824.05
(b) Other long-term liabilities	6	164.00	139.00	84.00	24.00
(c) Long-term provisions	7	45.36	39.45	19.64	16.81
		1,255.10	**1,131.15**	**847.45**	**864.86**
Current Liabilities					
(a) Short-term borrowings	8	2,320.92	1,610.10	443.60	281.71
(b) Trade payables	9				
- total outstanding dues to micro enterprises and small enterprises		161.65	7.75	97.48	75.33
- total outstanding dues of creditors other than micro enterprises and small enterprises		512.99	243.95	778.31	406.24
(c) Other current liabilities	10	310.08	123.68	42.88	29.43
(c) Short-term provisions	11	104.30	63.69	4.62	3.80
		3,409.95	**2,049.17**	**1,366.89**	**796.51**
Total Liabilities		**4,665.05**	**3,180.32**	**2,214.34**	**1,661.37**
Total Equity and Liabilities		**7,033.67**	**4,913.96**	**3,250.92**	**2,278.96**
II. Assets:					
1. Non-Current Assets					
(a) Property, plant and equipment	12	517.87	504.90	421.13	56.97
(b) Deferred tax assets (net)	13	58.56	50.30	35.58	72.34
(c) Long-term loans and advances	14	6.00	6.00	6.00	-
(d) Other non-current assets	15	128.42	86.02	84.55	59.10
		710.85	**647.22**	**547.26**	**188.41**
2. Current Assets					
(a) Inventories	16	1,961.15	966.22	731.24	713.08
(b) Trade receivables	17	3,535.33	2,860.68	1,779.37	1,159.26
(c) Cash and cash equivalents	18	124.00	59.62	21.17	17.41
(d) Short-term loans and advances	19	26.92	21.56	30.42	9.65
(e) Other current assets	20	675.42	358.66	141.46	191.15
		6,322.82	**4,266.74**	**2,703.66**	**2,090.55**
Total Assets		**7,033.67**	**4,913.96**	**3,250.92**	**2,278.96**

STATEMENT OF PROFIT AND LOSS, AS RESTATED

(₹ in Lakhs)

Particulars	Note	For the half year ended Sept 30, 2024	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Income					
Revenue from operations	21	3,050.10	4,277.44	2,569.45	1,651.89
Other income	22	1.94	14.15	1.65	4.30
Total income (A)		**3,052.04**	**4,291.59**	**2,571.10**	**1,656.19**
Expenses					
Purchase of traded goods	23	2,394.92	1,818.59	1,095.65	824.55
Change in inventories of traded goods	24	(994.93)	(234.98)	(18.16)	(284.97)
Employee benefits expense	25	408.67	667.31	383.91	322.04
Depreciation and amortization expense	26	75.60	155.94	26.66	18.47
Finance costs	27	208.58	234.80	150.06	104.56
Other expenses	28	575.22	1,053.48	724.12	554.39
Total Expense (B)		**2,623.06**	**3,695.14**	**2,362.24**	**1,539.04**
Profit before tax (C = A-B)		**428.98**	**596.45**	**208.86**	**117.15**
Tax Expenses					
Current tax		107.96	129.63	22.88	8.61
Deferred tax		(8.26)	(14.72)	36.76	(68.62)
Total tax expense (D)		**99.71**	**114.91**	**59.64**	**(60.01)**
Profit for the year (E)		**329.28**	**481.54**	**149.22**	**177.16**
Earnings per equity share	29				
(Face value per share Rs. 10/- each)					
Basic earnings per share (Rs.)		4.77	7.84	2.45	3.20
Diluted earnings per share (Rs.)		4.77	7.84	2.45	3.20

STATEMENT OF CASH FLOW, AS RESTATED

(₹ in Lakhs)

Particulars	Sep 30, 2024	FY 2024	FY 2023	FY 2022
A. Cash flow from operating activities				
Profit before tax	428.98	596.45	208.86	117.15
Adjustments for:				
Depreciation and amortization	75.60	155.94	26.66	18.47
Amortisation of Preliminary Expenses	0.00	0.10	0.37	0.37
Non-Current Provision for Gratuity	5.91	19.81	2.83	16.81
Interest expenses	208.58	234.80	150.06	104.56
Operating profit before working capital changes	**719.07**	**1,007.10**	**388.78**	**257.36**
Adjustments for:				
(Increase) in Inventories	(994.93)	(234.98)	(18.16)	(284.97)
(Increase) in Trade receivables	(674.65)	(1,081.31)	(620.12)	(149.17)
Decrease/(Increase) in long term Loans & Advances	0.00	-	(6.00)	31.20
Decrease/(Increase) in Short Term Loans & Advances	(5.35)	8.86	(20.77)	1.10
(Increase) in Other Non-Current Assets	(42.40)	(1.57)	(25.83)	(58.62)
Decrease/(Increase) in Other Current Assets	(316.75)	(217.21)	49.69	38.47
Decrease in Short term Borrowings	710.82	1,166.49	161.90	56.12
Decrease/(Increase) in Other Current Liabilities	186.40	80.80	13.45	(0.96)
Decrease/(Increase) in Trade Payables	422.93	(624.08)	394.21	209.93
Decrease in Short Term Provisions	40.61	59.07	0.82	3.80
Decrease in Other Long-Term Liabilities	25.00	55.00	60.00	10.00
Cash flow from in operations	(648.32)	218.17	377.97	114.26
Income tax (paid)	(107.97)	(129.63)	(22.88)	(8.61)
Net cash flow from operating activities (A)	(37.21)	88.54	355.08	105.65
B. Cash flow from investing activities				
Purchase of property, plant and equipment	(88.56)	(238.80)	(390.80)	(9.09)
Net cash used in investing activities (B)	(88.56)	(238.80)	(390.80)	(9.09)
C. Cash flow from financing activities				
Proceed from issue of Shares	305.70	214.60	269.78	661.04
Proceed from Long Term Borrowing	93.04	208.89	(80.24)	(645.58)
Interest Paid	(208.58)	(234.80)	(150.06)	(104.56)
Net cash flow from/ (used in) financing activities (C)	190.16	188.69	39.48	(89.10)
Net decrease in cash and cash equivalents (A+B+C)	64.38	38.45	3.75	7.45
Cash and cash equivalents at the beginning of the year (refer Note 18)	59.62	21.17	17.41	9.96
Cash and cash equivalents at the end of the year (refer Note 18)	124.00	59.62	21.17	17.41

GENERAL INFORMATION

Our Company was originally incorporated as 'Purple United Sales Private Limited' under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated September 16, 2014 bearing Registration Number 271636 issued by Registrar of Companies, Delhi. 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 May 11, 2024 and consequently the name of the Company was changed from 'Purple United Sales Private Limited' to 'Purple United Sales Limited' vide fresh Certificate of Incorporation consequent upon conversion to public company dated June 20, 2024 by Registrar of Companies, Delhi, bearing Corporate Identity Number U51909DL2014PLC271636.

BRIEF INFORMATION OF OUR COMPANY AND THE ISSUE

Registered Office and Corporate Office of our Company

CIN	U51909DL2014PLC271636
Registration Number	271636
Date of incorporation	September 16, 2014
Registered Office Address	Khasra No. 55/14 & 55/15, Near Rani Khera Road, Mundka, West Delhi, New Delhi, Delhi, India, 110041.
Corporate Office	Tower B, Ground Floor, Smartworks Corporate Park, Plot 1 & 2, Amity Road, Sector 125, Noida, Gautam Buddha Nagar, Uttar Pradesh, India, 201303
Company Category	Company limited by Shares
Company Sub Category	Non-Government company
Telephone number	+91 9667792635/36
Email-ID	mailto:jdseth@purpleunited.in
Website	https://www.purpleunited.in

Registrar of Companies

Address	4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110 019
Telephone number	+91 11 26235703
Fax number	NA
Email-ID	roc.delhi@mca.gov.in
Website	http://www.mca.gov.in

Designated Stock Exchange

Our Company proposed to list its Equity Shares on the EMERGE Platform of National Stock Exchange of India Limited located at Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051, Maharashtra, India.

Issue Information

Issue Opening Date	Wednesday, December 11, 2024
Issue Closing Date	Friday, December 13, 2024

Note: *Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centre mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days.*

BOARD OF DIRECTORS OF OUR COMPANY

Our Company's Board comprises of the following Directors:

Name	DIN/PAN	Age	Designation	Residential Address
Mr. Jatinder Dev Seth	06944942	52 years	Managing Director	Flat No. 901, Tower No. 16, Jaypee Kalypso Court, Sector 128, Noida, Gautam Buddha Nagar, U.P. 201304
Mrs. Bhawna Seth	07385656	49 years	Whole Time Director	Flat No. 901, Tower No. 16, Jaypee Kalypso Court, Sector 128, Noida, Gautam Buddha Nagar, U.P. 201304
Mr. Niraj Rajpal	10344731	53 years	Non-Executive Director	N-83, Kriti Nagar, West Delhi, New Delhi - 110015

Name	DIN/PAN	Age	Designation	Residential Address
Mr. Pankaj Lal Gupta	07537290	50 years	Independent Director	C-1-1101, 11th Floor, The Legend Apts, Near HDFC School, Shushant Lok PH-3 Gurgaon Sector-56, Haryana -122001
Mr. Vishal Sharma	10604586	54 years	Independent Director	House No.23, 1st Floor, Block-H, Pocket –2, Sector-16, Near Bus Stand, North West, Delhi-110089
Mr. Tarun Anand	10617975	49 years	Independent Director	T3-001 Sunworld Vanalika Gh -01b, Sector -107, Noida Gautam Budhha Nagar, Uttar Pradesh-201301.

For further details of the Board of Directors, please refer to the section titled *"Our Management"* beginning on page 156 of this Red Herring Prospectus.

Chief Financial Officer

Name	Mr. Naresh Kumar
Address	Tower B, Ground Floor, Smartworks Corporate Park, Plot 1 & 2, Amity Road, Sector 125, Noida, Gautam Buddha Nagar, Uttar Pradesh, India, 201303
Telephone number	+91 9319391440
Email-ID	cfo@purpleunited.in

Company Secretary and Compliance Officer

Name	Mr. Vishnu Kumar
Address	Tower B, Ground Floor, Smartworks Corporate Park, Plot 1 & 2, Amity Road, Sector 125, Noida, Gautam Buddha Nagar, Uttar Pradesh, India, 201303
Telephone number	+91 9667792635/36
Email-ID	cs@purpleunited.in

INVESTOR GRIEVANCES

Investors may contact our Compliance Officer and/ or the Registrar to the Issue and/ or the Book Running Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account or refund orders, and/ or non-receipt of funds by electronic mode, etc.

All Issue related grievances, other than of Anchor Investors may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted.

Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary(ies) in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Issue-related grievances of the Anchor Investors may be addressed to the Registrar to the Issue giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

Book Running Lead Manager to the Issue	Legal Advisor to the Issue
Expert Global Consultants Private Limited 1511, RG Trade Tower Netaji Subhash Place, Pitampura, New Delhi – 110 034, India **Telephone:** +91 11 4509 8234 **Email:** ipo@expertglobal.in **Website:** www.expertglobal.in **Investor Grievance Email:** compliance@expertglobal.in **Contact Person:** Mr. Gaurav Jain **SEBI Registration Number:** INM000012874 **CIN:** U74110DL2010PTC205995	**Law Matrix** Office no. 402, New India Heights, Near Andheri Court, Andheri East, Mumbai - 400053 **Telephone:** + 91 22 35038701 **Email**: veerendrra@lawmatrix.co.in **Contact Person**: Mr. Veerendra Chaurasia
Registrar to the Issue	**Statutory and Peer Review Auditors to the Company:**
Kfin Technologies Limited Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana **Telephone:** +91 40 6716 2222 **Toll Free No:** 1800 309 4001 **Email:** Pusl.ipo@kfintech.com **Investor Grievance Email:** einward.ris@kfintech.com **Contact Person:** Mr. M Murali Krishna **Website:** www.kfintech.com **SEBI Registration Number:** INR000000221 **CIN:** L72400TG2017PLC117649	**NGMKS & Associates** D-65, Flatted Factory Complex, Jhandewalan Delhi-110055 **Telephone:** +91 -8800227483 **Email**: ca.nitingoyal@gmail.com **Contact Person:** C.A. Nitin Goyal **Firm Registration No.:** 024492N **Membership Number:** 517698 **Peer Review Number*:** 014140
Banker to the Company	**Banker to the Issue/ Sponsor Bank / Public Issue Bank/ Refund Banker#**
ICICI Bank Ltd K1 Senior Mall, Sector 18, Noida, Uttar Pradesh - 201301 **Telephone**: +91 9891129029 **Email:** rupam.choudhary@icicibank.com **Website:** www.icicibank.com **Contact Person:** Rupam Choudhary **CIN:** L65190GJ1994PLC021012	**Axis Bank Limited** Shop No. G-2, F-1, F-2, F-3, F-4, Abhishek Tower, Plot No. D-2, Shopping Centre, Alaknanda Market, Alaknanda, New Delhi – 110019 **Telephone No**: 9773537011 **Email-ID:** vishal.lade@axisbank.com **Website:** www.axisbank.com **Contact Person:** Mr. Vishal Lade **SEBI Registration Number:** INBI00000017
Sponsor Bank	**Syndicate Member**
Axis Bank Limited Shop No. G-2, F-1, F-2, F-3, F-4, Abhishek Tower, Plot No. D-2, Shopping Centre, Alaknanda Market, Alaknanda, New Delhi – 110019 **Telephone No**: 9773537011 **Email-ID:** vishal.lade@axisbank.com **Website:** www.axisbank.com **Contact Person:** Mr. Vishal Lade **SEBI Registration Number:** INBI00000017	**Prabhat Financial Services Limited** 205, Navjeevan Complex, 29, Station Road, Jaipur-302006, Rajasthan, India **Telephone No**: +91 40 6716 2222 **Email-ID:** compliance@Prabhat.in **Website:** www.pfslindia.co.in **Contact Person:** Mr. Adheesh Kabra **SEBI Registration Number:** INZ000169433 **NSE Clearing No:** 08852

**** NGMKS & Associates, Chartered Accountant is a peer review auditor of our Company in compliance with Section 11 of part A of schedule VI of SEBI (ICDR) Regulation, 2018 and hold a valid peer review certificate No. 014140 dated April 27, 2022 issued by the "Peer Review Board" of the ICAI.***

 # To be appointed before the Issue Opening Date.
Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue Kfin Technologies Limited, and/or the BRLM, i.e., Expert Global Consultants Private Limited, in case of any pre- Issue or post-Issue related problems, such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA, etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted (at ASBA Bidding Locations), giving full details such as name, address of the applicant, number of Equity Shares applied for, Application Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs where the

Application was submitted by the ASBA Applicants.

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

CHANGES IN THE AUDITORS OF OUR COMPANY

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

Sr. No.	Particulars of Auditors	Effective date of Appointment	Effective Date of resignation	Reason for Change
1.	**Naresh Aggarwal & Associates** **Address:** 4384/4A, Govid Bhawan, Tulsi Dass Street, Ansari Road, Daryaganj, New Delhi – 110002 **Telephone:** **Email:** anupamranjanmangla@yahoo.co.in **Firm Registration number:** 9401N	December 30, 2020	May 05, 2024	Personal Reasons
2.	**NGMKS & Associates** **Address:** D-65, Flatted Factory Complex, Jhandewalan Delhi-110055 **Telephone:** +99-8800227483 **Email:** ca.nitingoyal@gmail.com **Firm Registration number:** 024492N **Peer review number:** 014140	May 09, 2024	NA	Appointment due to casual vacancy

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

Expert Global Consultants Private Limited is the sole Book Running Lead Manager to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Banks (SCSBs)

The list of SCSBs notified by SEBI for the ASBA process is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a Retail Individual Investor using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.

SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders using the UPI Mechanism may only apply through mobile applications using UPI handles or through SCSBs whose names appear on the website of the https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, which may be updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism, is provided as 'Annexure A' for SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and is also available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 for SCSBs and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 for mobile applications or at such other websites as may be prescribed by SEBI from time to time.

Syndicate Self-Certified Syndicate Bank Branches

In relation to Bids (other than Bids by Anchor Investors) submitted under the ASBA process 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 SEBIhttps://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 and updated from time to time or any other website prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time or any other website prescribed by SEBI from time to time.

Registered Broker

Investors can submit Application Forms in the Issue using the stockbrokers network of the Stock Exchanges, i.e. through the Registered Brokers at the Broker Centre. The list of the Registered Brokers, including details such as postal address, telephone number and email address, is provided on the websites of the SEBI (www.sebi.gov.in) and updated from time to time. For details on Registered Brokers, please refer https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.

Registrar to the Issue and Share Transfer Agent

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of SEBI on:

https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes,

as updated from time to time

Collecting Depository Participants

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchanges, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from timeto time.

EXPERT OPINION

Except as stated below, our Company has not received any expert opinions.

Our Company has received written consent dated July 13,2024 from NGMKS & Associates, Chartered Accountants, Statutory Auditors of the company to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report issued by NGMKS & Associates, Chartered Accountants, dated November 23,2024 on our Restated Financial Information; and (ii) by NGMKS & Associates, Chartered Accountants report dated November 23, 2024 on the Statement of Tax Benefits (iii) certificates issued by them in relation to this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act. The above-mentioned consents have not been withdrawn as on the date of this Red Herring Prospectus.

CREDIT RATING

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

DEBENTURE TRUSTEES

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

IPO GRADING

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

MONITORING AGENCY

As per Sub-Regulation (1) of Regulation 262 of the SEBI (ICDR) Regulations, the requirement of monitoring agency is not mandatory if

the Issue size, is below ₹10,000 Lakhs. Since the Issue size is only of ₹ [●] Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

GREEN SHOE OPTION

No green shoe option is contemplated under the Issue.

APPRAISING ENTITY

None of the objects of the issue for which the Net Proceeds will be utilised have been appraised by any agency.

FILING OF RED HERRING PROSPECTUS

The Red Herring Prospectus are being filed with National Stock Exchange of India Limited.

The Red Herring Prospectus shall not be filed with SEBI, nor has SEBI issued any observation on the Red Herring Prospectus in terms of Regulation 246 of SEBI (ICDR) Regulations. However, pursuant to Sub-Regulation (5) of Regulation 246 of SEBI (ICDR) Regulations, the copy of Prospectus shall be furnished to SEBI in a soft copy. Pursuant to SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus will be filed online through SEBI Intermediary Portal at www.sebi.gov.in.

A copy of the Red Herring Prospectus along with the due diligence certificate including additional documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies, National Capital Territory of Delhi, 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi - 110019, Delhi, India.

BOOK BUILDING PROCESS

The book building, in the context of the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band, which will be decided by our Company, in consultation with the BRLM, and will be advertised in all editions of the English national newspaper i.e. Financial Express, all editions of the Hindi national newspaper i.e. Jansatta and regional newspaper i.e. Gurgaon Mail, each with wide circulation at the place where registered office of the issuer is situated, at least two working days prior to the Bid/ Issue Opening Date. The Issue Price shall be finalized after the Bid/ Issue Closing Date. The principal parties involved in the Book Building Process are:

- Our Company;
- The Book Running Lead Manager;
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers and eligible to act as Underwriter. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue;
- The Escrow Collection Banks/ Bankers to the Issue and
- The Designated Intermediaries and Sponsor bank

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

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

All Bidders (except Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. Pursuant to the UPI Circulars, Retail Individual Bidders may also participate in this Issue through UPI in the ASBA process. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail

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

Each Bidder by submitting a Bid in Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Issue. In this regard, our Company has appointed the BRLM to manage this Issue and procure Bids for this Issue. The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI and are subject to change from time to time. Bidders are advised to make their own judgement about an investment through this process prior to submitting a Bid.

The process of Book Building is in accordance with the guidelines, rules and regulation prescribed by SEBI under the SEBI ICDR Regulations and the Bidding Processes are subject to change from time to time. Investors are advised to make their own judgment about investment through this process prior to submitting a Bid in this Issue.

Bidders should note that this Issue is also subject to obtaining (i) final approval of the RoC after the Red Herring Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchange, which our Company shall apply for after Allotment.

For further details, please refer to the chapters titled *"Issue Structure"* and *"Issue Procedure"* beginning on pages 225 and 228, respectively of this Red Herring Prospectus.

Underwriting Agreement

After the determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Red Herring Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriter for the Equity Shares proposed to be issued through the Issue. The extent of underwriting obligations and the Bids to be underwritten by each BRLMs shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriter will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated October 21, 2024. The Underwriter has indicated its intention to underwrite the following number of Equity Shares:

Name, address, telephone and email of the Underwriter	Indicative number of EquityShares to be underwritten	Amount underwritten (₹ inLakhs)
Expert Global Consultants Private Limited	26,04,000	[●]

(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC)

The abovementioned amounts are indicative and will be finalized after determination of the Issue Price and finalization of the Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on the representations made to our Company by the Underwriter),the resources of the Underwriter is sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriter is registered with SEBI as merchant bankers or registered as brokers with the Stock Exchange(s). The Board, at its meeting, held on July 29, 2024, has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company. Allocation among the Underwriter may not necessarily be in the proportion of their underwriting commitments set forth in the table above.

Notwithstanding the above table, each of the Underwriter shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to Bidders procured by them, in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus and our Company intends to enter into an Underwriting Agreement with the Underwriter after determination of the Issue Price and allocation of Equity Shares, but prior to filing of Prospectus with the ROC.

MARKET MAKER

Name	Prabhat Financial Services Limited
Address	205, Navjeevan Complex, 29, Station Road, Jaipur-302006, Rajasthan, India
Tel No.	+91 40 6716 2222
Email	compliance@Prabhat.in
Contact Person	Mr. Adheesh Kabra

SEBI Registration No	INZ000169433
NSE Clearing No	08852

DETAILS OF THE MARKET MAKING AGREEMENT

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the BRLM and the Market Maker (duly registered with NSE Emerge to fulfil the obligations of Market Making) dated October 21, 2024 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issue.

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

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by NSE Emerge and SEBI in this matter from time to time.

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

- The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.

- The prices quoted by the Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of NSE EMERGE Platform 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 issue their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of ₹[●]/- per share the minimum lot size is [●] Equity Shares thus minimum depth of the quote shall be [●] until the same, would be revised by NSE.

- After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. Or upper limit (Including the 5% of Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% equity shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, 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, the concerned stock exchange may intimate the same to SEBI after due verification.

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

- 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 Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and NSE Emerge Platform from time to time.

- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.

- There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

- The shares of the company will be traded in continuous trading session from the time and day the company gets listed on NSE Emerge Platform and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.

- 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 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.

- The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Company, who shall then be responsible to appoint a replacement Market Maker.

- In case of termination of the abovementioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Company to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations. Further the Company reserve the right to appoint other Market Maker(s) 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 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.

- **Risk containment measures and monitoring for Market Maker**: Emerge Platform NSE will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.

- **Punitive Action in case of default by Market Maker:** Emerge Platform NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. 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:** SEBI Circular bearing reference no. CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹250 Crores, the applicable price bands for the first day shall be:

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

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

- The following spread will be applicable on the NSE Emerge:

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

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

Issue Size	Buy quote exemption threshold (Including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (Including mandatory initial inventory of 5% of the Issue Size)
Up to ₹20 Crore	25%	24%
₹20 Crore to ₹50 Crore	20%	19%

₹50 Crore to ₹80 Crore	15%	14%
Above ₹80 Crore	12%	11%

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

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

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

CAPITAL STRUCTURE

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

(₹ in Lakhs, except share data)

Sr No.	Particulars	Aggregate value at face value	Aggregate value at Issue Price
I.	**AUTHORIZED SHARE CAPITAL**		
	1,10,00,000 Equity Shares of face value of ₹10/- each	1,100.00	-
II.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**		
	70,05,800 Equity Shares of face value of ₹10/- each	700.58	-
III.	**PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS**		
	Issue of upto 26,04,000^ Equity Shares of face value of ₹10/- each for cash at an Issue Price of ₹ [●]/- per Equity Share (including a share premium of ₹ [●] per Equity Share)[(1)]	260.40	[●]
	Which comprises of:		
	Reservation for Market Maker portion		
	1,31,000^ Equity Shares of face value of ₹10/- each for cash at an Issue Price of ₹ [●]/- per Equity Share (including a share premium of ₹ [●] per Equity Share)	13.10	[●]
	Net Issue to the Public 24,73,000^ Equity Shares of face value of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share to the Public	247.30	[●]
	Net Issue to Public consists of		
	Allocation to Qualified Institutional Buyers: Not more than 12,36,000^ Equity Shares of face value of ₹10/- each for cash at an Issue Price of ₹ [●]/- per Equity Share (including a share premium of ₹ [●] per Equity Share) will be available for allocation to Qualified Institutional Buyers	123.60	[●]
	Allocation to Non-Institutional Investors: At least 3,71,000^ Equity Shares of face value of ₹ 10/- each for cash at an Issue Price of ₹ [●]/- per Equity Share (including a share premium of ₹ [●] per Equity Share) will be available for allocation to Non-Institutional Investors	37.10	[●]
	Allocation to Retail Individual Investors: At least 8,66,000^ Equity Shares of face value of ₹ 10/- each for cash at an Issue Price of ₹ [●]/- per Equity Share (including a share premium of ₹ [●] per Equity Share) will be available for allocation to Retail Investors	86.60	[●]
IV.	**Issued, Subscribed and Paid-Up Capital After The Issue**		
	Upto 9,609,800^ Equity Shares of face value of ₹10/- each	960.98	[●]
V.	**Securities Premium Account**		
	Before the Issue	1,057.57	
	After the Issue	[●]	

^Subject to finalisation of basis of allotment

 # Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill-over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines. For detailed information on the Net Issue and its allocation various categories, please refer to the section titled "Issue Structure" beginning on page 225 of this Red Herring Prospectus.

As on the date of this Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company and there is no share application money pending for allotment.

(1) This Issue has been authorised by our Board vide resolution dated June 21,2024 which is subsequently approved by our Shareholders vide special resolution passed under clause (c) of sub-section (1) of Section 62 of Companies Act, 2013 at an annual general meeting dated July 08,2024.

CLASS OF SHARES

As on date of this Red Herring Prospectus, our Company has only one class of shares, namely being, equity shares having face value of ₹10/- (Rupees Ten Only) each only, ranking pari-passu in all respect.

All the Equity Shares of our Company issued are fully paid-up as on the date of this Red Herring Prospectus. Our Company does not have any outstanding convertible instruments as on the date of this Red Herring Prospectus.

NOTES TO THE CAPITAL STRUCTURE

1. Changes in the Authorized Share Capital of Our Company

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

Sr. No.	Particulars of Increase in Share Capital	Cumulative no. of Equity Shares	Cumulative no. of Preference Shares	Cumulative Authorised Share Capital	Date of Meeting	Whether AGM/EoGM
(i).	On Incorporation [(1)]	50,000	-	₹ 5,00,000	-	Incorporation
(ii).	Increase in Authorised Share Capital from ₹ 5 Lakh to ₹ 50 Lakhs.	5,00,000	-	₹ 50,00,000	March 18, 2019	EOGM
(iii).	Increase in Authorised Share Capital from ₹ 50 Lakhs to ₹ 120 Lakhs.	12,00,000	-	₹ 1,20,00,000	November 25, 2019	EOGM
(iv).	Increase in Authorised Share Capital from ₹ 120 Lakhs to ₹ 500 Lakhs.	50,00,000	-	₹ 5,00,00,000	July 25, 2022	EOGM
(v).	Increase in Authorised Share Capital from ₹ 500 Lakhs to ₹ 700 Lakhs.	70,00,000	-	₹ 7,00,00,000	March 1, 2024	EOGM
(vi).	Increase in Authorised Share Capital from ₹ 700 Lakhs to ₹ 1,100 Lakhs.	1,10,00,000	-	₹ 11,00,00,000	May 11, 2024	EOGM

(1) The date of incorporation of our Company is September 16, 2014.

2. History of Share Capital of our Company

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

Date of Allotment	Nature of Allotment	No. of Equity Shares allotted	Cumulative No. of equity shares	Face value (₹)	Issue price (₹)	Nature of Consideration	Cumulative Paid-Up Share Capital (₹)	Cumulative Securities Premium (₹)
On Incorporation	Subscribers to MOA[(i)]	30,000	30,000	10	10	Cash	3,00,000	-
March 30, 2019	Right Issue[(ii)]	4,70,000	5,00,000	10	10	Cash	50,00,000	-
December 11, 2019	Right Issue[(iii)]	5,00,000	10,00,000	10	10	Cash	1,00,00,000	-
September 05, 2022	Conversion of Loan[(iv)]	40,00,000	50,00,000	10	10	Other than cash	5,00,00,000	-
March 28, 2024	Preferential Allotment[(v)]	5,00,000	55,00,000	10	50	Cash	5,50,00,000	2,00,00,000
March 30, 2024	Conversion of Loan [(vi)]	11,33,000	66,33,000	10	62	Other than cash	6,63,30,000	7,89,16,000

Date of Allotment	Nature of Allotment	No. of Equity Shares allotted	Cumulative No. of equity shares	Face value (₹)	Issue price (₹)	Nature of Consideration	Cumulative Paid-Up Share Capital (₹)	Cumulative Securities Premium (₹)
May 23, 2024	Preferential Allotment[(vii)]	3,72,800	70,05,800	10	82	Cash	7,00,58,000	10,57,57,600

Notes to the Capital Structure

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

Sr. No.	Name of Person	Number of Shares Allotted
1	Mr. Jatinder Dev Seth	10,000
2	Mrs. Suman Kohli	10,000
3	Mrs. Payal	10,000
Total		**30,000**

(ii). Right Issue of 4,70,000 Equity Shares of ₹ 10/- each to the following Shareholders:

Sr. No.	Name of Person	Number of Shares Allotted
1	Mr. Jatinder Dev Seth	4,30,000
2	Mrs. Bhawna Seth	40,000
Total		**4,70,000**

(iii). Right Issue of 5,00,000 Equity Shares of ₹ 10/- each to the following Shareholders:

Sr. No.	Name of Person	Number of Shares Allotted
1	Mr. Jatinder Dev Seth	4,50,000
2	Mrs. Bhawna Seth	50,000
Total		**5,00,000**

(iv). Conversion of loan into 40,00,000 Equity Shares of ₹ 10/- each to the following Shareholders:

Sr. No.	Name of Person	Number of Shares Allotted
1	Mr. Jatinder Dev Seth	31,00,000
2	Mrs. Bhawna Seth	9,00,000
Total		**40,00,000**

(v). Preferential Allotment Equity of 5,00,000 Equity Shares of ₹ 10/- each to the following Shareholders:

Sr. No.	Name of Person	Number of Shares Allotted
1	Ms. Priya Jain	1,00,000
2	Vansha Cometrade LLP	1,00,000
3	RNR Wealth Management Private Limited	60,000
4	Swarnali Advisors Private Limited	40,000
5	Prosperity Catalyst OPC Private Limited	40,000
6	Ms. Divya Sawhney	10,000
7	Anil Kumar (HUF) Agrawal	10,000
8	Mr. Kinchit Sunilkumar Mehta	10,000
9	Mr. Ajit Kumar	10,000
10	Mr. Vikash	30,000
11	Mr. Lalit Rai	25,000
12	Mr. Tejaswini Lalit Rai	15,000
13	Ms. Vandana Rajendra Tanna	30,000
14	Mr. Vivek Gaur	20,000
Total		**5,00,000**

(vi). Conversion of loan into 11,33,000 Equity Shares of ₹ 10/- each to the following Shareholders:

Sr. No.	Name of Person	Number of Shares Allotted
1	InnovationM Mobile and Web Technologies Private Limited	11,33,000
Total		**11,33,000**

(vii). Preferential Allotment of 3,72,800 Equity Shares of ₹ 10/- each to the following Shareholders:

Sr. No.	Name of Person	Number of Shares Allotted
1	Mr. Hitesh K Jain	12,000
2	Ms. Subhashini Bala Singh	12,000
3	Mr. Alok Aggarwal	18,000
4	Mr. Agam Jignesh Shah	44,400
5	Mr. Kedar Lele	18,000
6	Mr. Sharad Kumar Tripathi	12,000
7	Ms. Megha Sumit Poddar	12,000
8	Mr. Lalchand	30,000
9	Mr. Jitendra Mohanlal Duhlani	30,000
10	Ms. Ankita Agrawal	18,000
11	Ms. Surbhi Agrawal	12,000
12	Ms. Meenakshi Arora	6,000
13	Mr. Vinay Vijay Nagori	12,000
14	Mr. Madam Gopal Aggarwal	6,000
15	Mr. Mukul Aggarwal	12,000
16	KAAA Infra and Financial Services LLP	12,000
17	Omni Bulls Training and Education Private Limited	6,000
18	Mr. Ritesh Kumar Gupta	6,000
19	Mr. Ratilal J Shethia	6,000
20	Mr. Sameer Pahlajani (HUF)	12,000
21	Mr. Sachin Jain	4,800
22	Mr. Deepak	4,800
23	Ms. Riya Poddar	10,800
24	Ms. Manju Dangayach	4,800
25	Mr. Jagdish Prasad Toshniwal	2,400
26	Ms. Megha Hemant Agrawal	14,000
27	Mr. Lalit Rai	6,000
28	Ms. Vandana Rajendra Tanna	2,400
29	Mr. Kinchit SunilKumar Mehta	12,000
30	Mr. Ajit Kumar	12,000
31	Mr. Vikash	2,400
Total		**3,72,800**

3. Equity Shares issued for consideration other than cash:

Other than as set out below, our Company has made no other issues of Equity Shares for consideration other than cash as on the date of this RHP:

Date of Allotment	Name of Allottees	Equity Shares Allotted	No. of Equity Shares	Face value (₹)	Issue price (₹)	Reasons for allotment	Benefits accrued to Our Company
September 05, 2022	Mr. Jatinder Dev Seth	31,00,000	40,00,000	₹10	₹10	Conversion of Loan	It will increase the net worth and Debt/ Equity ratio.
	Mrs. Bhawna Seth	9,00,000					
March 30, 2024	InnovationM Mobile and Web Technologies Private Limited	11,33,000	11,33,000	₹10	₹62	Conversion of Loans	It will increase the net worth and Debt/ Equity ratio

4. Equity Shares issued for consideration out of revaluation reserve

Our Company has not revalued its assets since inception and has not issued Equity Shares out of its revaluation reserves (including bonus shares).

5. Issue of Equity Shares pursuant to schemes of arrangement

No Equity Shares have been allotted pursuant to any scheme approved under Section 230-232 of the Companies Act, 2013 as on the date of this Red Herring Prospectus.

6. Issue of Equity Shares under employee stock option

As on the date of this Red Herring Prospectus, our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended from time to time.

7. Issue of shares at a price lower than Issue Price in last one year

Except as mentioned in point 2(a) (v), (vi), (vii) Our Company has not issued any Equity Shares in the last (1) one year immediately preceding the date of this Red Herring Prospectus at a price which may be lower than the Issue Price.

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

Except as mentioned in point 2(a), (v), (vi), (vii) above, we have not issued any Equity share respectively in the last two years preceding the date of Red Herring Prospectus.

9. As of the date of this Red Herring Prospectus, our Company no longer holds any preference share capital.

10. Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

11. The shareholding pattern of our Company before the issue as per Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given here below:

Sr. No.	Particular	Yes/No	Promoter and Promoter Group	Public Shareholder	Non-Promoter – Non-Public
1.	Whether the Company has issued any partly paid-up shares?	No	No	No	No
2.	Whether the Company has issued any Convertible Securities?	No	No	No	No
3.	Whether the Company has issued any Warrants?	No	No	No	No
4.	Whether the Company has any shares against which depository receipts are issued?	No	No	No	No
5.	Whether the Company has any shares in locked-in?*	No	No	No	No
6.	Whether any shares held by promoters are pledge or otherwise encumbered?	No	No	No	No
7.	Whether company has equity shares with differential voting rights?	No	No	No	No

**All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of shares on EMERGE Platform of NSE. 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 NSE before commencement of trading of such Equity Shares.*

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

Summary of Shareholding pattern

Category (I)	Category of shareholder (II)	No. of Shareholders (III)	No. of fully paid up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying depository receipts (VI)	Total No. of shares held (VII) = (IV) +(V) + (VI)	Shareholding as a % of total number of Equity Shares (calculate as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Equity Shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C)	No. of locked in Equity Shares (XII)		No. of Equity Shares pledged or otherwise Encumbered (XIII)		No. of Equity Shares dematerialized form (XIV)
								No. of Voting Rights					Number (a)	As a total Shares held (b)	Number (a)	As a total Shares held (b)	
								Class: Equity Shares	Total	Total as a % of (A+B+C)							
(A)	Promoters	3	61,33,000	-	-	61,33,000	87.54%	61,33,000	61,33,000	87.54%	-	87.54%	-	-	-	-	61,33,000
(B)	Public	42	8,72,800	-	-	8,72,800	12.46%	8,72,800	8,72,800	12.46%	-	12.46%	-	-	-	-	8,72,800
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C)	**45**	**70,05,800**	**-**	**-**	**70,05,800**	**100.00%**	**70,05,800**	**70,05,800**	**100.00%**	**-**	**100.00%**	**-**	**-**	**-**	**-**	**70,05,800**

Note

- As on date of this Red Herring Prospectus 1 Equity Share holds 1 vote.
- Except as disclosed in this chapter none of the Equity Shares held by our Promoters are under pledged.
- We have only one class of Equity Shares of face value of ₹ 10/- each.
- All Equity Shares held by the Promoter / Promoter Group members is in dematerialization form.

12. All Equity Shares of our Company before the Issue will be locked in as mentioned above prior to listing of shares on SME Platform of NSE Emerge.

13. Details of shareholding of the major Shareholders our Company

a) As on the date of the filing of this Red Herring Prospectus, our Company has 45 (Forty-Five) shareholders.

b) Set forth below are the details of shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, **AS ON THE** date of filing of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	% of the then existing paid up capital*
(i)	Mr. Jatinder Dev Seth	40,00,000	57.10%
(ii)	Mrs. Bhawna Seth	10,00,000	14.27%
(iii)	InnovationM Mobile and Web Technologies Private Limited	11,33,000	16.17%
(iv)	Ms. Mansi Jain	1,00,000	1.43%
(v)	Vansha Comtrade LLP	1,00,000	1.43%
	Total	**63,33,000**	**90.40%**

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

c) Set forth below are the details of shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, as of **TEN DAYS PRIOR** to the date of filing of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	% of the then existing paid up capital*
(i)	Mr. Jatinder Dev Seth	40,00,000	57.10%
(ii)	Mrs. Bhawna Seth	10,00,000	14.27%
(iii)	InnovationM Mobile and Web Technologies Private Limited	11,33,000	16.17%
(iv)	Ms. Mansi Jain	1,00,000	1.43%
(v)	Vansha Comtrade LLP	1,00,000	1.43%
	Total	**63,33,000**	**90.40%**

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

d) Set forth below are the details of shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, as of **ONE YEAR PRIOR** to the date of filing of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	% of the then existing paid up capital
(i)	Mr. Jatinder Dev Seth	40,00,000	80.00%
(ii)	Mrs. Bhawna Seth	10,00,000	20.00%
	Total	**50,00,000**	**100.00%**

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

e) Set forth below are the details of shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, as of **TWO YEAR PRIOR** to the date of filing of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	% of the then existing paid up capital
(i)	Mr. Jatinder Dev Seth	40,00,000	90.00%
(ii)	Mrs. Bhawna Seth	10,00,000	10.00%
	Total	**50,00,000**	**100.00%**

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

f) Except as disclosed below, no subscription to or sale or purchase of the securities of our Company within three years preceding the date of filing of the Red Herring Prospectus by our Promoters or Directors or Promoter Group:

Name of the Shareholder	Date of Transaction	Category	No. of Equity Shares Subscribed / Acquired	No. of Equity Shares Sold	Nature of Transaction
Mr. Jatinder Dev Seth	September 05, 2022	Promoter and Managing Director	31,00,000	-	Conversion of Loans into Equity Shares
Mrs. Bhawna Seth	September 05, 2022	Promoter and Whole-Time Director	9,00,000	-	Conversion of Loans into Equity Shares
InnovationM Mobile and Web Technologies Private Limited	March 30, 2024	Promoter	11,33,000	-	Conversion of Loans into Equity Shares

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

Sr. No.	Name of Promoters	No. of Equity Shares	Cost of Acquisition per equity share* (in ₹)
1	Mr. Jatinder Dev Seth	40,00,000	10
2	Mrs. Bhawna Seth	10,00,000	10
3	Mr. Manish Dev Seth	-	NA
4	Mrs. Monica Seth	-	NA
5	InnovationM Mobile and Web Technologies Private Limited	11,33,000	62

**As certified by N G M K S & Associates, Chartered Accountants, by way of their certificate dated 30th September, 2024.*

14. There will not be any 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 date of listing of Equity Shares or refund of application monies in pursuance of the Red Herring Prospectus. However, our Company may alter its capital structure by way of split/consolidation of the denomination of Equity Shares or issue of equity shares on a preferential basis or issue of bonus or rights or further public issue of equity shares or qualified institutional placements, within a period of six months from the date of opening of the present issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or 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.

15. Details of Shareholding of our Promoters and members of the Promoter Group in the Company

(a) Provided below are the details of Equity Shares held by our Promoters and the members of Promoter Group as on the date of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Pre-Issue		Post-Issue*	
		No. of Equity Shares	Percentage of the Pre-Issue Equity Share Capital	No. of Equity Shares	Percentage of the Post-Issue Equity Share Capital
Promoters					
1	Mr. Jatinder Dev Seth	40,00,000	57.10%	40,00,000	41.62%
2	Mrs. Bhawna Seth	10,00,000	14.27%	10,00,000	10.41%
3	Mr. Manish Dev Seth	-	-	-	-
4	Mrs. Monica Seth	-	-	-	-
5	InnovationM Mobile and Web Technologies Private Limited	11,33,000	16.17%	11,33,000	11.79%
	Total A	**61,33,000**	**87.54%**	**61,33,000**	**63.82%**

Sr. No.	Name of the Shareholder	Pre-Issue		Post-Issue*	
		No. of Equity Shares	Percentage of the Pre-Issue Equity Share Capital	No. of Equity Shares	Percentage of the Post-Issue Equity Share Capital
Promoter Group					
	-	-	-	-	-
	Total B	**-**	**-**	**-**	**-**
Total (A+B)		**61,33,000**	**87.54%**	**61,33,000**	**63.82%**

**Subject to finalisation of basis of Allotment*

(b) All Equity Shares held by the Promoters are in dematerialized mode.

(c) Build-up of the Promoters' shareholding in our Company

The current Promoters are Mr. Jatinder Dev Seth and Mrs. Bhawna Seth, Mr. Manish Dev Seth, Mrs. Monica Seth and InnovationM Mobile and Web Technologies Private Limited.

The build-up of the equity shareholding of our Promoters since incorporation of our Company is set forth in the table below:

Nature of Transaction	Date of Allotment/ Transfer / Transmission	No. of Equity Shares	Nature of Consideration	Face value per Equity Share	Issue Price/ Transfer Price per Equity Share	Cumulative no. of Equity Shares	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital*
(i) Mr. Jatinder Dev Seth								
Initial Subscription to the MOA	October 09, 2014	10,000	Cash	₹10	₹10	10,000	0.14%	0.10%
Transfer from Existing Shareholder Ms. Payal	July 17, 2017	10,000	Cash	₹10	₹10	20,000	0.14%	0.10%
Right Issue	March 30, 2019	4,30,000	Cash	₹10	₹10	4,50,000	6.14%	4.47%
Right Issue	December 11, 2019	4,50,000	Cash	₹10	₹10	9,00,000	6.42%	4.68%
Conversion of Loan	September 05, 2022	31,00,000	Other than Cash	₹10	₹10	40,00,000	44.25%	32.26%
Total		**40,00,000**					**57.10%**	**41.62%**
(ii) Mrs. Bhawna Seth								
Transfer from Ms. Suman Kohli	July 17, 2017	10,000	Cash	₹10	₹10	10,000	0.14%	0.10%
Right Issue	March 30, 2019	40,000	Cash	₹10	₹10	50,000	0.57%	0.42%
Right Issue	December 11, 2019	50,000	Cash	₹10	₹10	1,00,000	0.71%	0.52%
Conversion of Loan	September 05, 2022	9,00,000	Other than Cash	₹10	₹10	10,00,000	12.85%	9.37%
Total		**10,00,000**					**14.27%**	**10.41%**
(iii) Mr. Manish Dev Seth								
NA	-	-	-	-	-	-	-	-
(iv) Mrs. Monica Seth								
NA	-	-	-	-	-	-	-	-
(v) InnovationM Mobile and Web Technologies Private Limited								
Conversion of Loan	March 30, 2024	11,33,000	Other than Cash	₹10	₹10	1,13,30,000	16.17%	**11.79%**
Grand Total		**61,33,000**					**87.54%**	**63.82%**

** Subject to finalisation of basis of Allotment*

(d) The maximum and minimum price at which the aforesaid transaction was made is ₹ 10/- and ₹ 10/- per Equity Share.

(e) All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment of such Equity Shares. Further, none of the Equity Shares held by our Promoters are pledged.

(f) The entire Promoter's shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Red Herring Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.

(g) Our Promoters have confirmed to the Company and the Book Running Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.

(h) None of the members of the Promoter Group, the Promoters, or the Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Red Herring Prospectus:

16. Details of Promoters' contribution and locked-in for three years

(a) Pursuant to Regulation 236 and Regulation 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by the Promoters shall be locked in for a period of three years as minimum promoters' contribution from the date of Allotment (hereinafter referred to as 'Minimum Promoters' Contribution'), and the Promoters' shareholding in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked in for a period of one year from the date of Allotment;

(b) Our Promoters have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Minimum Promoters' Contribution constituting 20.00% of the post-Issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or charge or otherwise dispose of in any manner, the Minimum Promoters Contribution, for such time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations;

(c) Details of the Equity Shares to be locked-in for three years from the date of Allotment as Minimum Promoters' Contribution are set forth in the table below:

Name of the Promoter	Date of allotment of the Equity Shares	Nature of transaction	No. of Equity Shares	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of the post- Issue paid-up capital (%)
Mr. Jatinder Dev Seth	September 5, 2022	Conversion of loan	31,00,000	10	15,50,000	16.13
Mrs. Bhawna Seth	September 5, 2022	Conversion of loan	9,00,000	10	3,72,000	3.87
Total					**19,22,000**	**20.00**

Note: *All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares*

(d) Our Company undertakes that the Equity Shares that are subjected to being lock-in are not and will not be ineligible for computation of Minimum Promoters' Contribution in terms of Regulation 237 of the SEBI (ICDR) Regulations. In pursuance of the aforesaid, we confirm the following:

(a) The Equity Shares offered for Minimum Promoters' Contribution does not include Equity Shares acquired in the three immediately preceding years: (a) acquired for consideration other than cash and revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealized profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Minimum Promoters' Contribution;

(b) The Minimum Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;

(c) The Minimum Promoters' Contribution does not include any Equity Shares allotted through private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary;

(d) Our Company has not been formed by conversion of a partnership firm or a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the past one year immediately preceding the date of this Red Herring Prospectus pursuant to conversion from a partnership firm;

(e) The Equity Shares forming part of the Minimum Promoter's Contribution are not subject to any pledge; and

(f) Minimum Promoter's Contribution of 20.00% of the post-Issue Equity does not include any contribution from Alternate Investment Fund.

17. Lock in of Equity Shares held by Promoter in excess of Minimum Promoter Contribution

In addition to Minimum Promoters' Contribution which shall be locked-in for three years, the balance 42,11,000 Equity Shares held by Promoter shall be locked in for a period of one year from the date of allotment in the Initial Public Offer as provided in clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018.

18. Lock in of Equity Shares held by Person other than Promoter

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoter shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly, 8,72,800 Equity shares held by the Persons other than Promoter shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

19. Recording on non-transferability of Equity Shares locked-in

In compliance with Regulation 241 of the SEBI (ICDR) Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

20. Other requirements in respect of lock-in

In pursuance of Regulation 242 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoters' and locked- in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

(a) With respect to the Equity Shares locked-in as Minimum Promoter's Contribution for a period of three years from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Issue, which is not applicable in the context of this Issue.

(b) With respect to the Equity Shares locked-in for a period of one year from the date of Allotment, such pledge of the said Equity Shares is one of the terms of the sanction of the loan;

However, the relevant lock-in period shall continue post the invocation of the pledge as specified above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the expiry of the relevant lock-in period in terms of the SEBI (ICDR) Regulations.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoters and locked- in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in as applicable with the transferee for the remaining period and compliance with provisions of the SEBI (SAST) Regulations.

Further, in terms of Regulation 239 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than our Promoters prior to the Issue and locked-in for a period of one year, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in with the transferee and compliance with the provisions of the SEBI (SAST) Regulations.

21. Our Company, Promoters, Directors, and the Book Running Lead Manager have no existing buyback arrangements and or any other similar arrangements for the purchase of Equity Shares being offered through the Issue;

22. Our Promoters have confirmed to the Company and the Book Running Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose;

23. Our Promoters and Promoter Group will not participate in this Issue;

24. Except Mr. Jatinder Dev Seth, Mrs. Bhawna Seth, none of the other Key Managerial Personnel of our Company hold any Equity Shares in our Company. For details, refer the section titled "*Our Management*" on page 156 of this Red Herring Prospectus;

25. Our Company undertakes that there shall be only one denomination for the Equity Shares of our Company, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time;

26. There are no Equity Shares against which depository receipts have been issued;

27. All Equity Shares issued pursuant to this Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Red Herring Prospectus;

28. As on the date of this Red Herring Prospectus, the Book Running Lead Manager and their respective associates do not hold any Equity Shares of our Company. The Book Running Lead Manager and its affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation;

29. There are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Red Herring Prospectus;

30. Investors may note that in case of over-subscription, Allotment will be on proportionate basis as detailed under the chapter titled "*Issue Procedure*" on page 228 of this Red Herring Prospectus.

31. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

32. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Net Issue, as a result of which, the post-issue paid-up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

33. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines;

34. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue;

35. As on date of this Red Herring Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue;

36. Our Company has not made any public issue (including any rights issue to the public) since its incorporation;

37. Our Company shall ensure that all the transactions in Equity Shares by our Promoters and members of our Promoter group between the date of filing of this Red Herring Prospectus and the date of closing of the Issue shall be reported to the Stock Exchange within 24 (Twenty-Four) hours of such transactions.

OBJECTS OF THE ISSUE

Our Company proposes to utilize the proceeds from the issue towards funding the following objects and achieve the benefits of listing on EMERGE platform of National Stock Exchange of India Limited including enhancement of our Company's brand name and creation of a public market for our Equity Shares in India.

We intend to utilize the Net Proceeds of the Issue to meet the following objects:

- Expenditure for opening new stores
- Working capital requirements;
- General corporate purposes;

The main objects set out in our Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue for which working capital requirement and Capital Expenditure from the Net Proceeds will be utilized.

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

Utilization of Proceeds of IPO

The details of utilization of Proceeds are as per the table set forth below:

Sr. No.	Particulars	Amount (₹ inLakhs) *	% of Net Proceeds
1	Working capital requirements;	1,800.00	[●]
2	Expenditure for opening new stores;	535.40	[●]
3	General corporate purposes; and	[●]	[●]
	Total Proceeds from the Issue	[●]	**100.00%**

**Subject to finalization of basis of allotment*
Note: The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds from the Issue.

Means of Finance

Particulars	Amount (₹ in Lakhs)*
Gross Proceeds from this Issue	[●]
Less: Issue Expenses	[●]
Net Proceeds from the Issue	**[●]**

**Subject to finalization of basis of allotment*

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

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions of the business and industry and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below. Any change in such factors may require the Company to reschedule/ revise the planned expenditure by increasing/ decreasing the allocation for a particular purpose from the planned expenditure.

Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time, and consequently, our funding requirement and deployment of funds may also change. In accordance with the policies of our Board, our management will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

Proposed Schedule of Implementation and Deployment of Funds

The fund deployment indicated above is based on current circumstances of our business and we may have to revise our estimates from time to time on account of various factors, such as financial and market conditions, competition, interest rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling the proposed utilization of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable laws. For further details, see *"Object of the Issue"* on page 72 of this Red Herring Prospectus, and *"Risk Factors"* on page 27 of this Red Herring Prospectus.

Sr. No.	Particulars	Total (Rupees in Lacs)	Ratio	Amount to be deployed and utilized in Fiscal 2025 (Rupees in Lacs)
1	Working capital requirement;	1,800.00	[●]	1,800.00
2	Expenditure for opening new stores;	535.40	[●]	535.40
3	General corporate purposes*;	[●]	[●]	[●]
	Total	[●]	**1.00**	[●]

If the actual utilization towards any of the Objects, as set out above, is lower than the proposed deployment, such balance will be used towards any other Object including general corporate purposes, provided that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds, in accordance with the ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects, we may explore a range of options including utilizing our internal accruals, any additional equity or debt arrangements or both. We believe that such alternate arrangements would be available to fund any such shortfalls.

The Board at its meeting held on July 29, 2024, approved the plan of utilization of Issue Proceeds as stated herein above. This amount is based on our management's current estimates of the amounts to be utilized towards the respective objects. However, the actual deployment of funds will depend on a number of factors affecting our results of operation, financial condition and access to capital. Further, in the event that there is a surplus under any head, such amount shall be utilized towards general corporate purpose.

DETAILS OF THE OBECTS OF THE ISSUE:

Net Proceeds of IPO

a) Working Capital Requirements:

Currently, we fund our working capital requirements in the ordinary course of our business through bank finances and internal accruals. The details of our Company's working capital requirement based on Restated Standalone Financials for FY 2022, FY 2023, FY 2024, and FY 2025 (Projected) are as follows:

(Amount in ₹ Lakhs)

Particulars	As per Restated Financial Statements				Projected
	FY 2022	FY 2023	FY 2024	Sep 30, 2024	FY 2025
Current Assets					
Cash and Cash Equivalent	17.41	21.17	59.62	124.00	1,179.04
Inventories	713.08	731.24	966.22	1,961.15	2,265.86
Trade receivables	1,159.26	1,779.37	2,860.68	3,535.33	3,492.80
Loans and Advances	9.65	30.42	21.56	26.92	51.99
Advance to suppliers	-	27.34	266.62	453.54	630.25
Other current assets	191.15	114.11	92.05	221.88	73.64
Total (A)	**2,090.55**	**2,703.66**	**4,266.74**	**6,322.82**	**7,693.56**
Current Liabilities					
Trade payables	481.57	875.78	251.71	674.64	1,362.56
Provisions	20.61	24.26	103.14	149.66	123.76
Other current liabilities	29.43	42.88	123.68	310.08	148.41
Total (B)	**531.62**	**942.93**	**478.52**	**1,134.38**	**1,634.73**
Net Working Capital (A) – (B)	**1,558.93**	**1,760.73**	**3,788.22**	**5,188.44**	**6,058.83**
Incremental working capital	**172.45**	**201.80**	**2,027.49**	**1,400.22**	**2,270.61**
Funding Pattern:					
Funding from Banks / Financial Institutions*	1,105.76	1,187.42	2,562.80	3,366.66	1,666.39
Internal Accruals	453.17	573.32	1,225.42	1,821.78	2,592.44
IPO Proceeds	-	-	-	-	1,800.00

**Includes loans from promoters and promoter group entities*

The working capital details for the period ended September 30, 2024 and source of funding has been certified by our statutory auditor, M/s NKGMS & Associates, Chartered Accountants pursuant to their certificate dated November 23, 2024.

These projections have been estimated considering the Company's plan to open 20 new EBOs in Fiscal 2025 (11 of which are already operational as on date of filing the offer document) and enhanced business in online and other segments envisaged due to availability of the funds from the proposed IPO. The revenue for the year ended March 31, 2024 is ₹ 4,277.44 Lakhs and half year ended September 30, 2024 is ₹ 3,050.10 Lakhs. Historically, the Company has grown at a revenue CAGR of 37.32% in the past 3 financial years. The Company plans on expanding their presence in the Business/Direct to customer (B2C/D2C) segment through these EBOs.

BASIS OF ESTIMATION

The incremental working capital requirements are based on the business plan approved by the board of directors in the board meeting held on July 29, 2024. Assumption for future working capital requirements:

(Holding period No. of Days)

Particulars	Fiscal 2022 (Restated)	Fiscal 2023 (Restated)	Fiscal 2024 (Restated)	Sept 30, 2024* (Restated)	Fiscal 2025 (Projected)
Inventories	242	180	138	151	140
Trade Receivables	240	209	198	191	148
Trade Payables	167	227	113	36	70

**Annualized*

Rationale for existing working capital requirement for past three years

The revenue majorly comprised of offline sales through distributors, key accounts etc. and online selling through various marketplaces in the FY 2022 and FY 2023, where the cash conversion cycle (i.e., the time between the acquisition of resources for processing and their realization) was comparatively higher than the life cycle of B2C/D2C segment which the Company is executing in FY 2024 and onwards.

The Company was in a scaling phase and had opened 2, 4, and 3 new Exclusive Brand Outlets (EBOs) in FY 2022, FY 2023, and FY 2024, respectively, bringing the total to 14 EBOs as of March 31, 2024. Till September 30, 2024, the Company opened an additional 5 EBOs, continuing its rapid expansion.

The Company started shifting its focus from the B2B segment which involved selling its products through distributors, key accounts and other channels such as private labeling for other B2C/D2C fashion brands. This is because the B2B segment required higher inventory levels and resulted in a lower debtor turnover ratio [(1)]. During this period, payables were managed based on company's liquidity.

With the increased emphasis on the B2C/D2C segment, including direct sales at EBOs and through the Company's website, benefits such as lower inventory levels and a higher debtor turnover ratio [(1)] were realized, driven by a higher proportion of cash customers. As a result, the Company's liquidity improved, and the payables holding period decreased significantly, from 227 days in Fiscal 2023 to 113 days in Fiscal 2024.

[(1)] Debtor turnover ratio is a measure of how quickly a company collects its receivables from its customers.

(Amount in ₹ Lakhs)

Particulars	FY2022	FY2023	FY2024	Sep 30, 2024
Current Assets	2,090.55	2,703.66	4,266.74	6,322.82
Current Liabilities	531.62	942.93	478.52	1,134.38
Total Working Capital Requirement (A-B)	**1,558.95**	**1,760.73**	**3,788.22**	**5,188.44**
Incremental Working Capital requirement	**172.45**	**201.80**	**2,027.49**	**1,400.22**
Revenue from operations	**1,651.89**	**2,569.45**	**4,277.44**	**6,100.20***

**Annualized*

Based on the data provided, the Company's revenue from operations increased from ₹ 1,651.89 lakhs in FY 2022 to ₹ 4,277.44 lakhs in FY 2024, representing a compound annual growth rate (CAGR) of 37.32%. Correspondingly, the total working capital requirement also rose, growing from ₹ 1,558.95 lakhs in FY 2022 to ₹ 3,788.22 lakhs in FY 2024, with a CAGR of 34.44%.

The increase in working capital was largely aligned with the growth in revenue. The incremental working capital requirement was ₹ 172.45 lakhs in FY 2022, ₹ 201.80 lakhs in FY 2023, and significantly higher at ₹ 2,027.49 lakhs in FY 2024. This growth reflects the Company's need to support increased business operations and maintain adequate liquidity amidst expanding operations.

Justification for incremental working capital requirement in FY 2025

This anticipated growth is driven by the Company's aggressive expansion plans and strategic marketing initiatives. To support this growth and achieve the projected revenue levels, the Company estimates a need for a total working capital of ₹ 6,058.83 lakhs, which includes an incremental working capital requirement of ₹ 2,270.61 lakhs.

Despite the increased business activity, the Company's total operating cycle is expected to remain stable. This stability is due to a decrease in the receivables holding period, from 198 days in FY 2024 to an estimated 148 days in FY 2025, which is offset by a decrease in the payables holding period, from 113 days in FY 2024 to an estimated 70 days in FY 2025. The inventory holding period is projected to remain approximately the same as in FY 2024, indicating effective inventory management in line with the expected business expansion.

Additionally, the Company plans to increase advances to suppliers as a strategic move to secure favorable terms and ensure a steady supply of raw materials. This increase is justified by the need to support the Company's rapid growth and maintain consistent production levels. By providing suppliers with advance payments, the Company aims to lock in critical inputs at favorable prices, mitigate risks associated with supply chain disruptions, and enhance relationships with key suppliers.

b) Expenditure for opening new stores

We intend to establish 9 additional Exclusive Brand Outlets (EBOs) in Fiscal 2025, in the states and union territories of Delhi, Punjab, Haryana, Uttar Pradesh, West Bengal, Telangana and Maharashtra. We propose to utilize an estimated amount of ₹ 535.40 lakhs from the Net Proceeds towards establishment of such New Stores. The establishment of the New Stores is proposed to be undertaken entirely from the Net Proceeds of the Fresh Issue.

The details of stores established under each of the Formats in the last three Fiscals are as follows:

Format	Year	Store name	State	Opening date
High Street	FY 2019-20	Sarita Vihar	Delhi	Dec 01, 2019
Mall	FY 2020-21	Rohini	Delhi	Sep 27, 2020
High Street	FY 2020-21	Rajouri Garden	Delhi	Oct 22, 2020
High Street	FY 2020-21	Bhatinda GT Road	Punjab	Nov 11, 2020
High Street	FY 2020-21	Patiala*	Punjab	Nov 14, 2020
High Street	FY 2021-22	Ghaziabad	Uttar Pradesh	Dec 28, 2021
High Street	FY 2021-22	Bhucho Mandi	Punjab	Feb 17, 2022
Mall	FY 2022-23	Airia Mall Gurugram	Haryana	Oct 30, 2022
Mall	FY 2022-23	TGIP Mall, Noida	Uttar Pradesh	Dec 13, 2022
Mall	FY 2022-23	Crown Interiorz Mall, Faridabad	Haryana	Dec 24, 2022
Mall	FY 2022-23	Centrio Mall, Dehradun	Uttarakhand	Feb 22, 2023
High Street	FY 2023-24	Faridkot Store	Punjab	Apr 13, 2023
Mall	FY 2023-24	Gaur City Mall	Uttar Pradesh	Jun 12, 2023
High Street	FY 2023-24	Kamla Nagar	Delhi	Dec 21, 2023
High Street	FY 2024-25	Kharar, Mohali	Punjab	Jun 19, 2024
High Street	FY 2024-25	Barnala	Punjab	Jul 06, 2024
High Street	FY 2024-25	Green City	Punjab	Jul 07, 2024
Mall	FY 2024-25	Mall Of Dehradun	Uttarakhand	Jul 17, 2024
High Street	FY 2024-25	Mohali – Phase 7	Punjab	August 26, 2024
High Street	FY 2024-25	Sangrur	Punjab	October 03, 2024
High Street	FY 2024-25	Indore (Scheme 140)	Madhya Pradesh	October 19, 2024
High Street	FY 2024-25	Sri Ganganagar	Rajasthan	October 28, 2024
High Street	FY 2024-25	Raxaul	Bihar	October 30, 2024
High Street	FY 2024-25	Patiala – Bhupendra Nagar	Punjab	November 09, 2024
High Street	FY 2024-25	Barielly	Uttar Pradesh	November 16, 2024

**The store located in Patiala, Punjab has been closed in FY 2024-25 as we have opened store in another nearby location.*

For further details, see "Our Business" on page 171.

Refer see "Risk Factors - If we are unable to effectively manage or expand our retail network and operations or pursue our growth strategy, our new stores as well as our existing stores may not achieve our expected level of profitability which may adversely affect our business prospects, financial condition and results of operations" on page 32.

We propose to establish such stores in key areas of the Tier-1 cities including malls and shopping complex located in high-density regions.

The table below sets forth the total estimated costs per store for such location:

(Amount in ₹ Lakhs)

Store location	Number of stores	Estimated Fit-out Cost per store[(1)] (A)	Estimated security deposit per store[(2)] (B)	Total cost per store (A+B)
Delhi	1	44.47	10.50	54.97
Haryana	1	49.90	10.50	60.40
Mumbai	2	50.65	10.50	122.29
Punjab	1	41.72	10.50	52.22
Punjab	1	56.36	10.50	66.86
Telangana	1	42.73	10.50	53.23
Uttar Pradesh	1	52.85	10.50	63.35
West Bengal	1	51.57	10.50	62.07
Total				**535.40**

[(1)] *Excluding applicable GST*

[(2)] *The security deposit for each new store ranges from three to six months of the rental value which is between ₹ 9 lakhs to ₹ 12 lakhs depending upon the location and size of the store. We have considered an average of ₹ 10.50 lakhs for simplicity purposes.*

The details of the total estimated costs to be incurred for establishing the New Stores are as follows:

Particulars	Total cost (₹ in Lakhs)
Fit-out costs	440.90
Security deposit costs	94.50
Total	**535.40**

Set out below is a brief description of the total estimated cost to be incurred for establishing a New Store:

Costs	Particulars
Fit-out costs	Fit-out costs primarily include one or more of interior work such as flooring, partition, electrical and painting, installation of fire extinguisher system, heating ventilation and air conditioning ("**HVAC**") and installation charges thereof, installation of closed-circuit television ("**CCTV**") cameras, installation of lights such as track lights and spotlights, aluminum composite ("**ACP**"), facades, façade signages and entrance glass and internal branding work. Depending on the format of the New Store some or all the above may be applicable.
Security deposit costs	We propose to establish the New Stores on leased premises, for which we will be required to pay a security deposit to the landlord, as part of the rental and lease arrangement for each store premises

Methodology for computation

The size of our stores varies across regions and is dependent on various factors such as availability of suitable locations, addressable market, lease rentals and competition within a given region or across regions.

While we have identified the broad regions where the New Stores will be opened, we have not identified the exact locations for opening the New Stores, as the same depends on various factors, including inter alia, residential development in a specific locality, rental prices for the proposed New Stores in a specific locality, target audience. However, we have narrowed down a few locations based on which fit-out costs and security deposits have been estimated. Our estimated costs for opening of the New Stores are therefore based on (i) valid and existing quotations dated July, 2024 received from the below mentioned vendors on a per square feet basis, for the purposes of fit-out costs, (ii) average of the costs incurred by us historically towards store inventory at the time of setting up new stores under each of the Formats in Fiscal 2022, Fiscal 2023 and Fiscal 2024 (including taxes), for the purposes of inventory costs; and (iii) average security deposit costs for the locations based on historical data and current market trends.

A detailed breakdown of these estimated costs, and the methodology for computation, is as follows:

Fit-out costs

A detailed break-down of the estimated capital expenditure for the components involved in the fit-out costs is as follows:

S.no	Particulars	Components include	Estimated fit-out costs		Vendor
			Cost[(1)] (₹ in lakhs)	Cost[(1)] (₹ per sq. ft.)	
1.	Fire Fighting System	Fire hydrant system, fire sprinkler system, fire alarm system, first aid fire extinguishers	17.88	165.52	V2 Design and Build[(2)]
2.	Interior Work	Flooring work, painting work, glass railing	263.66	2,441.31	V2 Design and Build[(2)]
3.	HVAC	Cassette/split air conditioner, inverter	45.06	417.23	V2 Design and Build[(2)]
4.	CCTV	Port network, connector box, UPS inverter	3.90	36.11	V2 Design and Build[(2)]
5.	Light fixtures	Track lights, straight jointer	30.31	280.65	V2 Design and Build[(2)]
6.	ACP Façade	Aluminum framework, Acosheets	6.29	58.24	V2 Design and Build[(2)]
7.	Façade Signages	Brand letters in purple colour matt, installation	9.80	90.74	V2 Design and Build[(2)]
8.	Façade Glass	Toughened clear glass, ozone patch fittings	11.13	103.06	V2 Design and Build[(2)]
9.	Internal Branding work	UV printed fabric; UV printed aluminum profile	42.25	391.20	V2 Design and Build[(2)]
10.	Others	Music system set, Febric Box, Debris Removal, Matadi Charges	10.62	98.33	V2 Design and Build[(2)]

Notes:

(1) Excluding applicable GST

(2) Pursuant to their quotations dated July 16, 2024

(3) We have assumed an area of 1,200 sq. ft. for each of the 9 stores, i.e., total area of 10,800 sq. ft. for calculating cost per sq. ft.

Notes:

- We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them.
- The actual cost of procurement and actual supplier/dealer may vary.
- We are not acquiring any second-hand equipment.
- All quotations received from the vendors mentioned above are valid till 6 months from the date of quotation. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment's or at the same costs.
- The equipment models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of equipment's) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other equipment's or utilities as required. Furthermore, if any surplus / deficit of the proceeds for meeting the total cost of equipment shall be used / adjusted in General Corporate Purposes, subject to limit of 25% of the amount raised by our Company through this Issue.
- The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of equipment proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. Further, cost will be escalated on account of freight expenses, installation charges, packaging & forwarding, etc. Such cost escalation would be met out of our internal accruals.

Security Deposit costs

We typically acquire the premises for our stores on a leasehold basis, pursuant to various lease agreements which are entered into between our Company and the landlords of such premises. Such lease agreements typically require us to furnish, depending on the location of the store, an interest free security deposit to the respective lessors.

We propose to acquire the premises for all proposed New Stores on a leasehold basis. The average security deposit payable ranges from three to six months of the respective monthly lease amount.

The deposits paid for some of our stores in malls are as follows:

Particulars	Opening date	Carpet area (in sq. ft.)	For Lease (₹ in lakhs)	Maintenance (₹ in lakhs)	Total (₹ in lakhs)	Total (per sq. ft.)
Airia Mall, Gurugram	Oct 30, 2022	904	5,96,640	86,784	6,83,424	756
The Great India Palace Mall, Noida	Dec 13, 2022	880	7,39,200	1,84,800	9,24,000	1050
Crown Interiorz Mall, Faridabad	Dec 24, 2022	600	4,42,560	-	4,42,560	738
Gaur City Mall, Ghaziabad	Jun 12 ,2023	980	7,05,600	1,76,400	8,82,000	900
Mall of Dehradun	Jul 17, 2024	1,051	14,75,609	2,40,181	17,15,790	1633

Based on the above data and current market trend, we have estimated that security deposit costs vary between ₹ 9 lakhs to ₹ 12 lakhs for a location with approximately 1,200 sq. ft. of area. Therefore, we have considered an average cost of ₹ 94.50 lakhs, i.e., ₹ 10.50 lakhs for each of the 9 stores which translates to 875 per sq. ft.

Inventory costs

Inventory costs include, inter alia, costs for procuring stock and product portfolios for sale in our stores, and applicable taxes. Inventory in each of stores consists of, inter alia, kids apparels, footwear, accessories, hard goods etc. The inventory will be supplied to the branch/store by our Company for display and sale in each of the New Stores, basis a purchase order raised by the respective store prior to the opening of the New Store.

The total average estimated inventory cost per store is based on the average of the cost incurred towards store inventory at the time of setting up new stores under each of the Formats in Fiscal 2022, Fiscal 2023, and Fiscal 2024. We have considered the same under the working capital object.

Government approvals

In relation to this proposed Object, we are required to obtain certain approvals and/or licenses, which are routine in nature, from certain governmental or local authorities, which include registration of our stores under the shops and establishments legislations of the states where they are located, wherever applicable and trade licenses from respective municipal authorities of areas, where our New Stores will operate. We will apply for such approvals, as applicable, in the ordinary course and in accordance with applicable laws. For details of laws applicable and approvals required for the New Stores, see "*Key Regulations and Policies in India*" and "*Government and Other Approvals*" on pages 200 and 354.

c) General Corporate Purposes

Our Company intends to deploy the balance Net Proceeds aggregating to ₹ [●] Lakhs for General Corporate Purposes as decided by our board, we have flexibility in applying the remaining proceeds after meeting issue expenses for general corporate purpose including but not restricted to, meeting operating expenses, repayment of the borrowings, meeting working capital requirements including payment of interests, strengthening of our business development and marketing capabilities, meeting exigencies which the Company in the ordinary course of business may not foresee or any other purpose as approved by our board of directors, subject to compliance with thenecessary provisions of the Companies Act.

Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may change.

This may also include reschedulingthe proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular object, i.e., the utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Financial Year, we will utilize such unutilized amount in the next Financial Year.

d) Issue Expenses

The Issue expenses are estimated to be approximately ₹ [●] Lakhs. Other than (a) listing fees, audit fees of statutory auditors (to the extent not attributable to the Issue), expenses for any corporate advertisements consistent with past practice of the Company (not including expenses relating to marketing and advertisements undertaken in connection with the Issue) each of which will be borne solely by the Company. In the event that the Issue is postponed or withdrawn or abandoned for any reason or the Issue is not successful or consummated, all costs and expenses with respect to the Issue shall be borne by our Company, unless specifically required otherwise under applicable law or by the relevant government authority. The estimated Issue expenses are as follows:

Activity expense	Amount (₹ in lakhs)[1]	Percentage of total estimated issue expenses [1]	Percentage of Issue Size [1]
Issue relating expenses such as fees to Book Running Lead Manager Fixed Fee, Registrar to the Issue, Legal Advisors, Auditors, statutory advertisements and other expenses incurred / to be incurred including promotional expenses	[●]	[●]	[●]
Underwriting commission, brokerage and selling commission (including Commission/ processing fees for SCSBs, Sponsor Bank, Members of the Syndicate, Registered Brokers, RTAs and CDPs [2][3]	[●]	[●]	[●]
Listing fees, Stock Exchange processing/ listing fees, software fees, Depositories' fees, other regulatory expenses and sundry expenses.	[●]	[●]	[●]
Total estimated Issue expenses	**[●]**	**[●]**	**[●]**

Notes:

1. *The fund deployed till date of filing the RHP towards issue expenses is ₹ 24.32 lakhs (excluding GST) pursuant to certificate issued by our Statutory Auditor and Peer Review Auditors M/s NGMKS & Associates, Chartered Accountants dated November 23, 2024 and the same will be recouped out of Issue Expenses.*

2. *Selling commission payable to the SCSBs on the portion for QIBS, Retail Individual Bidders, Non Institutional Bidders, which are directly procured by the SCSBs, would be as follows:*

Portion for Retail Individual Bidders *Portion for Non-Institutional Bidders* *Portion for QIB*	*0.001% of the Amount Allotted* (plus applicable taxes) or ₹ 50.00 whichever is less on the Applications wherein shares are allotted*

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

3. *No additional processing fees shall be payable to the SCSBs on the applications directly procured by them. 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 NSE.*

4. *Processing fees payable to the SCSBs of ₹ 1.00 per valid application (plus applicable taxes) for processing the Bid cum Application of Retail Individual Bidders, Non-Institutional Bidders and Eligible Employees procured by the Syndicate Member / Sub-Syndicate Members / Registered Brokers / RTAs / CDPs and submitted to SCSBs for blocking. In case the total ASBA processing charges payable to SCSBs exceeds ₹ 1.00 lakhs, the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total ASBA processing charges payable does not exceed ₹ 1.00 lakhs.*

5. ***For Syndicate (including their Sub-Syndicate Members), RTAs and CDPs***
   Brokerages, selling commission and processing / uploading charges on the portion for Retail Individual Bidders (using the UPI mechanism), portion for Non-Institutional Bidders which are procured by members of Syndicate (including their Sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat and bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Bidders *Portion for Non-Institutional Bidders* *Portion for QIB*	*0.001% of the Amount Allotted* (plus applicable taxes) or ₹ 50.00 whichever is less on the Applications wherein shares are allotted*

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

6. *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.*

7. *The payment of selling commission payable to the sub-brokers / agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.*

8. *The Selling commission payable to the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of NSE.*

9. *Uploading charges / processing charges of Rs. 1.00 valid application (plus applicable taxes) is applicable only in case of Bid uploaded by the members of the Syndicate, RTAs and CDPs: for applications made by Retail Individual Investors using the UPI Mechanism. In case the total processing charges payable under this head exceeds ₹ 1.00 lakhs., the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹ 1.00 lakhs).*

10. *Uploading charges / processing charges of Rs. 1.00 valid applications (plus applicable taxes) are applicable only in case of Bid uploaded by the members of the Syndicate, RTAs and CDPs: (a) for applications made by Retail Individual Bidders using 3-in-1 type accounts; and (b) for Non-Institutional Bids using Syndicate ASBA mechanism / using 3-in-1 type accounts. (In case the total processing charges payable under this head exceeds ₹ 1.00 lakhs, the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹ 1.00 lakhs.*

11. *The Bidding / uploading charges payable to the Syndicate / Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of NSE.*

12. ***For Registered Brokers:***

Selling commission payable to the registered brokers on the portion for Retail Individual Bidders and Non- Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows:

Portion for Retail Individual Bidders and Non Institutional Bidders	0.001% of the Amount Allotted* (plus applicable taxes) or ₹ 50.00 whichever is less on the Applications wherein shares are allotted

**Based on valid applications.*

13. ***For Sponsor Bank:***
Processing fees for applications made by Retail Individual Bidders using the UPI mechanism will be Nil up to 40,000 UPI applications. On and above 40,000 UPI applications would be charges ₹ 6 + GST per UPI. 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.
** For each valid application*

Appraisal

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

Bridge Financing Facilities

Company has not raised any bridge loans from any bank or financial institution as on the date of this Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on business exigencies, our Company may consider raising bridge financing for the Net Proceeds for Object of the Issue.

Interim Use of Funds

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds to buy, trade or otherwise deal in equity shares of any other listed company.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the Objects without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

Monitoring Utilization of Funds

As the size of the Issue will not exceed ₹ 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 Issue 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 Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

Other confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, Promoter Group, our Directors, our Key Management Personnel or our Group Company. Except in the normal course of business and in compliance with applicable law, there are no existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoters, Promoter Group, our Directors, our Key Management Personnel or our Group Company.

Further, pursuant to the Issue, the Net Proceeds received by our Company shall only be utilized for objects identified by our Company and for general corporate purposes and none of our Promoter, Promoter Group, Group Companies of our Company, as applicable, shall receive a part of or whole Net Proceeds directly or indirectly.

BASIS OF THE ISSUE 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*" beginning on page 27, 123, and 182 respectively of this Red Herring Prospectus.

The trading price of the Equity Shares of Our Company could decline due to these risks and the investors may lose all or part of their investment.

The Issue Price is determined by our Company in consultation with the BRLM on the basis of the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is ₹ [●], which is [●] times the face value.

Qualitative Factors

We believe that our business strengths listed below enable us to remain competitive in the business:

- Experienced Promoters having deep domain knowledge to scale up the business;
- Diversified Clientele;
- Management team having established track records;
- Established track record of successfully opening retail stores;
- Efficient business model with track record of delivering financial growth; and
- Focus on design-led product innovation.

Quantitative factors

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

1. Basic and Diluted Earnings Per Share (EPS), as adjusted for changes in capital:

Particulars	Basic EPS (in ₹)	Weights
As at March 31, 2024	6.87	3.0
As at March 31, 2023	2.13	2.0
As at March 31, 2022	2.53	1.0
Weighted Average	4.57	
For the half year ended September 30, 2024*	**4.70**	

**Not annualized*

Particulars	Diluted EPS (in ₹)	Weights
As at March 31, 2024	6.87	3.0
As at March 31, 2023	2.13	2.0
As at March 31, 2022	2.53	1.0
Weighted Average	4.57	
For the half year ended September 30, 2024*	**4.70**	

**Not annualized*

**Source: Restated Financial Statements*

Notes:

- *Net Asset Value per Equity Share has been calculated as net worth divided by number of equity shares outstanding at the end of the period.*
- *Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules,2014.*
- *Basic Earnings per share =*
  Restated Profit Attributable to Equity Shareholders after tax before extra-ordinary items for the year
  Equivalent Weighted Average number of Equity Shares at the end of the year / period
- *Diluted Earnings per share =*
  Restated Profit Attributable to Equity Shareholders after tax before extra-ordinary items for the year
  Equivalent Weighted Average number of Equity Shares at the end of the year / period
- *The face value of each Equity Share is ₹10.*
- *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each fiscal]*

/ [Total of weights].

- *For further details, please refer to "Restated Statement of Accounting Ratios" under chapter titled "Financial Information" beginning on page 182 of this Red Herring Prospectus.*
- *Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the period/ year adjusted by the number of Equity Shares issued during the period/ year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/ year. The figures disclosed above are based on the Restated Financial Information of our Company.*
- *As per SEBI (ICDR) Regulations, 2018 we have adjusted the basic and diluted EPS to reflect the changes in capital structure of the company.*

2. Price/Earning (P/E) ratio in relation to Issue Price of ₹ [●]/-

Particulars	P/E at the lower end of the Price Band (no. of times)	P/E at the higher end of the Price Band (no. of times)
P/E ratio based on Basic EPS for the financials year March 31, 2024	[●]	[●]
P/E ratio based on Diluted EPS for the financials year March 31, 2024	[●]	[●]

Industry Peer Group P/E ratio:

Particulars	Industry P/E
Highest	44.02
Lowest	24.45
Industry Average	34.97

Source: The industry high and low has been considered from the industry peer set provided later in this section.
The industry average has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.
As certified by NGMKS & Associates Chartered Accountants pursuant to their certificate dated November 23, 2024.

3. Return on Net Worth (RONW)

Particulars	RONW (%)	Weights
As at March 31, 2024	27.78%	3.0
As at March 31, 2023	14.39%	2.0
As at March 31, 2022	28.69%	1.0
Weighted Average	**23.47%**	
For the half year ended September 30, 2024*	**13.90%**	

***Not annualized*
Source: Restated Financial Statements

Note:

- *Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding revaluation reserves, if any) of our Company.*
- *The RONW has been computed using the below formula:*
  Restated Profit Attributable to Equity Shareholders after tax before extra-ordinary items for the year
  Restated Net worth for the year / period
- *Weighted average Return on Net Worth = Aggregate of year–wise weighted RoNW divided by the aggregate of weights i.e. [(RoNW x Weight) for each fiscal year] / [Total of weights].*

4. Net Asset value (NAV) per Equity Share

Particulars	Amount
Net Asset Value per Equity Share as of September 30, 2024	33.81
Net Asset Value per Equity Share as of March 31, 2024	26.14
Net Asset Value per Equity Share as of March 31, 2023	17.05
Net Asset Value per Equity Share as of March 31, 2022	11.15
After completion of the Issue	
(i) At Floor price	[●]
(ii) At Cap Price	[●]
Issue Price per equity share	**[●]**

Note:

- *Net Asset Value per Equity Share has been calculated as net worth divided by number of equity shares outstanding at the end of the period.*
- *Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding revaluation reserves, if any) of our Company.*

5. Comparison of Accounting ratios with Peer Group Companies

Particulars	Revenue from Operations (₹ in Lakhs)	Face value ₹	EPS (Basic and Diluted) ₹	Current Market Price ₹	P/E Ratio (times)	RONW (%)	NAV per share ₹
Purple United Sales Limited	4,277.44	10	7.84	[●]	[●]	27.78	26.14
Listed Peers							
S.P. Apparels Limited	1,08,735.50	10	35.72	873.40	24.45	11.74	304.32
Iris Clothing Limited	12,192.11	10	1.50	66.03	44.02	17.67	8.48
Karnika Industries Limited	12,727.26	10	8.15	297	36.44	19.03	42.83

Notes:

1. Sourced from Annual Reports, Audited financials for financial year ended March 31, 2024.

2. Current Market Price is taken as closing on July 31, 2024.

3. We have calculated P/E Ratio by diving the Current Market Price on July 31, 2024 and EPS as on March 31, 2024

6. The Face Value of the Equity Shares is ₹10 per share and the Issue Price is [●] times of the face value.

The Company in consultation with the Lead Manager believes that the Issue price of ₹ [●] per share for the Public Issue is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Position and Result of Operations*" and "*Financial Information*" on pages 27, 123, 185 and 182 respectively, of this Red Herring Prospectus, to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" on page 27 of this Red Herring Prospectus and you may lose all or part of your investment.

The investors may also want to peruse the Risk Factors and Financials of the company including important profitability and return ratios, as set out in the section titled Financial Information included in this Red Herring Prospectus to have more informed view about the investment proposition.

7. Key financial and operational performance indicators ("KPIs")

Our company considers that KPIs included herein below have a bearing for arriving at the basis for Issue Price. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated November 23, 2024. Further, the KPIs herein have been certified, by NGMKS & Associates Chartered Accountants dated November 23, 2024 vide UDIN 24517698BKHHYV1439. Additionally, the members of the Audit Committee have confirmed that other than verified and KPIs set out below, our company has not disclosed to earlier investors at any point of time during the three years period prior to the date of the Red Herring Prospectus.

For further details of our key performance indicators, see *"Risk Factors, "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations"* on pages 27, 123, and 185 respectively of this Red Herring Prospectus.We have described and defined them, where applicable, in *"Definitions and Abbreviations"* section on page 2 of this Red Herring Prospectus.

Our Company confirms that it shall continue to disclose all the KPIs included in this section "Basis for Issue Price", on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration that is at least the later of:

(i) one year after the listing date or period specified by SEBI; or

(ii) till the utilization of the Net Proceeds.

Any change in these KPIs, during the aforementioned period, will be explained by our Company as required under the SEBI ICDR Regulations.

Key metrics like revenue growth, EBIDTA Margin, PAT Margin and few balance sheet ratio are monitored on a periodic basic for evaluating the overall performance of our Company.

A list of our KPIs for the Fiscal Years / period ended on September 30, 2024, March 31, 2024, 2023, 2022 is set out below:

(Amount in ₹ lakhs, except EPS, % and ratios)

Metrics	Sept 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations[1]	3,050.10	4,277.44	2,569.45	1,651.89
Total Income[2]	3,052.04	4,291.59	2,571.10	1,656.19
Revenue growth	185.23%	66.47%	55.55%	14.05%
EBITDA[3]	713.16	987.20	385.57	240.18
EBITDA Margin (%)[4]	23.38%	23.08%	15.01%	14.54%
EBIT[5]	637.56	831.26	358.92	221.71
Profit After Tax[6]	329.28	481.54	149.22	177.16
PAT Margin (%)[7]	10.80%	11.26%	5.81%	10.72%
Total Equity (Net Worth)[8]	2,368.62	1,733.64	1,036.58	617.59
Return on Net Worth[9]	13.90%	27.78%	14.40%	28.69%
Total Debt[10]	3,366.66	2,562.80	1,187.42	1,105.76
Debt / Equity Ratio (in times)[11]	1.42	1.48	1.15	1.79
EPS (Basic and Diluted)[12]	4.77	7.26	2.45	3.20
Interest Coverage Ratio[13]	3.06	3.54	2.39	2.12
Return on Capital Employed (in %)[14]	11.12%	19.35%	16.14%	12.87%
Days working capital (in Days)[15]	155.22	323.25	250.12	344.47

Notes:

(1) Revenue from operations is the total revenue generated by the Company except other income
(2) Total Income is the total revenue generated by the Company including other income
(3) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
(4) EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
(5) EBIT is calculated as Profit before tax + Interest Expenses - Other Income
(6) PAT is calculated as Profit before tax – Tax Expenses
(7) PAT Margin is calculated as PAT for the year divided by Revenue from Operations
(8) Total Equity (Net worth) has been computed as the aggregate of share capital and reserves and surplus (excluding revaluation reserves, if any) of our Company.
(9) Return on Net Worth is ratio of Profit after Tax and Net Worth
(10) Total debt represents long term and short-term borrowings and lease liabilties.
(11) Debt- equity ratio is calculated by dividing total debt by total equity.
(12) Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules,2014.
(13) Interest coverage ratio is defined as Earnings before interest and taxes (EBIT) divided by finance cost for the year.
(14) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus totalborrowings {current & non-current}.
(15) Days Working Capital is arrived at by dividing working capital (current assets less current liabilities) by revenue from operationsmultiplied by the number of days in the year (365).

KPI	Explanation
Revenue from operation	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.
Total Income	Total Income is used by our management to track the other non-operating revenues generated by the Company.
Revenue growth (%)	Revenue growth (%) is used by our management to assess the company's performance and growth trajectory.
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
EBIT	Management monitors EBIT to assess core operational profitability and efficiency, excluding the impact of financing and taxes.
PAT	Profit after Tax is an indicator which determine the actual earnings available to equity shareholders
PAT %	PAT% is useful for assessing how efficiently a company is able to convert its sales into net profit after accounting for all expenses and taxes.
RoNW%	It is an indicator which shows how much company is generating from its available shareholders' funds

KPI	Explanation
Total debt	It is used to evaluate a company's leverage and financial risk. It helps assess the overall level of borrowing relative to the company's equity and assets.
Debt-Equity Ratio	The debt-to-equity ratio is used to assess the extent to which a company relies on debt to finance its operations relative to the equity provided by shareholders.
EPS	It measures a company's profitability on a per-share basis. It reflects the portion of net income attributed to each outstanding share, providing insights into financial performance and shareholder value.
Interest Coverage Ratio	Interest coverage is a financial metric that assesses a company's ability to meet its interest payments on outstanding debt.
ROCE %	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Days Working Capital	Days Working Capital is a financial metric that measures the average number of days it takes for a company to convert its working capital into revenue.

8. Comparison of our key performance indicators with listed industry peers for the Stub Period included in the Restated Financial Information:

(₹ in Lakhs, unless otherwise stated)

Metrics	For the half year ended September 30, 2024			
	Purple United Sales Limited	S.P. Apparels Limited	Iris Clothing Limited	Karnika Industries Limited
Revenue from Operations	3,050.10	63,661.00	7,269.40	9,714.01
Total Income	3,052.04	64,171.10	7,285.61	9,852.72
Revenue growth (in %)	185.23%	17.09%	(40.38)%	(23.68)%
EBITDA	713.16	8,778.00	1,402.63	1,643.67
EBITDA Margin (%)	23.38%	13.79%	19.29%	16.92%
EBIT	637.56	6,697.70	1,053.38	1,595.19
Profit After Tax	329.28	(540.10)	626.62	1,034.63
PAT Margin (%)	10.80%	(0.85)%	8.62%	10.65%
Total Equity (Net Worth)	2,368.62	79,840.50	7,542.78	6,345.40
Return on Net Worth	13.90%	(0.68)%	8.31%	16.31%
Total Debt	3,366.66	32,422.00	4,678.57	4,647.10
Debt / Equity Ratio (in times)	1.42	0.41	0.62	0.73
Basic EPS	4.77	15.93	0.77	8.34
Diluted EPS	4.77	15.93	0.77	8.34
Interest Coverage Ratio	3.06	4.18	5.22	7.40
Return on Capital Employed (in %)	11.12%	5.97%	8.62%	14.51%
Days working capital (in Days)	155.22	126.12	277.73	201.28

9. Comparison of our key performance indicators with listed industry peers for the Financial Years included in the Restated Financial Information:

S.P. Apparels Limited

(₹ in Lakhs, unless otherwise stated)

Metrics	Purple United Sales Limited			S.P. Apparels Limited		
	Financial Year 2024	Financial Year 2023	Financial Year 2022	Financial Year 2024	Financial Year 2023	Financial Year 2022
Revenue from Operations	4,277.44	2,569.45	1,651.89	1,08,735.50	1,08,085.50	85,942.70
Total Income	4,291.59	2,571.10	1,656.19	1,08,751.82	1,08,105.54	86,892.20
Revenue growth (in %)	66.47%	55.55%	14.05%	0.60%	25.76%	31.75%
EBITDA	987.20	385.57	240.18	17,409.30	16,553.60	16,122.90
EBITDA Margin (%)	23.08%	15.01%	14.54%	16.01%	15.32%	18.76%
EBIT	831.26	358.92	221.71	13,633.90	12,938.30	12,664.30
Profit After Tax	481.54	149.22	177.16	8,962.50	8,251.20	8,469.30
PAT Margin (%)	11.26%	5.81%	10.72%	8.24%	7.63%	9.85%
Total Equity (Net Worth)	1,733.64	1,036.58	617.59	76,364.20	67,361.10	63,777.40
Return on Net Worth	27.78%	14.40%	28.69%	11.74%	12.25%	13.28%
Total Debt	2,562.80	1,187.42	1,105.76	20,341.80	24,468.50	23,131.40
Debt / Equity Ratio (in times)	1.48	1.15	1.79	0.27	0.36	0.36
Basic EPS	7.26	2.45	3.20	35.72	32.37	32.96
Diluted EPS	7.26	2.45	3.20	35.72	32.37	32.96
Interest Coverage Ratio	3.54	2.39	2.12	7.29	6.95	10.68
Return on Capital Employed (in %)	19.35%	16.14%	12.87%	14.10%	14.09%	14.57%
Days working capital (in Days)	323.25	250.12	344.47	95.99	72.50	106.48

Iris Clothing Limited

(₹ in Lakhs, unless otherwise stated)

Metrics	Purple United Sales Limited			Iris Clothing Limited		
	Financial Year 2024	Financial Year 2023	Financial Year 2022	Financial Year 2024	Financial Year 2023	Financial Year 2022
Revenue from Operations	4,277.44	2,569.45	1,651.89	12,192.11	11,300.14	11,152.13
Total Income	4,291.59	2,571.10	1,656.19	12,201.81	11,310.82	11,176.75
Revenue growth (in %)	66.47%	55.55%	14.05%	7.89%	1.33%	26.88%
EBITDA	987.20	385.57	240.18	2,642.75	1,950.55	2,155.93
EBITDA Margin (%)	23.08%	15.01%	14.54%	21.68%	17.26%	19.33%
EBIT	831.26	358.92	221.71	2,033.68	1,420.28	1,595.98
Profit After Tax	481.54	149.22	177.16	384.30	299.81	238.50

Metrics	Purple United Sales Limited			Iris Clothing Limited		
	Financial Year 2024	Financial Year 2023	Financial Year 2022	Financial Year 2024	Financial Year 2023	Financial Year 2022
PAT Margin (%)	11.26%	5.81%	10.72%	1,221.91	825.89	987.03
Total Equity (Net Worth)	1,733.64	1,036.58	617.59	10.02%	7.31%	8.85%
Return on Net Worth	27.78%	14.40%	28.69%	6,916.17	5,694.97	4,869.07
Total Debt	2,562.80	1,187.42	1,105.76	17.67%	14.50%	20.27%
Debt / Equity Ratio (in times)	1.48	1.15	1.79	4,419.54	3,509.90	3,276.62
Basic EPS	7.26	2.45	3.20	0.64	0.62	0.67
Diluted EPS	7.26	2.45	3.20	1.50	1.01	1.24
Interest Coverage Ratio	3.54	2.39	2.12	1.50	1.01	1.24
Return on Capital Employed (in %)	19.35%	16.14%	12.87%	5.29	4.74	6.69
Days working capital (in Days)	323.25	250.12	344.47	17.94%	15.43%	19.59%

Karnika Industries Limited

(₹ in Lakhs, unless otherwise stated)

Metrics	Purple United Sales Limited			Karnika Industries Limited		
	Financial Year 2024	Financial Year 2024	Financial Year 2024	Financial Year 2024	Financial Year 2023	Financial Year 2022
Revenue from Operations	4,277.44	12,727.26	12,727.26	12,727.26	77,945.00	60,760.98
Total Income	4,291.59	12,845.65	12,845.65	12,845.65	79,967.00	62,462.92
Revenue growth (in %)	66.47%	2.15%	2.15%	2.15%	28.28%	100.71%
EBITDA	987.20	1,925.95	1,925.95	1,925.95	17,200.00	11,687.17
EBITDA Margin (%)	23.08%	15.13%	15.13%	15.13%	22.07%	19.23%
EBIT	831.26	1,848.16	1,848.16	1,848.16	16,327.00	10,984.54
Profit After Tax	481.54	488.82	488.82	488.82	11,903.00	8,162.76
PAT Margin (%)	11.26%	1,010.49	1,010.49	1,010.49	15.27%	13.43%
Total Equity (Net Worth)	1,733.64	7.94%	7.94%	7.94%	54,701.00	47,804.15
Return on Net Worth	27.78%	5,310.78	5,310.78	5,310.78	21.76%	17.08%
Total Debt	2,562.80	19.03%	19.03%	19.03%	6,599.00	8,187.68
Debt / Equity Ratio (in times)	1.48	5,210.26	5,210.26	5,210.26	0.12	0.17
Basic EPS	7.26	0.98	0.98	0.98	19.31	13.25
Diluted EPS	7.26	8.15	8.15	8.15	19.31	13.25
Interest Coverage Ratio	3.54	8.15	8.15	8.15	25.55	24.27
Return on Capital Employed (in %)	19.35%	3.78	3.78	3.78	26.63%	19.62%

Metrics	Purple United Sales Limited			Karnika Industries Limited		
	Financial Year 2024	Financial Year 2024	Financial Year 2024	Financial Year 2024	Financial Year 2023	Financial Year 2022
Days working capital (in Days)	323.25	17.57%	17.57%	17.57%	187.70	214.88

Notes:

1) *Source: All the information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from their respective investor presentation/ annual reports available in public domain. The ratios have been computed as per the following definitions.*
2) *Revenue from operations is the total revenue generated by the Company except other income*
3) *Total Income is the total revenue generated by the Company including other income*
4) *EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income*
5) *EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations*
6) *EBIT is calculated as Profit before tax + Interest Expenses - Other Income*
7) *PAT is calculated as Profit before tax - Tax Expenses*
8) *PAT Margin is calculated as PAT for the year divided by Revenue from Operations*
9) *Total Equity (Net worth) has been computed as the aggregate of share capital and reserves and surplus (excluding revaluation reserves, if any) of our Company.*
10) *Return on Net Worth is ratio of Profit after Tax and Net Worth*
11) *Total debt represents long term and short-term borrowings and lease liabilities.*
12) *Debt- equity ratio is calculated by dividing total debt by total equity.*
13) *Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules,2014.*
14) *Interest coverage ratio is defined as Earnings before interest and taxes (EBIT) divided by finance cost for the year.*
15) *Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.*
16) *Days Working Capital is arrived at by dividing working capital (current assets less current liabilities) by revenue from operations multiplied by the number of days in the year (365).*

10. Weighted average cost of acquisition ("WACA"), floor price and cap price:

a) Primary Transactions:

Our Company has not issued any Equity Shares or convertible securities, excluding shares issued under ESOP and issuance of bonus shares, during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more that 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Issue capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days except the following:

Date of Allotment	No. of equity shares allotted	Face Value (₹)	Issue Price (₹)	Nature/Reasons for allotment	Nature of Consideration	Total Consideration (in ₹)
March 28, 2024	5,00,000	10/-	50/-	Preferential Allotment	Cash	2,50,00,000
March 30, 2024	11,33,000	10/-	62/-	Conversion of loans	Other than cash	7,02,46,000
May 23, 2024	3,72,800	10/-	82/-	Preferential Allotment	Cash	3,05,69,600
Total	**20,05,800**					**12,58,15,600**
Weighted Average cost of acquisition (WACA) per share for primary transactions						**63.00**

b) Secondary Acquisition:

There have been no secondary sale / acquisitions of Equity Shares or any convertible securities including Right Issue, where our

Promoters, members of our Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of Directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this RHP, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Issue capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Since there are no such transactions to report to under (b) therefore, information based on last five primary or secondary transactions (secondary transactions where our Promoters / members of our Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), during the three years prior to the date of this Red Herring Prospectus irrespective of the size of transactions, is not applicable since our Promoters / members of our Promoter Group or shareholder(s) are not having the right to nominate director(s) in the Board of our Company.

Past Transactions	Weighted average cost of acquisition	Floor Price	Cap Price
	(₹)	₹ [●]	₹ [●]
Weighted average cost of acquisition (WACA) of Primary issuances	62.73	[●]	[●]
Weighted average cost of acquisition (WACA) of secondary transactions	NA	NA	NA
Since there were no secondary transactions of equity shares of the Company during the 18 months preceding the date of filing of this certificate, the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions where Promoters /Promoter Group entities or Selling Shareholders or Shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction, not older than three years prior to the date of filing of this certificate irrespective of the size of the transaction			
Based on Primary Transactions	***62.73***	***[●]***	***[●]***
Based on Secondary Transactions	***NA***	***NA***	***NA***

As certified by certificate issued by our Statutory Auditor and Peer Review Auditors M/s NGMKS & Associates, Chartered Accountants dated November 23, 2024 pursuant to their certificate for weighted average cost.

**To be updated at Prospectus stage*

^ There were no secondary sales / acquisition of shares (equity/ convertible securities) transactions in last eighteen (18) months prior to the date of this Red Herring Prospectus.

*** There were transactions in Equity Shares on account of transmission of shares between members of promoter and promoter group, which have not been considered as these transactions were for nil consideration.*

11. Explanation for Issue Price / Cap Price being [●] price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in [●] above) along with our Company's key performance indicators and financial ratios for the Financial Year ended 2024, 2023 and 2022.

[●]*

***To be included on finalization of price band*

12. Explanation for Issue Price / Cap Price being [●] price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in [●] above) in view of the external factors which may have influenced the pricing of the Issue.

[●]*

**To* be *included on finalization of price band*

There are no external factors which have influenced the determination of Issue Price.

The Issue Price of ₹ [●] has been determined by our Company, in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares issued through the Book-Building Process. Our Company, in consultation with the BRLMs, is justified of the Issue Price in view of the above qualitative and quantitative parameters. Investors should read the abovementioned information along with *"Risk Factors", "Our Business" and "Financial Information"* on pages 27, 123 and 182 respectively of this Red Herring Prospectus.

The trading price of the Equity Shares could decline due to the factors mentioned in the section titled *"Risk Factors"* on page 27 of this Red Herring Prospectus or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
Purple United Sales Limited
Khasra No. 55/14 & 55/15, Near Rani Khera Road,
Mundka, West Delhi, New Delhi, Delhi, India, 110041.

Dear Sir(s):

Sub: Statement of Special Tax Benefits available to Purple United Sales Limited under the Indian tax laws

We have been requested by the Company to issue a report on the special tax benefits (referred to as "Statement") available to the Company and its shareholders attached for inclusion in the Draft Red Herring Prospectus (DRHP)/ Red Herring Prospectus (RHP)/ Prospectus in connection with the proposed issue of the equity shares of the Company. The Statement has been prepared by the management of the Company and stamped by us for identification purposes only.

We report that the enclosed statement in **Annexure-A** showing the current position of tax benefits available to the Company and the shareholders of the Company as per the provisions of Income Tax Act, 1961 for the assessment year AY 2025-2026 relevant to the financial year (FY) 2024-2025 for inclusion in the DRHP / RHP / Prospectus. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the stated tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill. Further, certain tax benefits may be optional and it would be at the discretion of the Company or the Shareholders of the Company to exercise the option by fulfilling the conditions prescribed under the Income Tax law.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the public issue. Neither are we suggesting nor advising the investor to invest money based on this statement.

We do not express any opinion or provide any assurance as to whether:
i) the Company or its shareholders will continue to obtain these benefits in future; or
ii) the conditions prescribed for availing the benefits have been/would be met with.

The contents of the enclosed statement 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.

The Statement is intended solely for the information and inclusion in the DRHP / RHP / Prospectus in connection with the proposed initial public office of equity shares of the Company and is not to be used, referred to, or distributed for any other purpose, without our prior consent, provided the below statement of limitation is included in the DRHP / RHP / Prospectus.

Limitation:
Our views expressed herein are based on the facts and assumptions indicated to us. Our views are based on the existing provisions of Income Tax laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

Yours sincerely,

For NGMKS & Associates
Chartered Accountants
ICAI Firm Registration No.: 024492N
Sd/-
C.A. Nitin Goyal
(Partner)
Membership No: 517698
UDIN: 245176988KHHXW3B50
Place: Delhi
Date: November 23, 2024

Annexure – A

STATEMENT OF TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

Outlined below are the special tax benefits available to the Company and its Shareholders under the Income-tax Act, 1961 ('the Act') as amended and presently in force in India (together, the "Direct Tax Laws").

A. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

There are no possible special tax benefits available to the company under Income Tax Act, 1961 read with the relevant Income Tax Rules, 1962, under the Customs Tariff Act, 1955, under the Central Goods and Service Tax Act, 2017, under the Integrated Goods and Service Tax Act, 2017, under the Union Territory Goods and Service Tax Act, 2017, under the respective State Goods and Service Tax Act, 2017, read with relevants rules and notification issued under these acts and rules and foreign trade policy, except as mentioned below:

1. Lower corporate tax rate under Section 115BAA of the Act

A new section 115BAA has been inserted in the act by the Taxation Laws (Amendment) Act, 2019 ("the Amendment Act, 2019") w.e.f. April 1, 2020 (A.Y. 2020-21). Section 115BAA grants an option to a domestic company to be governed by the section from a particular assessment year. If a company opts for section 115BAA of the Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%). Section 115BAA of the Act further provides that domestic companies availing the option will not be required to pay minimum alternate tax (MAT) on their 'book profits' under section 115JB of the act.

However, such a company will no longer be eligible to avail specified exemptions/ incentives under the act and will also need to comply with the other conditions specified in section 115BAA. Also, if a company opts for section 115BAA, the tax credit (under section 115JAA), if any, which it is entitled to on account of MAT paid in earlier years, will no longer be available. Further, it shall not be allowed to claim set-off of any brought forward loss arising to it on account of additional depreciation and other specified incentives.

The Company has not opted for the lower corporate tax rate of 25.168% (prescribed under section 115BAA of the Act) till FY 2023-2024 due to unutilised MAT Credit. However the company plans to opt for the same in future financial years.

B. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

1. Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under section 80M of the act would be available on fulfilling the conditions (as discussed above). Further, in case of shareholders who are individuals, hindu undivided family, association of persons, body of individuals, whether incorporated or not, surcharge would be restricted to 15%, irrespective of the amount of dividend.

2. As per section 112A of the act, long-term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 12.50% (without indexation) of such capital gains subject to fulfilment of prescribed conditions under the act as well. It is worthwhile to note that tax shall be levied where such capital gains exceed ₹ 1,25,000.

   In case of non-resident (not being a company) or a foreign company, the amount of income-tax on long-term capital gains arising from the transfer of a capital asset (being unlisted securities or shares of a company not being a company in which the public are substantially interested) shall be calculated at the rate of 12.50% without giving effect to the first and second proviso to section 48. Further, where the tax payable is payable in respect of any income arising from the transfer of a long-term capital asset, being listed securities (other than a unit) or zero-coupon bond, then such income will be subject to tax at the rate of 12.50% of the amount of capital gains before giving effect to the provisions of the second proviso to section 48.

3. As per section 111A of the act, short-term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 20% subject to fulfilment of prescribed conditions under the act.

   Except for the above, the shareholders of the company are not entitled to any other special tax benefits under the direct tax laws.

Notes:

1. The above Statement of Direct Tax Benefits ("Statement") sets out the special tax benefits available to the Company and its shareholders under the Direct Tax Laws.
2. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
3. This Statement does not discuss any tax consequences in the country outside India of an investment in the Shares. The subscribers of the Shares in the country other than India are urged to consult their own professional advisers regarding possible income-tax consequences that apply to them.
4. In respect of non-residents, the tax rate s and the consequent taxation mentioned above may be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
5. The above Statement covers only above-mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law.

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

Notes:

1. The above is as per the tax law as on date.
2. The above statement of possible special tax benefits set out the provisions of tax law in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares.
3. This statement does not discuss any tax consequences in the country outside India of an investment in the equity shares. The subsribers of equity shares in the country other than India are urged to consult their own professional advisors regarding possible income tax consequences that apply to them.

INDUSTRY OVERVIEW

The information is prepared by Dun & Bradstreet India. Dun & Bradstreet India has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in Dun & Bradstreet India proprietary database, and other sources considered by Dun & Bradstreet India as accurate and reliable including the information in public domain. The views and opinions expressed herein do not constitute the opinion of Dun & Bradstreet India to buy or invest in this industry, sector or companies operating in this sector or industry and is also not a recommendation to enter into any transaction in this industry or sector in any manner whatsoever.

This report has to be seen in its entirety; the selective review of portions of the report may lead to inaccurate assessments. All forecasts in this report are based on assumptions considered to be reasonable by Dun & Bradstreet India; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections. 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 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 no. 123 and 183 respectively of this Red Herring Prospectus. An investment in 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 23 of this Red Herring Prospectus.

India Macroeconomic Analysis

GDP Growth Scenario

India's economy showed resilience with GDP growing at estimated 7.6% in FY 2024. The GDP growth in FY 2024 represents a return to pre pandemic era growth path. Even amidst geopolitical uncertainties, particularly those affecting global energy and commodity markets, India continues to remain one of the fastest growing economies in the world.

Country	Real GDP Growth (2023)	Projected GDP Growth 2024
India	7.8%	6.8%
China	5.2%	4.6%
Russia	3.6%	3.2%
Brazil	2.9%	2.2%
United States	2.5%	2.7%
Japan	1.9%	0.9%
Canada	1.1%	1.2%
Italy	0.9%	0.7%
France	0.7%[1]	0.7%
South Africa	0.6%	0.9%
United Kingdom	0.1%	0.5%
Germany	-0.3%	0.2%

Source: The International Monetary Fund
Countries considered include - Largest Developed Economies and BRICS (Brazil, Russia, India, China, and South)
Countries have been arranged in descending order of GDP growth in 2023).

There are few factors aiding India's economic recovery – notably its resilience to external shocks and rebound in private consumption. This rebound in private consumption is bringing back the focus on improvements in domestic demand, which together with revival in export demand is a precursor to higher industrial activity. Already the capacity utilization rates in Indian manufacturing sector are recovering as industries have stepped up their production volumes. As this momentum sustains, the country may enter a new capex cycle. The universal vaccination program by the Government has played a big part in reinstating confidence among the population, in turn helped to revive private consumption.

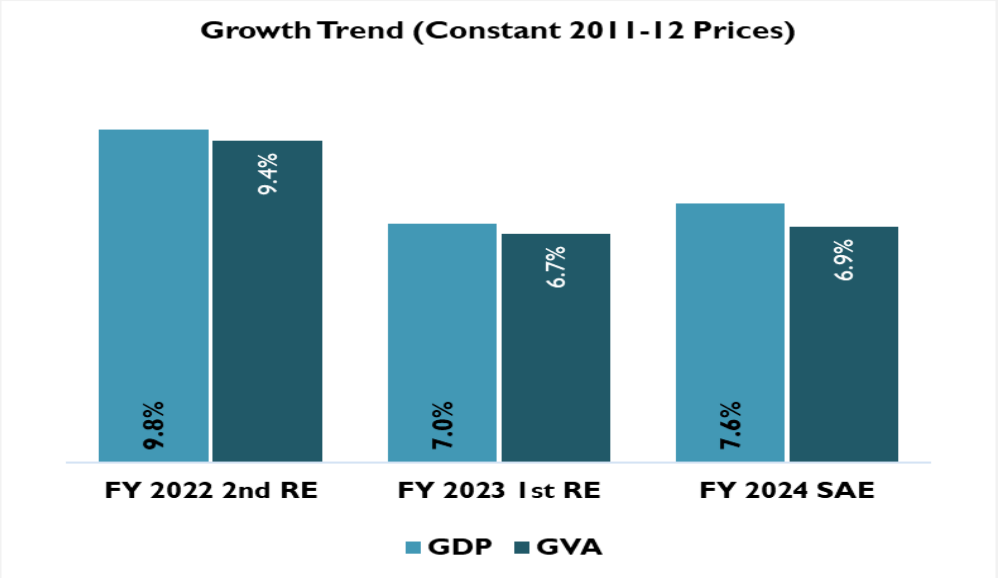
Realizing the need to impart external stimuli, the Government stepped up its spending on infrastructure projects which in turn had a positive impact on economic growth. The capital expenditure of central government increased by 37.4% increase in capital expenditure (budget estimates), to the tune of Rs 10 trillion in the Union Budget 2023-2024. The announcement also included 30% increase in financial assistance to states at Rs 1.3 trillion for capex. The improvement was accentuated further as the Interim Budget

[1] European Commission

2024-2025 announced an 11.1% increase in the capital expenditure outlay at Rs 11.11trillion, constituting 3.4% of the GDP. This has provided the much-needed confidence to private sector, and in turn attracted private investment.

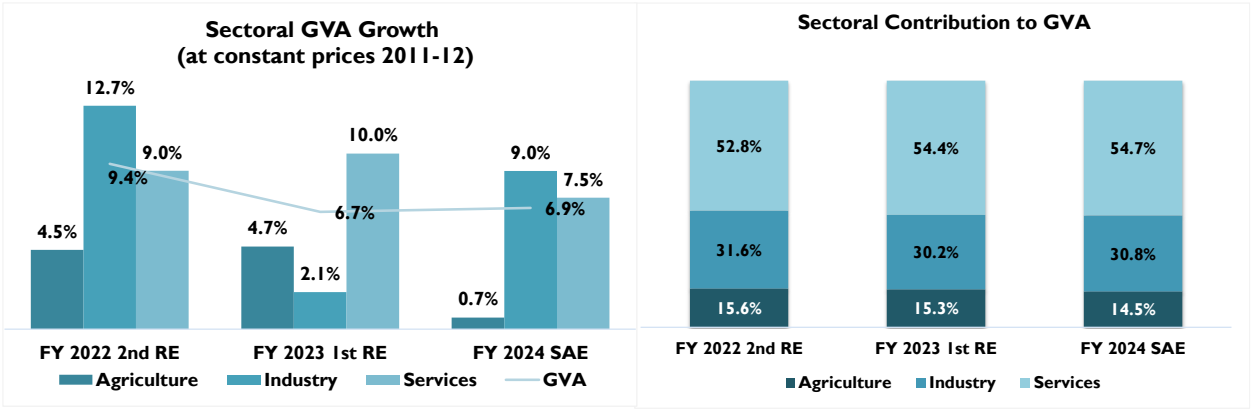
On the lending side, the financial health of major banks has witnessed an improvement which has helped in improving the credit supply. With capacity utilization improving, there would be demand for credit from corporate sector to fund the next round of expansion plans. Banking industry is well poised to address that demand. Underlining the improving credit scenario is the credit growth to micro, small and medium enterprise (MSME) sector as the credit outstanding to the MSME sector by scheduled commercial banks in the financial year FY 2023 grew by 12.3% to Rs 22.6 trillion compared to FY 2022. The extended Emergency Credit Linked Guarantee Scheme (ECLGS) by the Union Government has played a major role in improving this credit supply.

As per the second advance estimates 2023-24, India's GDP in FY 2024 grew by 7.6% compared to 7.0% in the previous fiscal on the back of solid performances in manufacturing, mining, and construction sectors. The year-on-year increase in growth rate is also partly due to by a strong growth in investment demand led by public capital expenditure.



Source: Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics, 2023-24
RE stands for Revised Estimates, SAE stands for Second Advance Estimates

Sectoral Contribution to GVA and annual growth trend



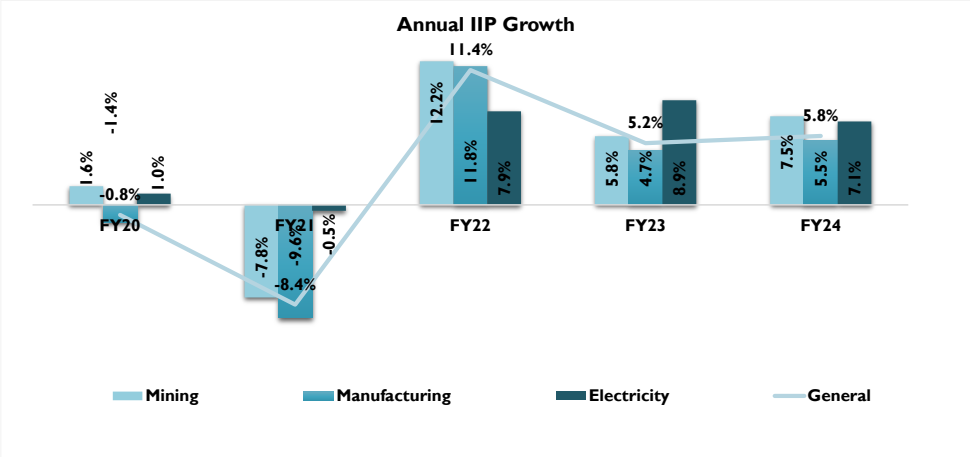
Source: Ministry of Statistics & Programme Implementation (MOSPI)

Sectoral analysis of GVA reveals industrial sector recovered sharply registering 9% y-o-y increase in FY 2024 against 2.1% in the previous fiscal. In the industrial sector, growth across major economic activity such as mining, manufacturing, construction sector rose significantly and it registered a growth of 8.1%, 8.5% and 10. 7% in FY 2024 against a growth of 1.9%, -2.20%, and 9.44% in FY 2023, respectively. Utilities sector observed a marginal moderation in y-o-y growth to 7.5% against a 10% in the previous years. Talking about the services sectors performance, with major relaxation in covid restriction, progress on covid vaccination and living with virus attitude, business in service sector gradually returned to normalcy in FY 2023. Economic recovery was supported by the service sector as individual mobility returned to pre-pandemic level. The trade, hotel, transport, communication, and broadcasting segment continued to strengthen and grow by 10% in FY 2023 against 9% in the previous year. However, second advance estimates for FY 2024 reveal a decelerated growth in the largest component of the GDP, i.e., the service sector. In FY 2024, the sector registered a growth of 7.5%, as compared to the 10% growth recorded in FY 2023. This slowdown is primarily attributed to a pronounced

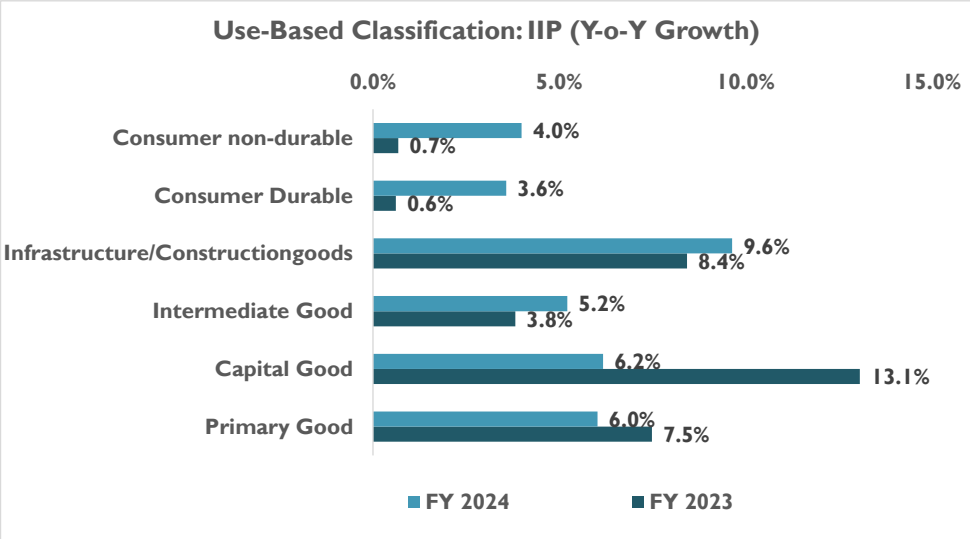
deceleration in the Trade, Hotel, Transport, Communication, and Broadcasting services. The growth rate in this subsector nearly halved, decreasing from 12% in FY 2023 to 6.5% in FY 2024. This slowdown is influenced by the normalization of the base effect and potentially some dilution in discretionary demand. Financial services, real estate and professional services sector recorded 8.21% y-o-y growth against 9.05% y-o-y growth in the previous year, while public administration and defence services sector recorded 7.75% yearly increase against 8.92% increase in the previous year.

Index of Industrial Production

Industrial sector performance as measured by IIP index exhibited mild improvement in FY 2024 by growing at 5.8% (against 5.2% in FY 2023). Manufacturing index, with 77.6% weightage in overall index, grew by 5.5% in FY 2024 against 4.7% in FY 2023 while mining sector index too grew exhibited healthy improvement by growing at 7.5% against 5.8% in the previous years. Electricity sector Index witnessed improvement of 7.15% against 8.9% y-o-y growth in FY 2023.



Source: Ministry of Statistics & Programme Implementation (MOSPI)



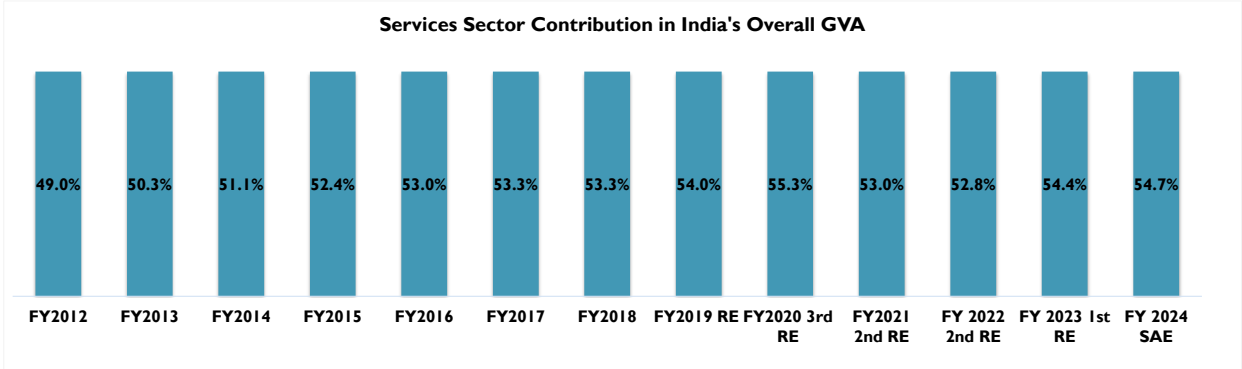
Sources: MOSPI

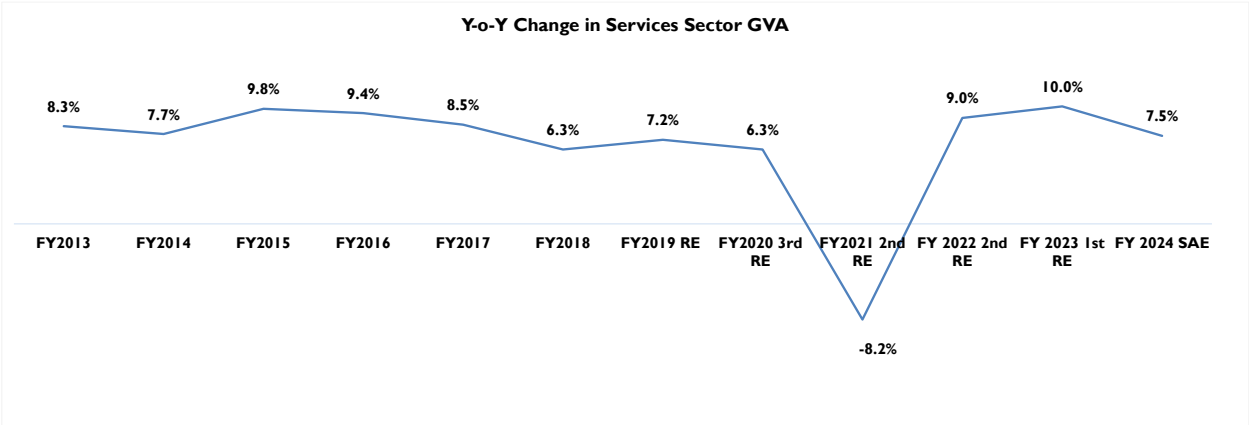
As per the use-based classification, excluding capital good and primary good, other segment observed healthy y-o-y growth against the previous year. Infrastructure / construction goods followed by intermediate goods were the bright spot while consumer non-durable and consumer durable both observed sharp growth over the previous year. However, the mild growth in IIP indicates towards challenging operating business climate as global headwinds, high inflation, and monetary tightening cumulatively impacted the broader industrial sector performance.

Expansion in Service Sector

Services sector is a major contributor to the country's overall economic growth. Since 2012, its contribution to India's GVA has increased from 49% to nearly 55% currently (in FY 2024) as per Second Advance estimates. While excluding 8.2% decline in FY 2021, the services sector GVA has observed average 8.2% growth between growth between FY 2013-24 and it has exhibited robust

8.8% average increase in the post pandemic period (FY 2022-24). The expansion of the service sector has spurred the development of multiple industries, including IT, healthcare, tourism, transport, and finance, among others.



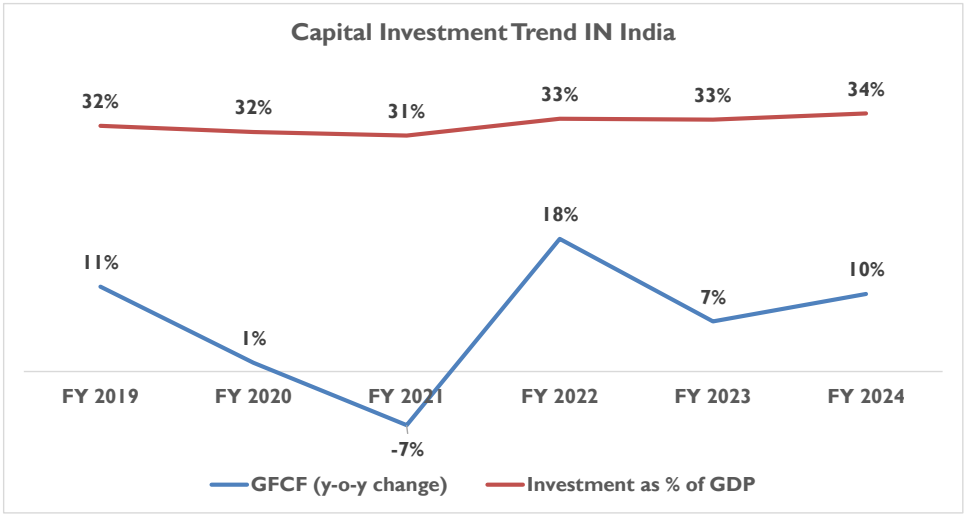


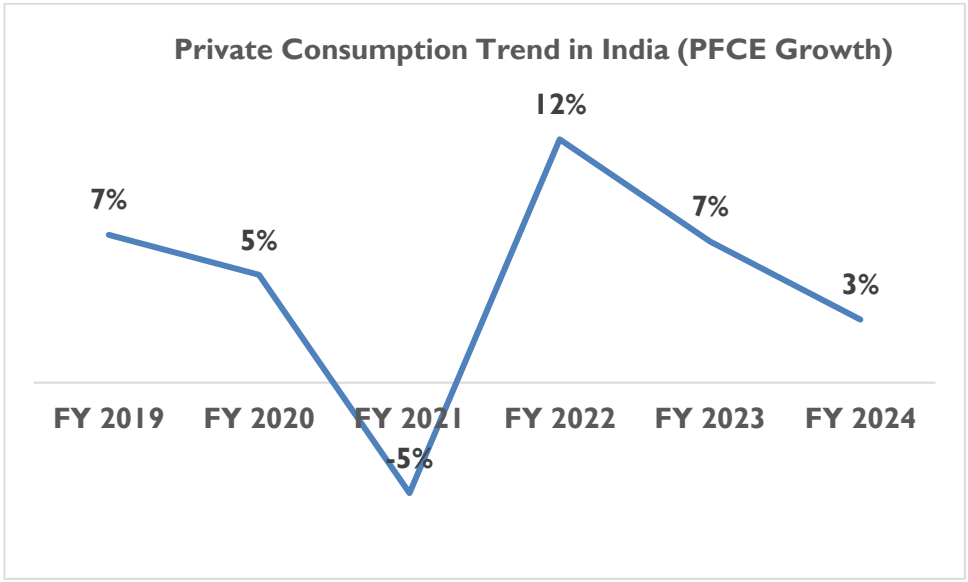
Source: Ministry of Statistics & Programme Implementation (MOSPI)

India's HSBC Services Purchasing Managers' Index**,** an important indicator to track service sector performance, increased to 61.4 in May 2024 from 60.8 in the previous month. Since August 2021, the services sector has consistently remained above the threshold of 50, which distinguishes growth from contraction.

Investment & Consumption Scenario

Other major indicators such as Gross fixed capital formation (GFCF), a measure of investments, gained strength during FY 2024 as it grew by 10% on y-o-y basis against 7% yearly growth in the previous fiscal, while GFCF to GDP ratio measured all time high settled higher at 34%.



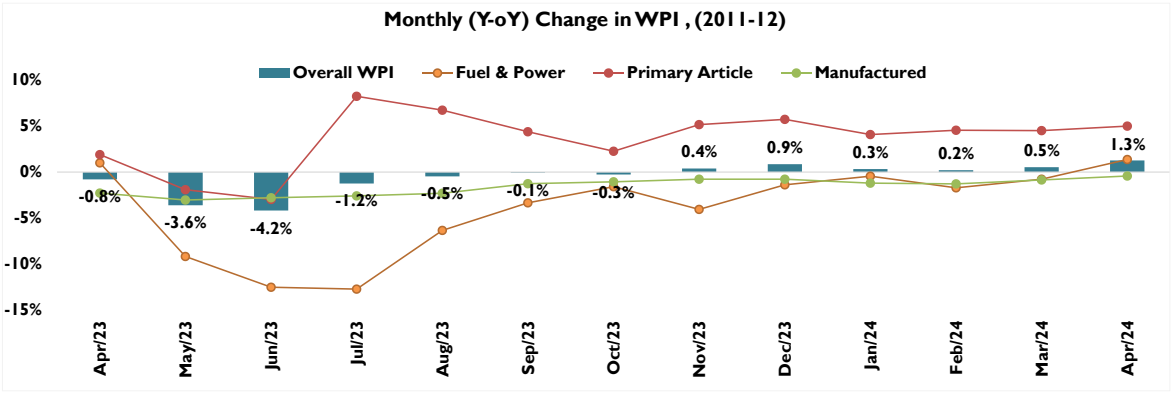


Sources: MOSPI

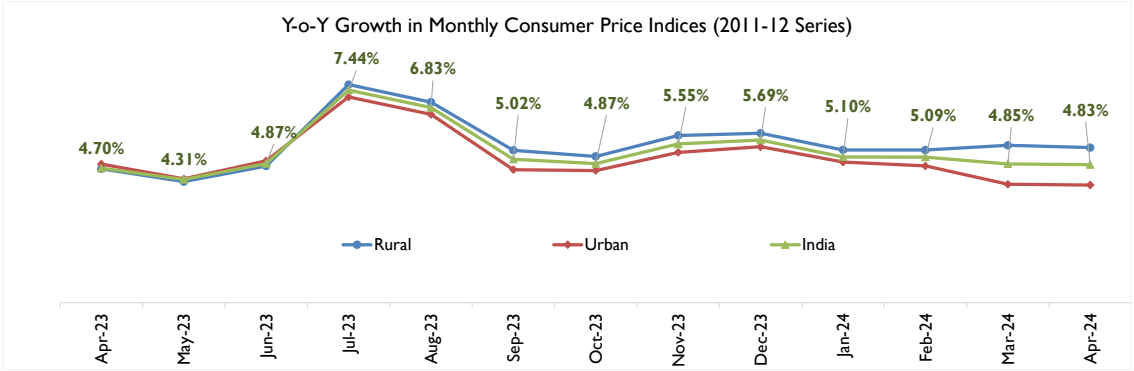
Private Final Expenditure (PFCE) a realistic proxy to gauge household spending, observed decelerated and registered 3.1% y-o-y growth in FY 2024 which is less than half of the previous year indicating sustained weakness in consumer spending.

Inflation Scenario

The inflation rate based on Wholesale Price Index (WPI) exhibited rose to1.3% in the month of April 2024 on the back of steady growth in the prices of primary article which grew by 5% in April 2024 on y-o-y bases. Increasing prices of food articles and energy prices contributed to increasing inflation.



Source: MOSPI, Office of Economic Advisor.



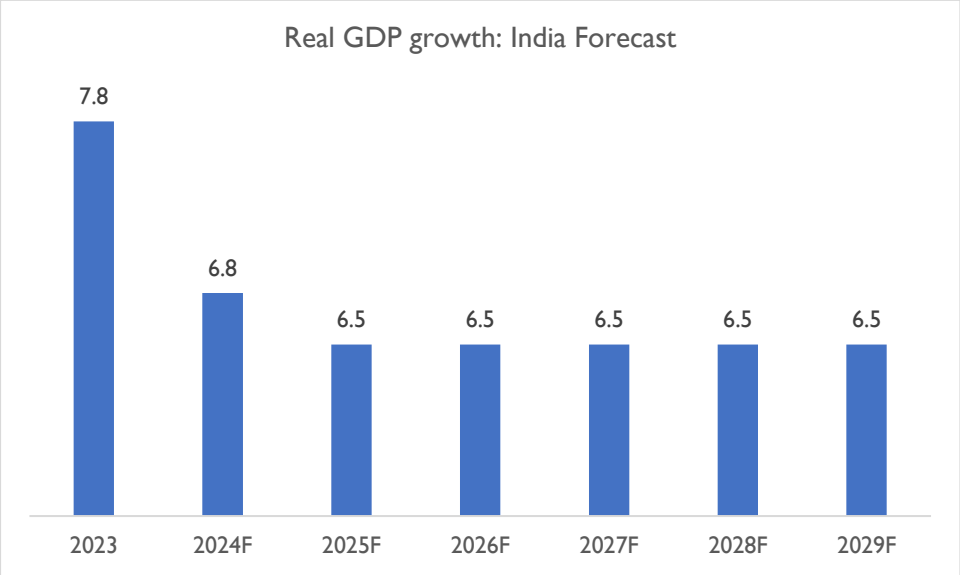
Source: CMIE Economic Outlook

Retail inflation rate (as measured by Consumer Price Index) eased to 4.83% in April 2024 as compared to 4.85% in March 2024. The CPI inflation for rural and urban for the month of April 2024 was 5.43% and 4.11% against 5.51% and 4.14% respectively in March 2024. Retail inflation moderated during FY 2024 after the peak of 7.4% in July 2023 and it fluctuated between 4.85%-6.83%.

CPI measured below 6% tolerance limit of the central bank since September 2023. As a part of anti-inflationary measure, the RBI has hiked the repo rate by 250 bps since May 2022 to current 6.5% while it has been holding the rate at 6.5% since 8 Feb 2023.

India's Economic Growth Outlook

Looking ahead to 2024, India's projected GDP growth of 6.8% in 2024 stands out as the fastest among major emerging markets, significantly outpacing China's 4.6% and Brazil's 2.2%. This robust growth trajectory is expected to sustain at 6.5% annually from 2025 to 2029, reflecting strong economic fundamentals and continued momentum.



Source: IMF

This decent growth momentum in near term (2024) is accompanied by a slowdown in inflation, as well as various other factors in the medium to long term that will support the economy. These include enhancements in physical infrastructure, advancements in digital and payment technology, improvements in the ease of doing business and a higher quality of fiscal expenditure to foster sustained growth.

On the demand side, improving employment conditions and moderating inflation are expected to stimulate household consumption. Further, the investment cycle is gaining traction, propelled by sustained government capital expenditure, increased capacity utilisation and rising credit flow. Additionally, there are positive signs of improvement in net external demand, as reflected in the narrowing merchandise trade deficit. Despite the supply disruptions, exports clocked positive y-o-y growth in December 2023 and January 2024.

From uplifting the underprivileged to energizing the nation's infrastructure development, the Government has outlined its vision to propel India's advancement and achieve a 'Viksit Bharat' by 2047 in the interim budget announced on1 st Feb 2024. Noteworthy positives in the budget include achieving a lower-than-targeted fiscal deficit for FY24 and setting a lower-than expected fiscal deficit target for FY25, proposing dedicated commodity corridors and port connectivity corridors, providing long-term financing at low or nil interest rates to the private sector to step up R&D in the sunrise sectors.

Achieving a reduced fiscal deficit of 5.8% in FY24 and projecting a lower than-anticipated fiscal deficit of 5.1% are positive credit outcomes for India. This showcases the country's capability to pursue a high-growth trajectory while adhering to the fiscal glide path. There has been a significant boost to capital expenditure for two consecutive years; capital expenditure – which is budgeted at 3.4% of GDP (INR 11.1 trillion/USD 134 bn) for 2024/25 – is at a 21-year high (3.3% of GDP in 2023/24). The enhancement of port connectivity, coupled with the establishment of dedicated commodity corridors (energy, mineral and cement), is poised to enhance manufacturing competitiveness. This strategic move aims to fulfil India's export targets and reduce logistics costs.

However, headwinds to external demand emanate from recession in key exporting partners - the UK and Germany (which collectively account for over 5% of India's export portfolio) - and the spiralling effect it will have on other European countries. Supply disruptions posed by the conflict in the Red Sea, leading to rerouting of shipments through Africa, are impacting sectors exposed to exports to Europe, running on thin margins, especially small businesses. Although headline inflation moderated to 5.1% in January 2024, a three-month low, volatility in crude prices and uncertainties about food inflation are likely to keep the central bank cautious in the near term.

India's optimistic economic outlook is underpinned by its demographic dividend, which brings a substantial workforce that boosts labor participation and productivity. The burgeoning middle class and urbanization contribute to increased domestic consumption, driven by rising incomes and purchasing power. Extensive investments in infrastructure, encompassing roads, railways, ports, and digital connectivity, are enhancing productivity and efficiency, with government initiatives like the Smart Cities Mission and PM Gati Shakti creating a conducive growth environment. This digital transformation, catalyzed by initiatives such as Digital India, is fostering a tech-driven economy marked by enhanced internet penetration, digital payments, and e-governance, thereby fueling growth in sectors like fintech, e-commerce, and digital services. The push to position India as a global manufacturing hub through Make in India and PLI schemes is further boosting industrial output, exports, and domestic production capabilities. Compared to other major emerging markets facing demographic and economic challenges, India's combination of demographic strengths, policy reforms, and strategic initiatives positions it as a standout performer and a significant driver of global economic growth in the foreseeable future.

Overview of Textile & Apparel Industry

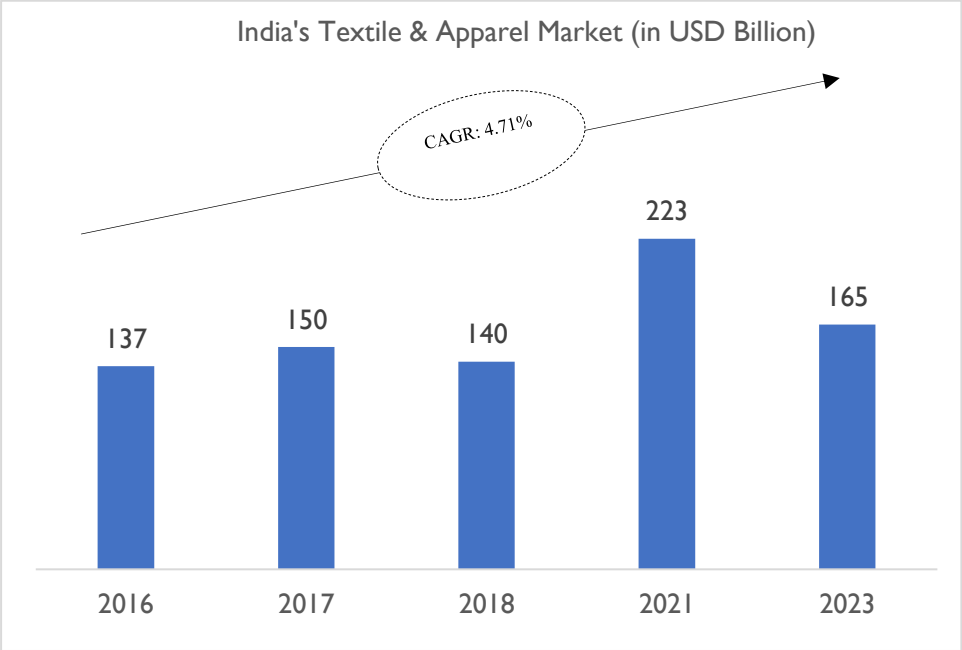
The textile and apparel market in India is one of the oldest industries in the country, with a rich heritage that spans centuries. Overall, the industry contributes around 2% to the country's GDP and accounts for 7% of industrial output in value terms. With a 4% share of the global textile and apparel trade, the sector is vital for India's export economy, making up 10.33% of the country's overall export basket during 2021-22. This sector is broadly divided into several segments including fibre and yarn, processed fabrics, garments, and technical textiles. The garment sector is divided into ready-made garments and customized tailoring

However, the industry is facing a significant downturn, exacerbated by sluggish domestic market conditions. Manufacturers are seeing lower-than-expected sales as consumer spending increasingly Favors food items, consumer electronics like mobiles and iPads, and vehicles over garments. This shift in consumer preferences is particularly challenging for overall garment market.

The spinning sector is struggling with high under-utilization due to reduced yarn imports from China and sluggish buying from weavers and knitters. The combined effect of reduced exports and lacklustre local consumption has compounded the industry's challenges. In response, initiatives such as the Production Linked Incentive (PLI) and PM Mitra schemes aim to attract investments in man-made fibres and technical textiles, to reduce import dependence over time.

Despite these setbacks, segments like the athleisure and sportswear market, have shown robust growth, doubling sales over the past two years. Additionally, the kid's wear segment has benefited from the increasing demand driven by the growing child population. However, the reliance on imported man-made fibres, particularly spandex fabrics from China, Vietnam, and Taiwan, continues to pose challenges.

Textile mills are also experiencing margin pressures, even as cotton prices stabilize around a two-year low. Adding to these difficulties, the industry is grappling with a significant rise in freight costs, up by 40% due to disruptions in the Red Sea region. This unexpected increase in transportation expenses raises concerns about its impact on operational costs and product pricing, particularly for the cost-sensitive ready-made garment market.



Source: IBEF report, D&B estimates

The Indian textile and apparel market size was estimated to be approximately USD 165 billion in 2023, with the domestic market accounting for USD 125 billion and exports contributing USD 40 billion. This growth is driven by increasing domestic demand, favourable government policies, and the rising preference for sustainable and ethically produced textiles, positioning India as a key player in the global textile industry.

Readymade Garment Industry in India

The ready-made garment (RMG) industry in India is a vital sector that significantly contributes to the country's economy. India is one of the largest consumers and producers of cotton, with the highest acreage of 12.5 million hectares, accounting for 38% of the global area under cotton cultivation. A substantial portion of its textile production is dedicated to the RMG sector. Key manufacturing states such as Andhra Pradesh, Telangana, Haryana, Jharkhand, and Gujarat play a pivotal role in this sector. Manufacturers focus on innovative designs, high-quality fabrics, and affordability to cater to evolving consumer preferences, including the rapidly growing kid's wear market.

India is a major player in the global textile and apparel market, being the second-largest producer of man-made fibre (MMF) after China and the third-largest exporter of textiles and apparel. In 2021-22, textiles and apparel, including handicrafts, accounted for 10.5% of India's total merchandise exports, with key markets in the USA, EU-27, and the UK. The RMG industry is a significant contributor to this success, and within this industry, the kid's wear segment is driven by rising disposable incomes, a growing child population, and increasing urbanization. Despite some fluctuations due to broader market factors, the kid's wear market continues to expand and evolve, reflecting the dynamic nature of India's textile and apparel industry.

Key product segments

The Indian readymade garment industry is a significant segment within the broader textile and apparel market. It encompasses a wide variety of products catering to diverse consumer needs both domestically and internationally. This report outlines the key product segments in the Indian readymade garment industry, highlighting their characteristics, market dynamics, and contributions to the economy

Product Segment	Overview
Men's Wear	The men's wear segment is a major component of the readymade garment industry, catering to various categories including formal wear, casual wear, ethnic wear, and sportswear. This segment includes *shirts, trousers, suits, blazers, t-shirts, jeans, shorts, and traditional attire such as kurta-pajamas and sherwanis.* The demand for men's wear is driven by a growing urban population, increasing disposable income, and evolving fashion trends. Formal wear and casual wear dominate the market, with a rising preference for branded apparel. Men's wear is a substantial contributor to the overall market size and plays a crucial role in driving sales in retail and export markets.
Women's Wear	Women's wear is a vibrant and dynamic segment, characterized by its wide range of products and significant contribution to the industry. This segment includes *sarees, salwar kameez, lehengas, kurtis, tops, dresses, skirts, jeans, and activewear, etc.* The women's wear market is influenced by cultural diversity, changing fashion trends, and increasing participation of women in the workforce. Ethnic wear remains a strong segment, while Western wear is gaining popularity. Women's wear is one of the largest segments in the readymade garment industry, driving both domestic consumption and exports, particularly in categories such as ethnic and fusion wear.
Kids' Wear	The kids' wear segment caters to the clothing needs of infants, toddlers, and children up to the age of 14. This segment includes *t-shirts, shorts, dresses, skirts, pants, school uniforms, and traditional attire for children.* The demand for kids' wear is driven by factors such as increasing birth rates, rising disposable incomes, and greater emphasis on child fashion. Parents are increasingly opting for branded and high-quality garments for their children. Kids' wear is a fast-growing segment, with significant potential for expansion in both urban and rural markets. It is a key focus area for retailers and brands looking to capture a younger demographic.
Activewear and Sportswear	This segment includes garments designed for physical activities and sports, catering to the growing demand for fitness and active lifestyles. *This segment includes t-shirts, track pants, shorts, leggings, sports bras, jackets, and specialized sports gear.* The activewear and sportswear market is expanding rapidly due to increasing health consciousness, the popularity of sports, and the athleisure trend. Technological advancements in fabric and design also drive this segment. Activewear and sportswear are significant growth areas within the readymade garment industry, attracting investment from both domestic and international brands.
Innerwear and Lingerie	The innerwear and lingerie segment caters to the intimate apparel needs of men, women, and children. This segment includes undergarments, vests, briefs, boxers, shapewear, and thermal wear. The innerwear market is

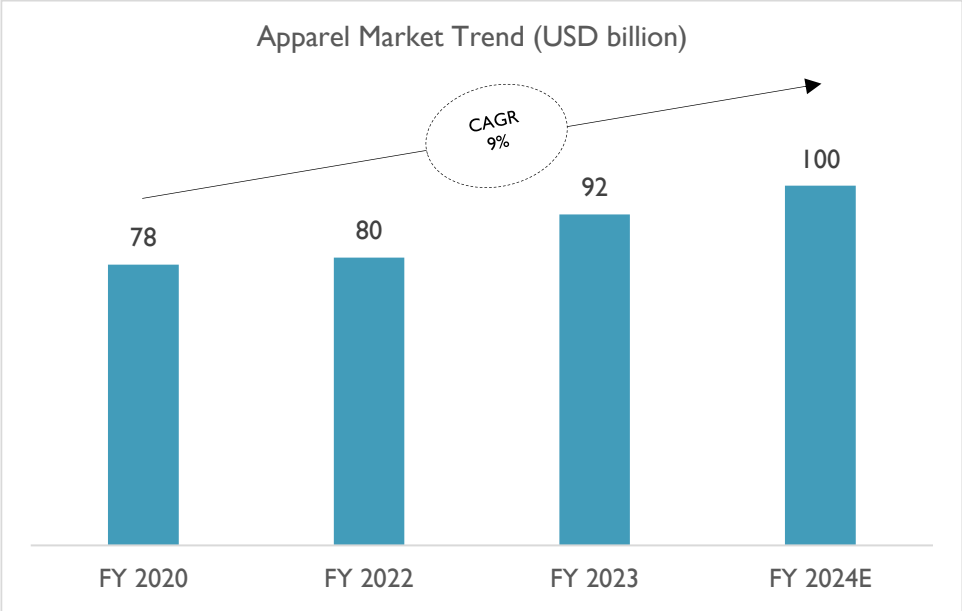
Product Segment	Overview
	evolving with increasing consumer awareness about comfort, quality, and fashion. There is a rising preference for branded innerwear, driven by changing lifestyles and improved retail experiences. Innerwear and lingerie are essential product segments that offer high margins and consistent demand, contributing significantly to the overall revenue of the readymade garment industry.
Denim Wear	Denim wear is a popular segment known for its versatility and wide consumer base across different age groups. *This segment includes jeans, jackets, shirts, skirts, and shorts.* Denim is a staple in wardrobes globally, with demand driven by its durability, style, and comfort. The segment benefits from continuous innovation in fabric technology and design. Denim wear is a key export product and a significant segment in the domestic market, contributing substantially to the revenue and growth of the readymade garment industry.

The Indian readymade garment industry is a diverse and dynamic sector, encompassing various product segments that cater to a wide range of consumer needs. Each segment plays a crucial role in the overall growth and development of the industry, driven by factors such as changing fashion trends, increasing disposable incomes, and evolving consumer preferences. The industry's ability to innovate and adapt to market demands ensures its continued significance in both domestic and global markets.

Demand Drivers

Domestic Demand Scenario

Readymade garment manufacturer makers will rely on domestic consumption (75% of the overall demand), which is expected to grow 6-8 percent in volume terms this fiscal. The Indian textile and apparel market for the fiscal year 2022-23 is valued at USD 165 billion. Of this, the domestic market accounts for a substantial 75%, amounting to USD 125 billion. Within the domestic market, the apparel segment is dominant, making up 74% of the market, which translates to USD 92 billion. Other significant segments include home textiles at USD 9 billion and technical textiles at USD 24 billion. Exports constitute the remaining 24% of the market, valued at USD 40 billion, with apparel exports at USD 16.5 billion and textile exports at USD 23.5 billion.
The apparel market has shown steady growth from FY 2020 to FY 2024. Starting at 78 billion USD in FY 2020, the market size increased to 80 billion USD in FY 2022, reached 92 billion USD in FY 2023, and is projected to hit 100 billion USD by FY 2024. This trend reflects a CAGR of 9%.



Source: Industry report, D&B Estimate

Several factors contribute to the steady growth observed in the apparel market. Rising disposable incomes have enabled consumers to increase their spending on apparel. Increasing fashion awareness and the desire to keep up with trends have fuelled demand. Additionally, the expansion of online retail platforms has facilitated easier access to a wide range of apparel options, further boosting market growth. This consistent upward trend highlights the robust potential and expanding nature of the apparel industry.

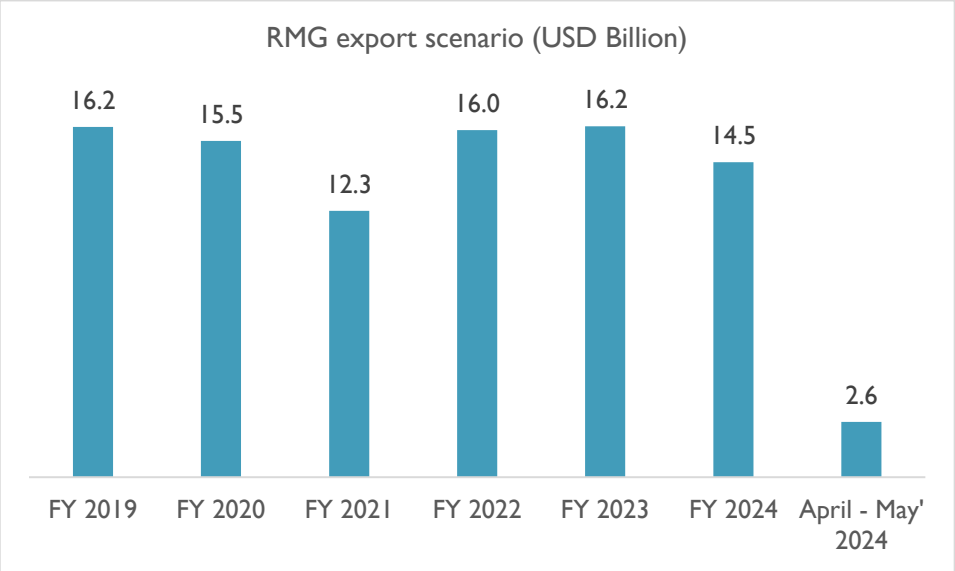
India's readymade garment sector continues to exhibit robust growth within the country's textile industry. The sector remains a significant contributor, driven majorly by domestic demand including kid's wear. Rising disposable incomes and evolving fashion preferences among Indian consumers have bolstered domestic consumption of kids' readymade garments and the overall RGM industry. Major manufacturing hubs are concentrated in cities such as Tirupur, Bengaluru, Mumbai, and Delhi-NCR, facilitating efficient production and distribution.

However, the sector faces challenges, including stiff competition from countries such as Bangladesh and Vietnam, as well as susceptibility to global economic fluctuations. To support growth, the Indian government has implemented initiatives aimed at promoting exports, upgrading technological capabilities, and fostering sustainable manufacturing practices. There is also a growing focus on integrating digital technologies to adapt to changing retail dynamics, particularly with the rise of e-commerce platforms in the market. the RMG industry, with a significant focus on the kid's wear segment, continues to be a vital and growing component of India's textile industry, driven by strong domestic demand and strategic government support.

Export Demand Scenario

India ranks as the sixth-largest exporter of textiles and apparel globally, bolstered by its extensive raw material and manufacturing base. In 2022-23, textiles and apparel accounted for 8.0% of India's total exports, with the country holding a 5% share of the global trade in these products. Despite significant logistics challenges, India achieved record-high exports of textiles and apparel, including handicrafts, totaling USD 35.58 billion in FY23.

Focusing on the ready-made garment (RMG) sector, exports reached USD 16.19 billion in FY23, reflecting a modest growth of 1.1% over 2021-22. In February 2024, RMG exports increased to USD 1.48 billion, up from USD 1.41 billion in February 2023. Within the RMG sector, the kid's wear market is particularly significant, accounting for nearly 50% of the total RMG exports. This substantial share is driven by rising global demand for high-quality, affordable children's clothing, which has positioned India as a key supplier in this segment.

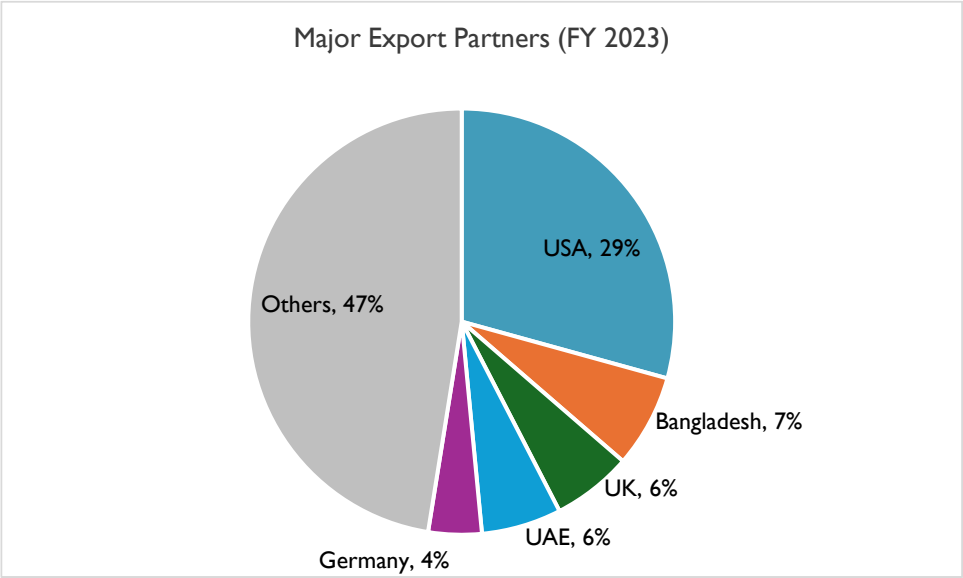


Source: AEPC Journal

From April 2023 to February 2024, exports of cotton fabrics and made ups stood at USD 10.58 billion. However, exports during 2022-23 saw declines in several categories: cotton textiles decreased by 28.45%, man-made textiles by 11.86%, and handicrafts by 19.13%. Despite these challenges, the kid's wear market within the RMG sector showed resilience and continued to drive export growth, highlighting the dynamic nature of India's textile and apparel industry. Overall, while the Indian textile and apparel industry faces challenges, the robust performance of the kid's wear segment within the RMG sector underscores its potential for continued growth and its vital role in the country's export landscape.

Trade Partners

India exports its textile and apparel products, including handlooms and handicrafts, to over 100 countries worldwide. Key export destinations include the USA, Bangladesh, UK, UAE, Germany, and others, with the USA being the largest importer, accounting for about one-fourth of India's total textile exports. In 2022-23, the USA remained the top export destination for Indian textiles and apparel, capturing a 29% share of overall exports, up from 24% in 2019-20.



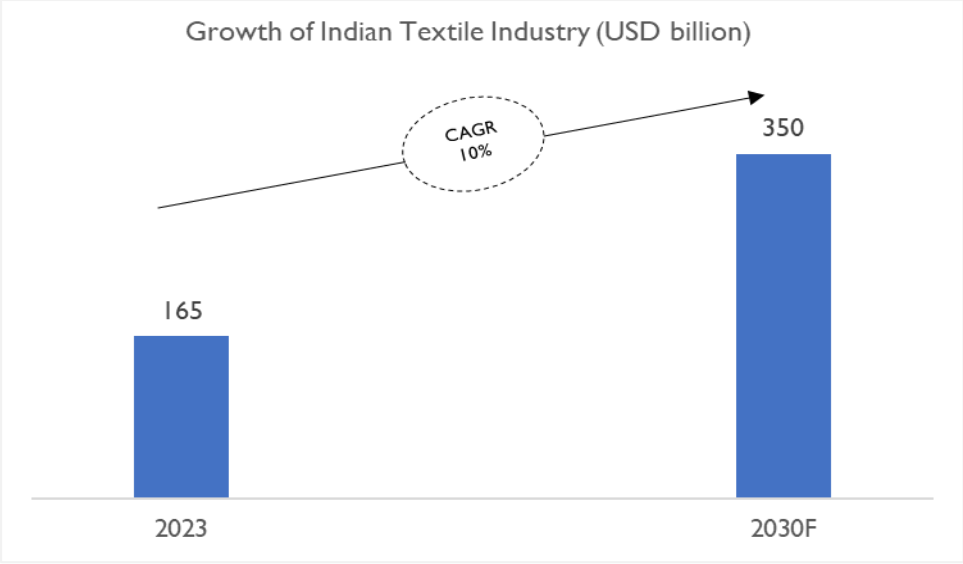
Source: Ministry of Commerce

The India-UAE Free Trade Agreement (FTA), effective from May 1, 2022, and ongoing negotiations for FTAs with the EU, Australia, UK, Canada, Israel, and other regions, are expected to further boost Indian textile and apparel exports by providing a competitive advantage. Additionally, India's consolidated Foreign Direct Investment (FDI) policy circular 2020 permits 100% FDI in single-brand retail trading and up to 51% FDI in multi-brand retail trading, subject to certain conditions. This policy continues to attract leading international retailers to source their garment and home textiles from India, enhancing interest from new export markets.

Growth Forecast

In 2023, the Indian textile industry faced significant challenges, including fluctuating cotton prices, declining demand, under-utilized capacity, and stiff competition from imported fabrics and garments from China and Bangladesh. Gurudas Aras, an independent director and strategic advisor, highlighted these issues and suggested measures for recovery in 2024. Major global markets, such as the US and EU, saw sharp declines in apparel imports, impacting Indian exporters. For instance, US apparel imports dropped by 21% to USD 6.5 billion in October 2023, and EU imports fell by 20% to USD 7.2 billion.

The global garment industry is contracting, with predictions of a continued decline in US garment imports by 25% to 30%. This trend is exacerbated by major US retailers reducing imports and maintaining minimal stock levels. Bangladesh's strategic import of cheap raw materials from China and its tax-exempt status as a least developed country have further strained Indian exports, which stagnated at around USD 16.5 billion, while Bangladesh's exports surged past USD 44 billion.



Source: IBEF

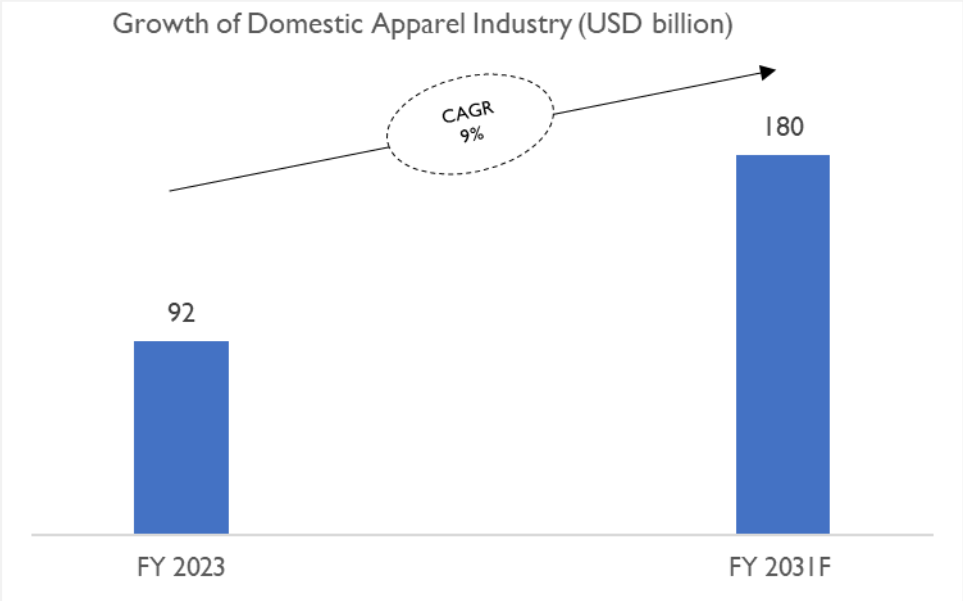
Despite these challenges, the Indian textile industry is on a growth trajectory, with its market size projected to nearly double from USD 165 billion in 2023 to USD 350 billion by 2030, reflecting a compound annual growth rate (CAGR) of 10%. Increasing disposable incomes and a growing middle class are driving demand for textile products, including kid's wear. This segment is particularly buoyed by changing fashion trends, a preference for branded items, and the expansion of e-commerce platforms. Government initiatives such as the Production Linked Incentive (PLI) scheme and PM Mitra are promoting modernization and enhancing global competitiveness.

Moreover, Strategic trade agreements and advancements in quality standards are improving India's position in international markets, supporting export growth alongside rising domestic consumption. Technological innovations and sustainable practices further enhance the industry's efficiency and quality. These factors position the Indian textile sector, including the kid's readymade garment market, as a robust engine of economic growth and global competitiveness.

Domestic Textile & Apparel Market Growth

The Indian textile and apparel industry is poised for substantial growth, with market size expected to increase from USD 125 billion in FY 2023 to USD 250 billion by FY 2031, reflecting a compound annual growth rate (CAGR) of 9%. This growth is driven by rising domestic demand, supported by increasing disposable incomes, evolving fashion trends, and government initiatives like the Production Linked Incentive (PLI) scheme and PM Mitra, which aim to attract investments and modernize the industry.

The rapid expansion of e-commerce has further fuelled this growth by making apparel more accessible, especially to the tech-savvy younger generation. Additionally, improved quality standards and strategic trade agreements are enhancing India's position in the global market. Technological advancements and sustainable practices are also boosting industry efficiency and competitiveness.



Source: Industry Sources, D&B Estimated

Within the domestic market, the apparel segment is a major growth driver. In FY 2023, it stood at USD 92 billion and is projected to reach USD 180 billion by FY 2031. This increase is largely attributed to rising disposable incomes and growing fashion awareness, including a significant focus on the kid's readymade garment market. The kid's wear segment, in particular, is experiencing robust growth with some fluctuation, driven by the rising child population and changing consumer preferences for high-quality, stylish, and affordable children's clothing. This segment's expansion underscores its vital role in the overall growth of the apparel sector.

Kids Garments Industry in India

The kids wear market in India is experiencing robust growth, driven by increasing disposable incomes, urbanization, and a rising population of young children. The market is characterized by a diverse range of products, catering to different age groups, styles, and price points. Modern parents, who are becoming increasingly affluent and fashion-conscious, are showing a growing demand for trendy outfits that not only mirror their aspirations but also reflect the unique personalities of their children. This shift is noticeable across various shopping areas, from the traditional lanes of Old Delhi to the bustling malls of Mumbai. Social media and images of celebrity kids in designer wear are shaping parents' purchasing decisions, with homegrown brands such as Gini & Jony competing against global giants such as H&M and Zara Kids. Eco-conscious parents are driving the demand for sustainable and organic clothing, while gender-neutral fashion is gaining traction, challenging traditional norms. However, the unorganized sector continues to offer budget-friendly alternatives, posing competition to branded players, and the industry struggles with the critical issue of sizing

standardization. Overall, the kids wear sector in India reflects the nation's evolving aspirations and values, balancing tradition with progress through diverse fashion choices, from ethnic wear to western styles, and sustainable fabrics to personalized designs, showcasing the dynamic changes in the country.

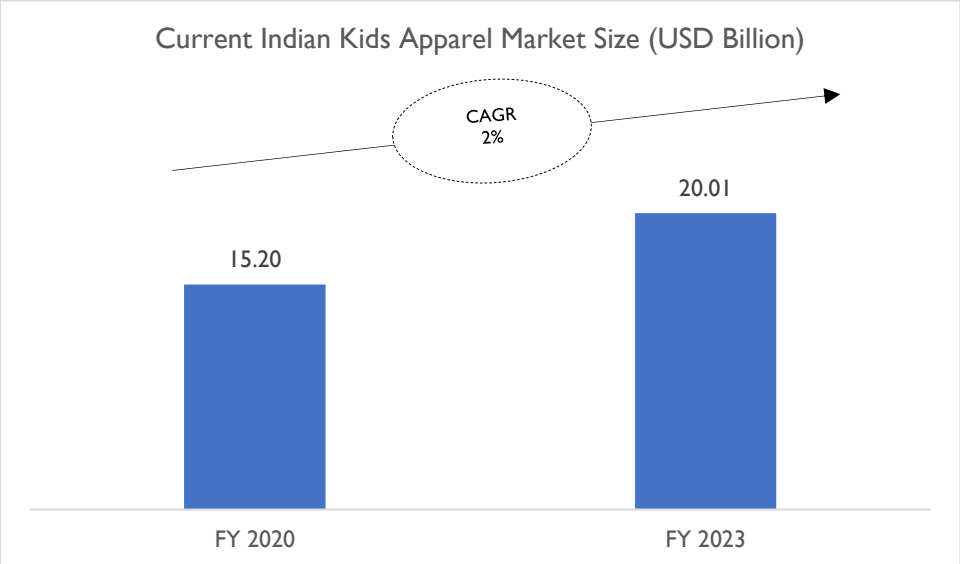
The kids wear market, a sub-sector of the broader apparel and fashion industry, focuses on clothing designed specifically for children, ranging from newborns to pre-teens. This market includes clothing tailored to the needs of various age groups—newborns, infants, toddlers, and kids—across segments such as casual wear, active wear, formal wear, and ethnic wear. In India, rising disposable incomes and the increasing influence of fashion trends have transformed parents into fashion-conscious consumers. Unlike in the past, when children's clothing was primarily functional, contemporary Indian parents now seek stylish, comprehensive outfits for their children. This shift has led to the emergence of numerous domestic and international brands, offering a diverse and stylish selection of children's clothing. The market has become highly competitive, with companies investing in marketing strategies and product innovation to stay ahead.

Current Market Scenario

The Indian kidswear market is experiencing a remarkable rebound post-pandemic, reflecting a dynamic recovery fueled by a young and rapidly growing population. The market's size surged from USD 15.20 billion in FY 2020 to USD 20.01 billion in FY 2023, marking a substantial growth of nearly 32% over three years. This robust increase highlights not only the sector's resilience but also its potential for continued expansion.

Several interconnected factors contribute to this impressive growth. Firstly, India's demographic profile with a significant proportion of young families and a high birth rate creates a steady and consistent demand for children's clothing. This demographic trend ensures a continuous market for kidswear, driven by both necessity and evolving consumer preferences.

Rising disposable incomes across urban and semi-urban areas have empowered families to spend more on premium and branded kidswear. As economic conditions improve, parents are increasingly willing to invest in high-quality and fashionable clothing for their children. This trend is further supported by the growing fashion awareness among children, influenced by media exposure, social media, and celebrity endorsements. Children today are more attuned to fashion trends and are influenced by global styles, driving demand for trendy and stylish apparel.



Source: Industry Articles, D&B Research Estimates

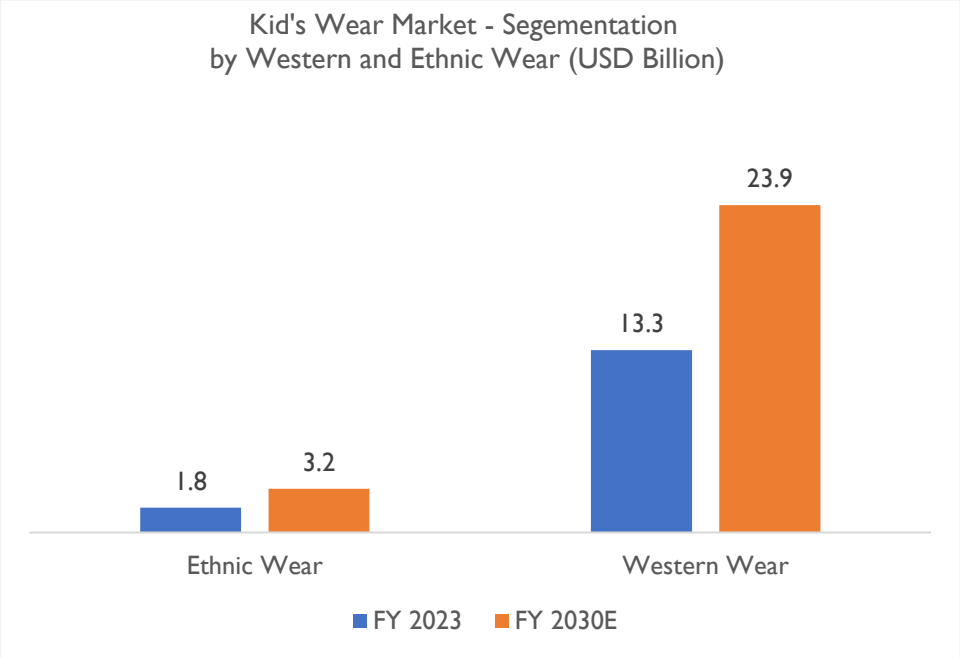
Urbanization has also contributed to the growth of the kidswear market. As more families move to urban areas, there is a shift towards convenience and ready-to-wear garments, which align with busy lifestyles and the preference for modern shopping experiences. This urban shift has led to an increased demand for fashionable, easy-to-maintain clothing that fits the fast-paced city life.

The market’s expansion is also supported by the growing presence of both online and offline retail channels. E-commerce platforms and D2C brands have revolutionized the way parents shop for kidswear, offering a wide variety of options, competitive pricing, and convenient shopping experiences. This shift towards online shopping, combined with the growth of brick-and-mortar stores in key urban centers, has broadened access to diverse and high-quality kidswear.

Looking ahead, the Indian kidswear market is poised for continued growth. As disposable incomes rise and fashion trends evolve, demand for high-quality, trendy kidswear is expected to sustain its upward trajectory. The sector's recovery from the challenges of the Covid-19 pandemic is solidifying, with promising prospects for sustained success and innovation in the coming years.

Market Segmentation

Within the market, Western wear dominates with a substantial market share, reaching USD13.3 billion in FY 2023 and expected to grow to USD 23.9 billion by FY 2030. Concurrently, ethnic wear, though smaller in size at USD 1.8 billion in FY 2023, is also expanding, projected to reach USD 3.2 billion by FY 2030. Both segments are growing at approximately 22-24% annually, suggesting a balanced market that caters to modern and traditional clothing preferences alike.



Source: Industry Articles, D&B Research Estimates

The disparity in market size between Western and ethnic wear underscores the prevailing preference for Western-style children's apparel in everyday fashion, while the robust growth rates in both segments highlight sustained consumer interest and purchasing power across diverse clothing categories. This data presents opportunities for brands to capitalize on evolving consumer trends and cultural preferences, positioning the kids apparel sector as a pivotal growth area within India's dynamic retail landscape.

Demand Drivers

Domestic Demand Scenario

The demand for kidswear in India is driven by a combination of demographic, economic, and cultural factors. A young and growing population ensures a steady and consistent demand for children's apparel, while rising disposable incomes allow families to spend more on quality and branded clothing. The influence of global fashion trends, amplified by media exposure and social media, has heightened fashion awareness among children, increasing the demand for trendy and stylish outfits. Urbanization has led to a preference for ready-to-wear garments that offer convenience and modernity. Additionally, the expansion of e-commerce and organized retail has made a wide range of kidswear more accessible, catering to the diverse needs of Indian consumers. These factors collectively contribute to the robust growth and dynamic nature of the kidswear market in India.

Rising Disposable Incomes and Working Parents:

The burgeoning middle class in India is a significant driver of growth for the readymade kidswear market. Industry reports predict a remarkable growth trajectory for this demographic segment, with the middle class expected to reach a massive 547 million by 2025. This translates to a massive pool of families with more disposable income at their disposal. This newfound financial flexibility has a profound impact on consumer spending patterns, particularly when it comes to their children.

Shifting Priorities and Evolving Needs

Previously, a significant portion of household income was allocated to fulfilling basic needs like food and shelter. However, with rising disposable income, families now have more freedom for discretionary spending. This shift in financial priorities translates to increased investment in their children's well-being, including their clothing. Gone are the days when functionality was the sole consideration. Parents are now seeking a balance between comfort, quality, and style when it comes to their children's wardrobes. This evolution in consumer preferences marks a notable departure from the past, reflecting broader societal changes and aspirations for a better quality of life.

The Rise of Brand Consciousness

The growing middle class is not just spending more but also becoming increasingly brand-conscious. Exposure to media and advertising has fueled a desire for branded clothing that is not only fashionable but also perceived as superior in quality and durability. This shift aligns perfectly with the rise of readymade kidswear brands offering a wider variety of styles and designs compared to traditional stitched clothes. As a result, brands that cater to the evolving tastes and preferences of this demographic are seeing substantial growth. The trend towards brand consciousness also indicates a broader cultural shift towards consumerism and the importance of social status and image, particularly in urban and semi-urban areas.

Beyond Functionality: The Value of Quality and Style

Previously, children's clothing might have been viewed as purely functional, with the primary concern being practicality and affordability. However, with rising disposable income, parents are placing a higher value on quality and style. They are more willing to invest in well-made garments that last longer and offer better comfort for their active children. Additionally, the desire to see their children dressed in trendy and fashionable clothes is a growing trend. This opens doors for brands that can offer a unique blend of comfort, quality, and style that resonates with the aspirations of this growing middle class. The focus on quality and style also reflects a broader shift towards a more consumer-driven economy, where product differentiation and brand value play critical roles in purchasing decisions.

A Win-Win Situation

The rise of the Indian middle class creates a win-win situation for both families and the kidswear industry. Families have the means to invest in the well-being of their children, while the kidswear industry experiences a surge in demand for its products. This trend is expected to continue in the coming years, creating a vibrant and dynamic market for readymade kidswear in India. The industry's growth is further supported by advancements in retail infrastructure, including the proliferation of organized retail formats and the rapid expansion of e-commerce platforms, which make branded kidswear more accessible to a wider audience.
In conclusion, the burgeoning middle class is a pivotal factor driving the expansion of the readymade kidswear market in India. As disposable incomes rise and consumer preferences evolve, the demand for high-quality, stylish, and branded kidswear is set to grow exponentially, offering significant opportunities for both established players and new entrants in the market.

Young Population: A Continuously Replenishing Demand

India's young population, with a significant portion (31%) below the age of 14, presents a unique advantage for the readymade kidswear market. This vast youth segment translates to a constantly replenishing demand for clothes, driven by several factors:

Rapid Growth Spurt

Children grow at a phenomenal pace, especially in their early years. This rapid growth cycle translates to frequent wardrobe updates. Clothes purchased last season might no longer fit by the next, necessitating parents to constantly replenish their child's wardrobe. This ongoing need for new clothes creates a steady demand for the kidswear market.

Seasonal Variations

In addition to growth spurts, seasonal changes also influence clothing needs. Summer calls for light and airy fabrics, while winter necessitates warmer garments. This seasonal requirement necessitates multiple wardrobe changes throughout the year, further driving demand for readymade kidswear.

Evolving Fashion Trends

The fashion industry is constantly evolving, and kidswear is no exception. New trends emerge each season, enticing parents to update their child's wardrobe with the latest styles. This desire to keep kids looking fashionable creates a dynamic market where fresh and trendy collections are in high demand.

Multiple Occasions

Kidswear caters to various occasions beyond everyday wear. Special events like birthdays, festivals, and school functions necessitate specific clothing choices. This creates a demand for occasion-specific wear, such as ethnic wear for festivals or party dresses for special events. Readymade garments offer a convenient and diverse range of options to suit these varied needs.

Increased Social Awareness

With growing social media influence, children are becoming more aware of fashion trends and brand consciousness at a younger age. This can lead to them requesting specific styles or brands, further fueling the demand for trendy and diverse kidswear options.
In essence, India's young population is a double-edged sword for the kidswear market. It guarantees a constantly replenishing customer base due to rapid growth and evolving needs. At the same time, it necessitates a dynamic and responsive industry that can cater to the ever-changing demands of fashion-conscious parents and their growing children. Brands that can effectively navigate these dynamics will be well-positioned to capitalize on this ever-evolving market.

Increasing Urbanization: Exposure to Trends and Brand Consciousness

India's urbanization rate is accelerating, with projections suggesting that 40% of the population will reside in urban areas by 2030[2].This shift towards urban living exposes families to diverse lifestyles and fashion trends. Urban families tend to be more brand-conscious and have a greater preference for readymade garments compared to traditional stitched clothes. This is due to factors like convenience, wider variety, and access to established brands in urban centers.

Exposure to Trends

Urban living exposes families to a wider range of media and social influences. This constant exposure to fashion trends, often through social media and advertising, creates a desire for trendy and stylish clothing for their children. Urban families are more likely to keep up with the latest fashion trends compared to their rural counterparts. Branded kidswear companies that cater to these trends with innovative designs and seasonal collections will find favor with this audience.

Brand Consciousness

Urbanization fosters a more brand-conscious consumer base. Easy access to shopping malls, branded stores, and online retailers exposes families to a diverse range of brands. This not only increases brand awareness but also influences purchase decisions. Parents in urban areas are more likely to associate specific brands with quality, design, and social status, making them more receptive to branded kidswear.

Convenience Factor

The fast-paced lifestyle of urban living often leaves parents with limited time. Readymade garments offer a convenient and time-saving solution compared to traditional methods of stitching clothes at home. Urban families are more likely to embrace the convenience of readymade options, especially when coupled with the wider variety and consistent quality offered by established brands.

Nuclear Families and Working Parents

The rise of nuclear families and dual-income households is a prominent feature of urban life. With both parents working, there's less time and energy available for traditional practices like stitching clothes. Readymade garments cater to this need, offering a readily available and diverse selection of clothing options.

Shifting Priorities

Urban families often have higher disposable incomes compared to their rural counterparts. This allows them to prioritize factors beyond just basic functionality when it comes to their children's clothes. Comfort, design, and brand value become more important considerations, creating a market for premium and well-established kidswear brands that cater to these evolving needs.
In conclusion, urbanization is a significant driver of the branded kidswear market in India. It exposes families to new trends, fosters brand consciousness, and creates a need for convenient and stylish clothing options. Brands that can effectively tap into these dynamics by offering trendy designs, high-quality materials, and convenient shopping experiences will be well-positioned to thrive in this growing urban market.

[2] *IBEF Urban Development in India*

The E-commerce Boom: Transforming Kidswear Shopping in India

The e-commerce boom has revolutionized kidswear shopping. Online platforms offer a vast selection, convenience, and competitive pricing. This caters to busy parents who appreciate the ease of shopping from home and the ability to compare prices across brands. Some of the ways by which online platforms are revolutionizing the market:

Convenience at Your Fingertips

Online shopping eliminates the need for time-consuming trips to physical stores. Busy parents can browse, compare, and purchase kidswear from the comfort of their homes, even during late hours or nap times. This flexibility is a major advantage, especially for parents with tight schedules.

Vast Selection and Global Reach

Online platforms offer a seemingly endless selection of kidswear brands, styles, and sizes. This surpasses the limitations of physical stores, allowing parents to access a wider variety of options, including international brands that might not be readily available in their local markets.

Competitive Pricing and Deals

Online retailers often offer competitive pricing and attractive deals to attract customers. This allows parents to compare prices across different brands and stores, potentially saving money on their purchases. Additionally, online platforms frequently host discount sales and offer coupon codes, further enhancing affordability.

Detailed Product Information and Reviews

Online platforms provide detailed information about products, including size charts, material descriptions, and high-resolution images. This allows parents to make informed decisions without physically examining the clothes. Additionally, customer reviews offer valuable insights into product quality, fit, and overall user experience.

Easy Returns and Exchange Policy

Most online retailers offer hassle-free return and exchange policies, addressing a major concern for parents buying clothes for children who grow rapidly. This flexibility allows them to exchange clothes for a different size or return them altogether if they are not satisfied with the purchase.

Time-Saving Features

Online shopping platforms offer features like filters and sorting options that help parents narrow down their search based on specific criteria like size, brand, price, and color. This saves them time and ensures they find exactly what they're looking for quickly and efficiently.

In conclusion, online shopping has become an indispensable tool for busy parents in India. The convenience, vast selection, competitive pricing, and time-saving features offered by online platforms are revolutionizing the kidswear market. As e-commerce continues to grow, online platforms are poised to play an even more significant role in shaping the future of kidswear shopping in India.

Increasing Organized Retail in the Kidswear Market

The emergence of organized retail and brand proliferation has significantly transformed the kidswear market in India. Traditionally, a large portion of kids' clothing was bought from local markets and small retailers. However, the advent of organized retail formats, including malls and branded stores, has revolutionized the shopping experience for consumers.

Curated and Consistent Selection*:*

Organized retail offers a more curated and consistent selection of products, providing better quality assurance and enhanced customer service. Malls and branded stores present a wide variety of kidswear options, making shopping more convenient and reliable.

Consumer Preferences

According to the industry reports, 47% of respondents prefer visiting malls or stores to try on clothes before purchasing, indicating a strong inclination towards in-store experiences. This preference underscores the importance of physical retail spaces in the kidswear market.

Hybrid Shopping Approach

While in-store shopping remains popular, 40% of households adopt a hybrid approach, balancing their clothing purchases between physical stores and online platforms. This trend highlights the growing importance of e-commerce while maintaining the relevance of traditional retail.

Trends in Retails

Varieties of products with different price points are available due to the proliferation of both domestic and international brands in the kids retail market. Brands such as Gini & Jony, First Cry and international have established a strong presence, offering a mix of affordability, quality, and style. This brand-centric approach aligns with the growing consumer awareness and preference for products that offer value beyond mere aesthetics.

Dominance of Western and Comfort Clothing Over Ethnic and Traditional

The Indian kidswear market has seen a significant shift towards Western and comfort clothing, overshadowing the demand for traditional and ethnic wear. This trend reflects broader societal changes and evolving consumer preferences, driven by various cultural and economic factors. As globalization and urbanization continue to shape the Indian lifestyle, the clothing choices for children are increasingly influenced by Western fashion trends, media exposure, and the conveniences offered by modern retail and e-commerce platforms. This shift is not just a superficial change in clothing styles but also signifies deeper transformations in lifestyle, values, and aspirations among Indian families.

Global Fashion Influence

The increasing exposure to Western fashion trends through digital platforms, social media, and international brands has significantly influenced the clothing choices for Indian children. Parents and children are more inclined towards adopting global fashion styles, which are often perceived as trendier and more modern.

Versatility and Convenience

Western clothing, such as T-shirts, shirts, jeans, and dresses, offers greater versatility and convenience compared to ethnic wear. These garments are easy to wear, maintain, and are suitable for a wide range of occasions, from casual outings to semi-formal events. This practicality makes Western clothing a preferred choice for everyday use.

Adaptability to Weather Conditions

These garments are suitable for various weather conditions across India, making them a practical choice for parents looking to dress their children comfortably throughout the year.

Urbanization and Lifestyle Changes

Rapid urbanization and changing lifestyles have contributed to the dominance of Western clothing. As more families move to urban areas, there is a growing preference for readymade, comfortable, and stylish outfits that align with the fast-paced city life. This shift has led to a decline in the regular use of traditional attire, which is often reserved for special occasions.

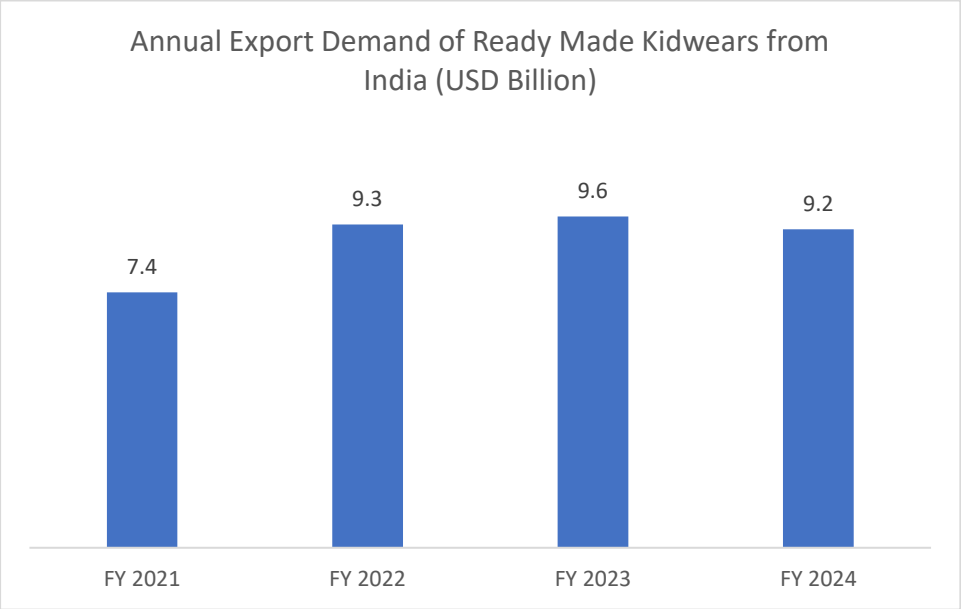
Media and Celebrity Influence

Media and celebrities play a crucial role in shaping fashion trends. The portrayal of Western clothing in movies, TV shows, and advertisements influences children's fashion preferences. Parents often seek to replicate the trendy looks seen on popular media figures, further driving the demand for Western apparel.
While traditional and ethnic wear remains important for cultural and religious occasions, the day-to-day dominance of Western and conform clothing in the Indian kidswear market is undeniable. This trend is expected to continue as urbanization progresses and global fashion influences persist.

Export demand Scenario

The export scenario for India's readymade kidswear market paints a picture of steady growth with promising potential. While domestic demand is surging, international markets are taking notice of the value proposition Indian manufacturers offer. The export demand for readymade kidswear from India has exhibited a gradual rise over the four fiscal years provided. It jumped from USD 7.4 Bn in FY 2021 to USD 9.6 Bn in FY 2023, showcasing a positive trajectory. A slight dip is observed in FY 2024 (USD 9.2 Bn)

compared to the peak in FY 2023. This could be due to various global economic factors or temporary fluctuations in international demand. However, the overall trend indicates space for further growth in the export market.



Source: Directorate General of Foreign Trade[3]

Indian readymade kidswear finds a ready market in several key regions around the world. The United States, Europe (particularly Germany, the United Kingdom, and France), and the Middle East are major destinations for Indian exports. These regions share a common thread: a high demand for quality and affordable kidswear. This demand perfectly aligns with the strengths of Indian manufacturers. They can offer high-quality garments at competitive prices due to factors like a skilled workforce and readily available raw materials. This value proposition makes Indian kidswear an attractive option for international buyers in these regions, solidifying India's position as a prominent player in the global kidswear export market.

Competitive Production Costs

India's cost-effectiveness is a major driver of its success in the global kidswear export market. A large pool of skilled yet affordable labor keeps production costs low compared to competitors. Furthermore, India's status as a major producer of cotton and other natural fibers used in kidswear eliminates dependence on expensive imports of raw materials. This easy access to a skilled workforce and readily available materials allows Indian manufacturers to offer high-quality kidswear at attractive prices, making them a compelling choice for international buyers.

Skilled Workforce and High-Quality Standards

India's well-established textile and garment industry boasts a significant advantage: a large pool of skilled workers. This experienced workforce translates to efficient production processes, minimizing wasted materials and maximizing output. Furthermore, these skilled workers are adept at meeting the stringent quality standards demanded by international markets. This ensures that Indian-made kidswear meets global benchmarks for safety, durability, and construction. This combination of efficiency and quality control allows Indian manufacturers to deliver high-quality garments at competitive prices, solidifying their position in the global kidswear export market.

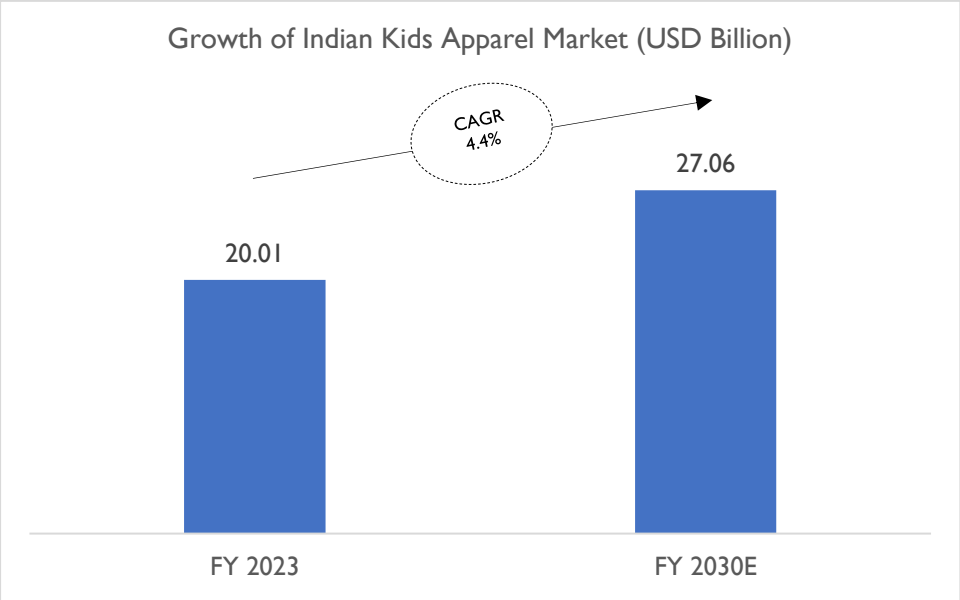
Government Support for Exporters:

The Indian government plays a crucial role in supporting the growth of kidswear exports. Initiatives like duty drawbacks offer partial or full refunds on customs duties paid for imported materials used in export garments. This directly reduces production costs for manufacturers, making their products more competitive in the international market. Additionally, the government has established dedicated textile parks. These parks provide essential infrastructure, resources, and streamlined processes specifically designed to support garment manufacturers. By reducing costs and simplifying export procedures, these government initiatives create a favourable environment that empowers Indian kidswear manufacturers to compete effectively on the global stage.

[3] HS Code 6111

Growth Forecast

Projections indicate a robust growth trajectory for the kids wear sector, with an anticipated faster expansion rate compared to the overall apparel market, at a CAGR of 4.4% between FY 2023 and 2030 reaching to USD 27.06 Billion. The kidswear market is undergoing a significant transformation, driven by a confluence of factors. Its rapid expansion, outpacing the broader apparel industry, is a testament to the increasing disposable incomes, changing lifestyle trends, and growing emphasis on children's fashion.



Source: Industry Articles, D&B Research Estimates

Within the kids wear segment, western wear holds a majority share, currently accounting for 88% of the market, and is expected to maintain this share while growing at an 8.7% CAGR between FY 2023 and FY 2030.The pronounced preference for western wear within the segment is a reflection of the global influence on children's fashion. This trend is likely to persist, propelled by the media's portrayal of western styles and the aspiration of parents to provide their children with trendy outfits.
The burgeoning organized retail sector in kidswear signifies a paradigm shift in consumer behavior. Parents are increasingly opting for branded products, drawn to the assurance of quality, design, and safety standards associated with established brands. Moreover, the convenience and organized shopping experience offered by these retail formats are major contributing factors. As the organized sector expands, it is likely to exert significant pressure on the unorganized players, leading to a more competitive landscape. The projected CAGR of 12.6% for the organized segment between FY 2023 and 2025 presents substantial growth opportunities for retailers and brands. Expanding their retail footprint, introducing innovative product lines, and leveraging digital platforms will be key strategies to capitalize on this growth. Additionally, there's potential for niche players to cater to specific segments, such as eco-friendly or premium kidswear, to carve out a distinct market position.

Regulatory Landscape

The textile industry has consistently received significant government focus due to its positive impact on employment and the substantial foreign exchange it generates through exports. This special attention is evident through the introduction and amendment of various acts, policies, and schemes over time. These measures were implemented to foster the growth of a robust manufacturing infrastructure and encourage the export of textile products.
The government also initiated schemes such as Amended Technology Upgradation Fund Scheme (ATUFS), Scheme for Integrated Textile Parks (SITP), Integrated Skill Development Scheme (ISDS), supply of power and energy at subsidized rates, setting up Integrated Textile Parks, sops on export, and benefits under scheme of Fund for Regeneration of Traditional Industries (Khadi, village and coir industries).

ATUF Scheme

The "Amended Technology Upgradation Fund Scheme (ATUFS)" was introduced to replace the existing Revised Restructured Technology Upgradation Fund Scheme (RR-TUFS). The Ministry of Textiles implemented Amended Technology Upgradation Fund Scheme (ATUFS) with effect from 13.01.2016, for a period of seven years. To incentivize production the government is implementing this scheme with an outlay of INR 178.22 billion during 2016-2022 and it is expected to attract investment of INR 1 trillion and generate 35.62 lakhs employment in the textile sector by 2022.

The Ministry of Textiles (MoT) may introduce a new programme to replace the Amended Technology Upgradation Fund (ATUF) scheme, which was set to expire on March 31, 2022. The new scheme, likely to be Textile Technology Development scheme, will come with an outlay of about Rs. 16,600 crore for the next five years. MoT has proposed investment and value-addition-linked incentives under this scheme. Incentives for technology transfer in case of joint ventures by foreign manufacturers, and support for research and development and commercialization, are also likely to figure in the planned scheme.

Scheme for Integrated Textile Park (SITP)

The Scheme for Integrated Textile Parks (SITP) was launched in 2005 to encourage private investments and employment generation in textile sector by facilitating excellent infrastructure for common facilities. The facilities included roads, water supply treatment and distribution network, power generation and distribution network, effluent collection treatment and disposal system, design centre, warehouse, first aid centre, etc.
So far, out of the 54 Textiles parks that have been approved across the country, 31 parks have been completed while 23 are at various stages of completion.

Export Promotion Capital Goods (EPCG) scheme

The scheme facilitates the import of capital goods, including equipment for pre-production, production, and post-production, with no duty for specified industries and concessional customs duties ranging from 3% to 11% for most sectors. Certain select industries benefit from full customs duty concessions under this scheme, aimed at enhancing industrial competitiveness through subsidized importation of essential manufacturing equipment. With the help of concessional duty of 3% EPCG Scheme allows the manufacturers import of capital goods at 3% customs duty. The requirements of exports compulsion to be fulfilled are equal to 6 times of duty amount saved on the capital goods imported under EPCG scheme. The export compulsion/ obligation needs to be satisfied in 8 years estimated from Authorization-issue date.

SAMARTH (Scheme for Capacity Building in Textile and Apparel Sector)

This aim is to provide demand-driven, placement-oriented skilling program to incentivize the efforts of the industry in creating jobs. A total of 184 courses aligned with National Skill Qualification Framework (NSQF) have been adopted under the scheme across various textile segments covering traditional sector such as Handloom/ Handicrafts to conventional sector such as Garmenting to advanced sector such as Technical Textiles.

Atmanirbhar Bharat packages

To support economic revival post COVID-19, the government in May 2020 announced first stimulus package. The first economic stimulus of INR 20 trillion was announced on 13th May 2020 and subsequent two more Atmanirbhar Bharat packages of INR 730 billion on 12th October 2020 and INR 2.65 trillion was announced on 12th November 2020, bringing the total stimulus package at INR 29.87 trillion. The domestic textile manufacturing is expected to benefit from the government measure to promote an Atmanirbhar Bharat, or self-reliant India. Various other policy decision such as **Production linked incentive for 13 key sectors including textiles**, changing the definition of MSMEs and encouraging the scope for private participation have been introduced as a part of Atmanirbhar Bharat package which will have a favorable impact on textile manufacturing companies too.

Mega Textile Parks

The Government in Union Budget 2022-23 had announced a plan to set up 7 mega textile parks, under the PM MITRA (PM-Mega Integrated Textile Region and Apparel) scheme. The scheme comes with a total budgetary outlay of INR 4,445 Crore, however, the initial allocation in the Budget 2023-24 is only Rs 200 crore. These parks will be set up by 2026-27 and are expected to generate 20 lakh employment opportunities. As per the Government notification, the proposed seven parks are set to come up in Tamil Nadu, Telangana, Gujarat, Karnataka, Madhya Pradesh, Uttar Pradesh and Maharashtra and will help in creating world-class industrial infrastructure that would attract large scale investment including foreign direct investment (FDI) and encourage innovation and job creation within the sector. Each of these parks will be having facilitates to create an integrated textile manufacturing value chain from spinning, weaving to garment manufacturing.

For a greenfield project, the Government of India would provide a development capital support of 30% of the project cost (with a cap of INR 500 Crore). For a brownfield project, the capital cost of 30% would be on the project cost incurred to set up additional infrastructure & facilities (with a upper cap of INR 200 Crore). In addition to this development capital support, the PM MITRA scheme also has a competitiveness incentive support (CIS) of INR 300 Crore to each of the parks. These parks would be developed by a special purpose vehicle (SPV) which would be owned by the state government (state where the respective park would come up) and the Government of India.

Production Linked Incentive (PLI) Scheme

The Government launched the Textile PLI (Production Linked Incentive) Scheme 2.0 as a part of the Atmanirbhar Bharat Abhiyan (Self-Reliant India Campaign) to boost the country's textile manufacturing sector and make it globally competitive. The scheme has a financial outlay of INR 10,683 Crore and would run from FY 2025 – 29 period. The objective is to attract investment into 40 MMF apparel products, 14 MMF fabric products and 10 types of technical textiles. The scheme has two parts, each with its own distinct eligibility criteria and incentive structure. In both the parts, incentive rate would be tied to the annual incremental revenue during FY 2025-30 period.

Competitive Landscape

The children's apparel market in India is rapidly growing, driven by increasing disposable incomes and the influence of global culture. There is a notable shift towards branded clothing, with children becoming more independent consumers influenced by media and peers. Brands such as Gini and Jony are responding with colorful collections, while partnerships with entertainment giants are introducing beloved characters into clothing lines. Retail expansion and a shift towards fashionable, yet affordable clothing underscore the industry's efforts to capitalize on this expanding market.

The children's wear market in India showcases a variety of brands employing distinct distribution strategies. Brands such as Eteenz and Zero Babywear predominantly rely on Multi-Brand Outlets (MBOs), Large Format Stores (LFS), and online marketplaces. They have limited presence in Exclusive Brand Outlets (EBOs), with a significant portion of their sales stemming from traditional channels such as family stores and local kids' wear shops.

On the other hand, well-established players such as Mothercare, Me n Moms, and Gini & Jony adopt a comprehensive multi-channel approach. They utilize a blend of traditional and modern distribution channels such as LFS, Exclusive Brand Outlets, and E-commerce platforms. This diversified presence across various formats helps these brands to enhance brand visibility, cater to diverse consumer preferences, and maintain an aspirational appeal.

In contrast, newer entrants such as Hopscotch and Ed-a-Mama have embraced a digital-first strategy. Operating exclusively online, these brands have gained traction, especially in the post-COVID-19 era, where online retail has surged. It is anticipated that online channels will play a crucial role, potentially accounting for around 15% of fashion retail sales in India by the fiscal year 2025. This shift underscores the evolving landscape of children's apparel retail, driven by changing consumer behaviors and technological advancements.

Key factors shaping competition in the Indian kidswear market.

Increasing Disposable Income: Rising disposable incomes among Indian households have significantly influenced spending patterns, with parents increasingly willing to invest in premium and fashionable clothing for their children. This trend has spurred demand for higher-quality fabrics, innovative designs, and branded apparel, driving competition among brands to offer superior products that justify higher price points.

Rising Fashion Consciousness: Modern parents are becoming more fashion-conscious, seeking clothing that not only meets functional needs but also reflects current trends and their personal styles. Brands must continuously innovate in terms of designs, colors, patterns, and themes to stay relevant and appealing. This necessitates quick adaptation to changing fashion trends and consumer preferences, intensifying competition.

Brand Reputation and Trust: Established brands with a reputation for reliability, quality, and safety hold a competitive edge in the market. Building and maintaining trust is critical. Brands invest in rigorous quality control measures, sustainable practices, and certifications that assure parents of the safety and durability of their products. Customer loyalty programs and positive word-of-mouth also play crucial roles in brand differentiation and market positioning.

Innovative Designs and Themes: The market rewards brands that offer unique and creative designs that resonate with both parents and children. Brands invest in research and development to introduce innovative fabrics, eco-friendly materials, customizable options, and themed collections (seasonal or character-based themes). This creativity not only attracts consumers but also fosters brand loyalty and differentiation.

Retail Expansion and Omnichannel Presence: The growth of organized retail, including malls, hypermarkets, and e-commerce platforms, has increased accessibility to kids wear products. Brands expand their distribution networks and enhance their online presence to reach a broader audience. Effective omnichannel strategies that integrate physical stores with digital platforms offer convenience and cater to diverse consumer preferences, thereby intensifying competition.

Price Sensitivity and Value Proposition: While quality remains paramount, price sensitivity among Indian consumers necessitates competitive pricing strategies. Brands focus on offering value for money by balancing quality with affordability. Pricing strategies may include periodic discounts, bundle offers, and loyalty programs to attract and retain price-sensitive consumers without compromising brand integrity or profitability.

Market Dynamics: India's children's wear market is influenced by several key factors driving growth. With children aged 0-14 years constituting approximately 26% of the population, there is a substantial demand for clothing catering to this demographic. Additionally, higher disposable incomes and evolving lifestyles are prompting parents to invest more in fashionable, branded apparel for their children. The convenience of online shopping has also reshaped consumer behavior, particularly appealing to busy millennial parents seeking diverse product ranges and competitive pricing from home.

Consumer Behavior Trends: In the children's wear market, consumer buying behavior varies significantly based on the purpose of purchase. Gift-giving traditions during occasions such as birthdays and festivals drive sales, attracting budget-conscious buyers. Conversely, when shopping for their own children, parents prioritize high-quality clothing over price. Coordinated clothing sets are favored for their convenience and cost-efficiency, particularly as gifting options.

Emerging Trends: Theme-based clothing featuring popular cartoons, movies, and TV shows has become integral to the children's wear market, influenced by children's preferences and "pester power." Sustainability is another growing trend, with eco-conscious parents opting for natural fibers such as cotton and linen, avoiding synthetic materials. Gender-neutral fashion is gaining prominence, reflecting a broader societal shift towards inclusivity and individual expression. Luxury and designer children's wear are also on the rise, driven by middle-class aspirations and celebrity influences, while 'mini-me' outfits are increasingly popular, fostering familial bonding through coordinated fashion.

Brand and Marketing Strategies: Premium children's wear brands in India are implementing integrated strategies to enhance consumer experience and ensure sustained growth. These brands prioritize attractive product packaging and design, emphasizing quality and luxury to appeal to discerning parents and children. Simultaneously, effective marketing campaigns leveraging digital platforms, social media, and influencer collaborations are crucial for brand visibility and engagement. By creating compelling content and targeted promotions, these brands enhance brand recall and drive sales, establishing a competitive advantage in the dynamic children's wear market.

Key Players Profiling

FirstCry - BrainBees Solutions Pvt. Ltd.

FirstCry is a leading player in the Indian kids wear market, catering comprehensively to the needs of newborns, infants, toddlers, and older children. Established in 2010, FirstCry has built a robust online platform and a network of offline stores across India. The brand offers a wide range of products including clothing, footwear, accessories, toys, and baby care essentials.
Establishment year: November 2010
Presence: As of June 2023, FirstCry has over 900 FirstCry and BabyHug stores across India.

Key Strengths
- Omni-channel Presence: FirstCry operates a seamless omnichannel retail model, integrating over 300 stores with its online platform, ensuring convenience and accessibility for customers.
- Private Label Offerings: It has successfully launched several private label brands across categories, ensuring a diverse product range and maintaining competitive pricing.
- Customer Loyalty: FirstCry's strong customer loyalty programs and personalized marketing strategies enhance brand retention and consumer engagement.

Products Portfolio
FirstCry offers a wide array of products catering to families' needs, including clothing for newborns to kids, footwear, toys like educational items and dolls, essential baby gear such as strollers and car seats, feeding and nursing supplies, bath and skincare products, nursery furniture and décor, and maternity wear. They prioritize convenience and quality across their extensive online and physical store presence in India.

Gini & Jony - Gini & Jony Limited

Gini & Jony has established itself as a prominent brand in the Indian kids wear segment since its inception in 1980. The brand focuses on blending style with comfort, offering a wide array of casual and formal clothing options for children.
Establishment year: founded in 1980, and incorporated in 1994
Presence: The company has manufacturing facilities in Kolkata and Baddi and over 250 stores across 140 Indian cities.

Key Strengths
- Design Innovation: Known for its trendy designs and vibrant color palettes, Gini & Jony consistently introduces new collections that resonate with both parents and children.

- Retail Presence: The brand operates through a mix of exclusive brand outlets (EBOs) and multi-brand outlets (MBOs) across India, ensuring widespread accessibility.
- Brand Equity: Gini & Jony has built a strong brand equity based on reliability, quality, and customer trust, which has contributed to its sustained growth and market leadership.

Product Portfolio

Gini & Jony is renowned for its diverse range of children's apparel and accessories, covering newborns to teenagers. Their offerings include casual wear, party wear, ethnic attire, and sleepwear, ensuring comfort and style for all occasions. The brand also provides a variety of footwear options tailored for different age groups. Gini & Jony's commitment to quality and trendy designs makes it a preferred choice among parents seeking fashionable clothing for their children across India.

Nauti Nati (Omega Designs Pvt Ltd)

Nauti Nati is a popular kid's wear brand headquartered in New Delhi, known for its chic and playful clothing collections. The brand caters to infants, toddlers, and young children, focusing on vibrant colors, trendy designs, and comfortable fabrics. Nauti Nati's retail footprint includes exclusive brand outlets and partnerships with leading multi-brand retailers across India. In the year 2022 Nauti Nati was acquired by Aditya Birla Fashion & Retail Limited (ABFRL) and the brand Nauti Nati comes under ABFRL's subsidiary, TMRW.
Establishment year: 2009, New Delhi

Presence: Nauti Nati has a strong presence across India with exclusive brand outlets and a wide distribution network through multi-brand retailers. The brand's products are available in major cities and tiered towns, ensuring widespread accessibility to its collections.

Key Strengths

- Fashion-forward Designs: Nauti Nati is known for its vibrant colors, stylish patterns, and age-appropriate designs that appeal to both children and parents.
- Quality Fabrics: The brand emphasizes high-quality materials and meticulous craftsmanship, ensuring comfort and durability in their products.
- Wide Distribution Network: With a strong presence across India, including exclusive brand outlets and partnerships with multi-brand retailers, Nauti Nati ensures widespread accessibility to its diverse collections.
- Customer-Centric Approach: Nauti Nati's commitment to understanding and meeting the evolving fashion preferences of young consumers and their parents enhances its brand loyalty and market competitiveness.
- Ethical Practices: The brand adheres to ethical business practices, contributing to its reputation for reliability and trustworthiness among consumers and stakeholders.

Product Portfolio

Nauti Nati specializes in trendy kids wear. Their offerings include playful apparel like dresses, tops, bottoms, and coordinated sets for children up to 10 years old. They also provide matching accessories such as hairbands, socks, and hats. Additionally, Nauti Nati offers stylish occasion wear tailored for festive events and celebrations, emphasizing current fashion trends. With a focus on quality and widespread availability through exclusive outlets and multi-brand retailers across India, Nauti Nati caters effectively to fashion-conscious parents and their children.

Allen Solly Kids (Madura Fashion & Lifestyle)

Allen Solly Kids originally established comes under the Madura Fashion & Lifestyle brands, a division of Aditya Birla Fashion & Retail Limited, and is a distinguished brand in the children's apparel market. As part of the larger Allen Solly family, known for its premium fashion offerings, Allen Solly Kids focuses on delivering stylish and high-quality clothing for children. The brand has established itself as a leading choice for families seeking contemporary and comfortable apparel, leveraging the extensive retail and fashion expertise of its parent company. Allen Solly caters to customers through online channels like Myntra, Flipkart, Ajio, and their website, and has offline stores across India.
Establishment year: 1744, England (Later bought by Madura Garment which got acquired by ABFRL 2001)

Key Strengths

- Premium Quality Materials: Allen Solly Kids is known for using high-quality fabrics, ensuring that their clothing is durable, comfortable, and long-lasting.
- Fashion-Forward Designs: The brand blends contemporary, stylish designs with practicality, offering trendy and comfortable apparel that appeals to both children and their parents.
- Established Brand Trust: Leveraging the strong reputation of the Allen Solly name, Allen Solly Kids benefits from a legacy of quality and fashion, which bolsters consumer confidence and loyalty.
- Comprehensive Product Range: The extensive collection includes everyday wear, seasonal items, and special occasion outfits, meeting a wide array of needs and preferences in the children's apparel market.

- Robust Retail and Online Presence: Allen Solly Kids' availability in physical stores and through online platforms ensures convenient access for customers, enhancing their shopping experience.
- Commitment to Comfort and Practicality: The brand focuses on creating clothing that is not only stylish but also designed for comfort and functionality, making it suitable for daily wear.

Product Portfolio

Allen Solly Kids offers a diverse range of clothing designed for various age groups, including everyday wear and special occasion outfits. The product line features stylish t-shirts, shirts, trousers, dresses, skirts, and shorts, crafted from high-quality fabrics for durability and comfort. The brand emphasizes modern designs and vibrant colors, ensuring that children not only look fashionable but also enjoy comfort and practicality in their daily wear. Available through both physical stores and online platforms, Allen Solly Kids caters to contemporary fashion needs with a focus on quality and trendiness.

U.S. Polo Assn. (United States Polo Association (USPA))

U.S. Polo Assn. is the official brand of the United States Polo Association (USPA), established in 1890 and recognized as one of the oldest sport's governing bodies. With a multi-billion-dollar global footprint, U.S. Polo Assn. operates in over 190 countries. In India, the brand has a significant presence with more than 356 locations through retail stores, including major chains like Megamart, independent retailers, and e-commerce platforms, ensuring broad accessibility and reach. Arvind Fashions Limited is the official licensee and business partner for U.S. Polo Assn. in India. This partnership allows Arvind to manage the brand's operations, including retail, distribution, and marketing within the Indian market. Arvind Fashions' extensive network and expertise contribute to the success and growth of U.S. Polo Assn. in India.
Establishment year: 1890, United States

Key Strengths

- Established Brand Legacy: As a brand affiliated with the prestigious USPA, U.S. Polo Assn. leverages a rich heritage and reputation for quality and style.
- Extensive Global Presence: The brand's wide reach across 190 countries and over 356 locations in India enhances its market penetration and consumer accessibility.
- Focused Kids' Apparel: U.S. Polo Assn. excels in providing a diverse range of fashionable and comfortable children's clothing, blending classic polo style with modern trends.
- Versatile Product Range: The brand offers a comprehensive selection of kids' wear, including everyday essentials, sportswear, and accessories, meeting various needs and preferences.
- Strong Retail Network: With a robust presence in major retail chains, independent stores, and online platforms, U.S. Polo Assn. ensures broad distribution and availability.

Product Portfolio

U.S. Polo Assn. offers a diverse range of products, with a strong emphasis on children's apparel. The kids' segment features stylish and comfortable clothing, including casual wear, sportswear, and accessories. The collection integrates classic polo-inspired design with contemporary trends, providing practical and fashionable options for children. From everyday outfits to special occasion attire, U.S. Polo Assn. caters to young customers with high-quality, trendsetting apparel.

Tommy Hilfiger

Tommy Hilfiger is a globally recognized brand known for its classic American cool style. The brand offers a wide range of products, including apparel, accessories, and footwear for men, women, and children. Tommy Hilfiger Kids is a key segment of the brand, catering to children with the same iconic style and quality that the brand is known for. The kids' collection mirrors the adult line's preppy aesthetic, infused with a youthful and playful spirit. Tommy Hilfiger has a strong retail presence worldwide, with products available in its stores, department stores, and online platforms. In India, Tommy Hilfiger operates through a joint venture with Arvind Fashions Limited, ensuring the widespread availability of its products across the country.
Establishment year: 1985, New York (In 2004, the brand was established in India)

Key Strengths

- Brand Recognition: Strong global brand with a reputation for quality and style.
- Wide Product Range: Extensive variety of clothing and accessories for kids, catering to different needs and occasions.
- Quality and Durability: High-quality materials and craftsmanship ensure long-lasting products.
- Retail Presence: Strong retail network including own stores, department stores, and online platforms, ensuring easy accessibility.
- Fashionable and Trendy: Designs that reflect current fashion trends while maintaining a timeless appeal.
- Strategic Partnership: Collaboration with Arvind Fashions Limited in India, enhancing market reach and distribution.
- Customer Loyalty: Strong customer base and brand loyalty due to consistent quality and style.
- Sustainability Initiatives: Commitment to sustainable practices and materials, appealing to environmentally conscious consumers.

Product Portfolio

Tommy Hilfiger Kids offers a diverse range of products that include casual and formal clothing, accessories, and footwear. The collection features everything from stylish shirts, polos, and tees to jeans, dresses, and outerwear, all designed with the brand's signature colours, logos, and patterns. The products are crafted to provide comfort, durability, and style, appealing to both children and parents alike. Seasonal collections often reflect the latest trends while maintaining the classic Tommy Hilfiger look, making them a popular choice for children's fashion.

UCB (United Colors of Benetton)

UCB is a globally recognized fashion brand with a strong presence in India. Established in Italy in 1965, the brand entered the Indian market in the early 1990s, with its headquarters based in Mumbai. UCB has carved a niche for itself in the kidswear segment by offering vibrant, colorful, and comfortable clothing that resonates with young consumers and their parents. Key strengths of UCB include its strong brand recognition, extensive retail network, and focus on sustainability. The brand's product portfolio for kids encompasses a wide range of apparel, including tops, bottoms, dresses, outerwear, and accessories, catering to different age groups and occasions.

Key Strengths:

- Strong Brand Equity: UCB enjoys a robust brand image synonymous with quality, style, and affordability.
- Extensive Retail Network: A wide distribution network ensures accessibility for customers across various regions in India.
- Diverse Product Range: UCB offers a comprehensive range of clothing options, catering to different age groups, occasions, and seasons.
- Focus on Comfort and Quality: The brand prioritizes using soft, breathable fabrics and employing stringent quality control measures.
- Effective Marketing and Branding: UCB invests in strategic marketing campaigns to connect with its target audience and build brand loyalty.

Product Portfolio

UCB offers a comprehensive range of apparel for children, encompassing various categories such as tops, bottoms, dresses, outerwear, and accessories. The brand's product portfolio is characterized by its contemporary designs, vibrant colors, and comfortable fits. UCB also places a strong emphasis on creating age-appropriate styles, catering to the needs of children of different age groups. Moreover, the brand regularly introduces new collections to stay ahead of fashion trends and cater to the evolving preferences of its young consumers.

By consistently delivering high-quality products, understanding consumer needs, and leveraging effective marketing strategies, UCB has solidified its position as a leading player in the Indian kidswear market.

Leading Sports Brands for Kids

In India, several leading sports brands cater specifically to kids, offering high-quality and stylish sportswear and equipment designed for young athletes. Brands like Adidas, Nike, and Puma dominate the market with their extensive range of kid's apparel, including sports shoes, tracksuits, t-shirts, and accessories. These global giants are complemented by homegrown brands like Shiv Naresh, which also provides a wide selection of sportswear and equipment for children. These brands focus on comfort, performance, and innovative designs, ensuring that kids have the best gear to support their active lifestyles and sporting endeavours.

Adidas (Adidas AG)

Adidas AG, founded in 1949 by Adolf Dassler, is a German multinational corporation that designs and manufactures shoes, clothing, and accessories. Headquartered in Herzogenaurach, Germany, Adidas is a global leader in sportswear, casual wear, and athletic equipment, competing with major brands like Nike and Puma. Adidas has a significant presence in India, having entered the market in the mid-1990s. Adidas operates numerous retail outlets across major cities and towns in India and has a strong online presence in India, with its products available on its official website and major e-commerce platforms like Amazon, Flipkart, and Myntra. Recently Adidas has established Global Captive Centre (GCC) in India.

Establishment year: 1949 Germany (1989 India)

Key Strengths

- High-Quality Products: Adidas is known for its superior quality products, incorporating advanced technologies to ensure maximum comfort, performance, and durability.
- Innovative Designs: The brand consistently updates its product offerings with innovative designs, catering to the evolving needs of athletes and casual wearers alike.
- Strong Retail and E-commerce Presence: With numerous retail outlets across major cities and a strong online presence on platforms like Amazon, Flipkart, and Myntra, Adidas ensures widespread accessibility to its products in India.
- Collaborations and Partnerships: Adidas collaborates with athletes, celebrities, and designers to create exclusive collections, enhancing brand visibility and appeal.
- Sustainability Initiatives: The company is committed to reducing its environmental footprint through the use of recycled materials and promoting sustainable practices.

- Targeted Marketing: Adidas actively markets its products, including kid's apparel, through various channels such as social media, online advertising, and in-store promotions, often featuring popular characters and athletes to attract younger audiences.
- Community and Sports Development: Adidas supports local communities and sports development in India through sponsorships, partnerships with sports organizations, and involvement in charitable initiatives related to education, health, and the environment

Product Portfolio

Adidas offers a diverse range of products in India, catering to various sports and casual wear needs. Adidas provides sportswear for activities such as running, football, basketball, and cricket. This includes tracksuits, jerseys, shorts, and specialized footwear designed for performance and comfort. The brand offers stylish casual wear, including t-shirts, hoodies, leggings, and sneakers, suitable for everyday wear and athleisure. Adidas has a dedicated line of apparel for kids, featuring sportswear, casual wear, and accessories designed for comfort, performance, and durability. This includes tracksuits, jerseys, shorts, and footwear suitable for various activities.

Regional Players in Kids Wear Market

First Step baby Wear Pvt Ltd (Colortone – Miniklub)

First Steps Baby Wear Pvt. Ltd., established in 2002, is a leading manufacturer of baby wear and children's knitted garments, catering to ages from newborn to 15 years. The company began with a modest setup of 60 machines and has since expanded to a multi-location operation with six factories, a design studio, dedicated fabric sourcing and storage warehouses, and liaison offices in Chennai and Tuticorin. With a workforce of 5,200 employees, First Steps produces 50 million garments annually, emphasizing safety, quality, and quick turnaround times to meet the demands of high-street retail outlets. Colortone Garments, a subsidiary of First Steps Baby Wear and one of the second largest babywear manufacturers in India, has recently made a substantial investment in Odisha to leverage their kidswear segment via their domestic brand Miniklub.
Establishment Year: 2002

Key Strengths

- Extensive Infrastructure: The company operates six factories around Bangalore with a built-up area of 600,000 sq. ft., housing over 2,000 machines and producing 50 million garments annually.
- Design Expertise: A qualified design team based in the UK and India ensures the latest fashion trends and effective liaising with manufacturing units.
- Advanced Manufacturing: Equipped with automatic laser cutting machines, specialized stitching setups, and the latest embroidery and printing machines.
- In-House Facilities: Centralized critical manufacturing processes, material storage management, and dedicated sampling departments.
- Quality Assurance: High standards of quality checks, SEDEX certification, and NABL-certified laboratory facilities for internal testing and color matching.
- Logistics and Warehousing: Efficient logistics with warehouses at factories and ports, ensuring smooth operations and timely deliveries.
- Sustainability and Safety: Commitment to producing safe and high-quality garments, meeting international safety standards, and ensuring customer satisfaction.
- High Production Capacity: Ability to handle large volumes with quick turnaround times.

Product Portfolio

First Steps specializes in producing a wide range of children's knitted garments, from everyday wear to fashionable apparel for high-street retail. Their product portfolio includes baby wear, t-shirts, dresses, shorts, pants, and sleepwear, all designed with a focus on comfort, safety, and style. The company prides itself on its ability to manufacture large volumes with high quality, utilizing advanced technology and a skilled design team to stay ahead of fashion trends and meet international standards.

Popsees (Popees Baby Care Products Private Limited)

Popees, is a prominent Indian kidswear brand with a strong focus on high-quality children's clothing, based in Kochi, the brand has established itself as a significant player in the South Indian market. Popees has made notable strides in expanding its footprint with 32 exclusive outlets across South India, in addition to numerous multi-brand outlets. With a production capacity of 500,000 garments per month, Popees is well-positioned to cater to the growing demand in the children's apparel segment.
Establishment Year: 2003

Strengths

- High Production Capacity: Ability to produce 500,000 garments monthly, ensuring a robust supply to meet market demand.
- Regional Expansion: Establishment of 32 exclusive outlets in South India, enhancing brand visibility and customer reach.
- Diverse Product Range: Comprehensive portfolio including casual, party, and ethnic wear, catering to various needs and occasions.
- Quality Focus: Emphasis on high-quality materials and craftsmanship, providing durable and comfortable clothing.

- Retail Presence: Significant presence in multi-brand outlets and exclusive stores, increasing accessibility for customers.
- Ambitious Growth Plans: Proactive approach towards retail expansion and market growth, reflecting confidence in the segment's potential.
- Local Expertise: Strong regional focus with a deep understanding of South Indian market preferences and trends.

Product Portfolio
Popees offers a diverse product portfolio in kidswear that includes casual wear such as t-shirts, jeans, shorts, and dresses for everyday comfort. Their party wear collection features elegant dresses, suits, and festive outfits suitable for special occasions. They also provide ethnic wear line includes traditional Indian clothing like kurtas, lehengas, and sherwanis. Additionally, Popees provides cozy sleepwear, along with a range of accessories to complement their apparel.

D2C & E-commerce Kids Wear Market

The e-commerce and Direct-to-Consumer (D2C) models have notably reshaped the kidswear market in India. E-commerce giants like Amazon, Myntra, and Flipkart offer extensive selections of children's clothing from a multitude of brands, emphasizing convenience, competitive pricing, and swift delivery. These platforms cater to diverse needs with a broad range of products and frequent promotions. In contrast, D2C brands such as Hopscotch, Popsees, First Steps Baby Wear, and Little West Street focus on building direct relationships with consumers through their own online stores. They provide exclusive collections, a personalized shopping experience, and maintain control over product quality and customer service, adding a unique dimension to the kidswear market.

Hopscotch (Hopscotch Wholesale Trading Private Limited)

Hopscotch is a prominent kidswear brand in India, known for its trendy and fashionable clothing for children. Hopscotch has rapidly gained popularity among parents for its stylish and affordable apparel, catering to children from newborns to early teens. The brand operates primarily through its robust e-commerce platform, making it accessible to customers across India.
Establishment Year: 2012

Key Strengths
- Wide Product Range: Extensive collection catering to casual, party, and ethnic wear needs.
- Affordable Pricing: Offers stylish and high-quality clothing at competitive prices.
- Strong E-commerce Presence: Robust online platform ensuring accessibility across India.
- Fashionable Designs: Trendy and modern designs that appeal to both parents and children.
- Focus on Quality: Emphasis on high-quality fabrics and craftsmanship.
- Customer Experience: Convenient online shopping experience with user-friendly interface and customer service.
- Regular Collections: Frequent updates to collections to stay in line with current fashion trends.

Product Portfolio
Hopscotch provides a diverse range of kidswear, including casual wear such as t-shirts, dresses, pants, and shorts designed for everyday comfort and style. Their collection also features party wear with elegant dresses, suits, and festive outfits suitable for special occasions. Additionally, Hopscotch offers a variety of ethnic wear, including lehengas, kurtas, and sherwanis, blending traditional designs with contemporary trends. The brand's product lineup is aimed at providing high-quality, stylish, and affordable clothing for children from newborns to early teens.

Amazon

Amazon is a global e-commerce leader with a substantial presence in the Indian kidswear market. It offers a more than 300 brands & 900 sellers which include wide array of children's clothing through its extensive online platform, catering to diverse customer needs across the country. Amazon's vast product selection, competitive pricing, and efficient delivery services make it a popular choice for parents seeking convenience and variety in kidswear. The platform features products from various brands, ranging from budget-friendly options to premium labels, positioning Amazon as a key player in the Indian kidswear segment.
Establishment Year: 2013 (Entered in India)

Key Strengths
- Extensive Product Range: Wide variety of kidswear from multiple brands, covering casual, party, ethnic, and sleepwear. Availability of both international and domestic brands, providing diverse choices for consumers.
- Competitive Pricing: Offers products at various price points, from budget-friendly to premium options.
- Convenience: User-friendly online platform with easy navigation and a comprehensive search feature. Efficient delivery services, including options for same-day and next-day delivery in select areas.
- Customer Reviews & Wide Reach: Access to customer reviews and ratings, aiding in informed purchasing decisions. Extensive market reach across India, making it accessible to a large customer base.

Product Portfolio
Amazon's kidswear portfolio includes a comprehensive range of products such as casual wear (t-shirts, jeans, shorts, dresses), party wear (elegant dresses, suits, festive outfits), and ethnic wear (kurtas, lehengas, sherwanis). The platform also offers sleepwear and accessories from numerous brands, ensuring a wide selection that caters to different styles and price points.

Myntra

Myntra is a leading fashion e-commerce platform acquired by Flipkart in 2014. Myntra has a strong presence in the kidswear market. Renowned for its extensive range of stylish and trendy clothing, Myntra caters to the needs of both children and parents. The platform is known for its wide assortment of brands, exclusive collections, and seasonal offers. The company has launched dedicated kids' wear stores, such as 'Myntra Kids', to focus on this segment. Myntra has partnered with international brands like OshKosh B'Gosh to bring their kids' wear collections to the Indian market.
Establishment Year: 2007-2008

Key Strengths
- Extensive Fashion Range: Diverse selection of kidswear from various brands, including casual, party, ethnic, and sleepwear.
- Exclusive Collections: Access to exclusive collections and designer collaborations that are not available on other platforms.
- Seasonal Offers: Regular discounts, sales, and promotions that provide value to customers.
- User-Friendly Platform: Easy-to-navigate website and mobile app with detailed product descriptions and high-quality images.
- Fast Delivery: Efficient delivery services with options for quick shipping in major cities.
- Customer Reviews and Ratings: Helpful reviews and ratings that assist in making informed purchasing decisions.
- Brand Variety: Wide range of both international and domestic brands, offering diverse options for different budgets and styles.

Product Portfolio
Myntra’s kidswear portfolio features a broad spectrum of clothing options, including casual wear such as t-shirts, jeans, shorts, and dresses. The platform also provides party wear with elegant dresses, suits, and festive outfits suitable for special occasions. Additionally, Myntra offers ethnic wear. Sleepwear including nightgowns, along with a variety of accessories such as caps, socks, and belts, are also available, catering to diverse styles and preferences.

Flipkart

Flipkart is a major e-commerce platform in India with a significant presence in the kidswear market. Known for its extensive product range and competitive pricing, Flipkart offers a wide array of children’s clothing through its user-friendly online platform. The company has launched dedicated kids' wear stores, such as 'Flipkart Li'l Stars' and 'Shopsy', to focus on this segment.
Establishment Year: 2007

Key Strengths
- Wide Product Selection: Extensive range of kidswear from various brands, covering casual, party, ethnic, and sleepwear. Availability of a broad spectrum of brands, including both popular and emerging names.
- Competitive Pricing: Offers a diverse range of products at various price points, often with discounts and deals.
- Convenient Shopping Experience: User-friendly website and mobile app with easy navigation and detailed product information. Reliable delivery services with options for quick shipping and easy returns.
- Customer Reviews: Access to customer reviews and ratings for informed purchasing decisions.
- Regular Promotions: Frequent sales, promotions, and special offers that provide added value to customers.

Product Portfolio
Flipkart's kidswear portfolio includes a broad selection of clothing such as casual wear (t-shirts, jeans, shorts, dresses), party wear (elegant dresses, suits, festive outfits), and ethnic wear (kurtas, lehengas, sherwanis). Flipkart’s product range features options from various brands, providing customers with a wide choice to suit different needs and preferences

OUR BUSINESS

BUSINESS OVERVIEW

Some of the information in the following section, especially information with respect to our business plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read "Forward Looking Statements" on page 19 of this Red Herring Prospectus for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our Company's strengths and its ability to successfully implement its business strategies may be affected by various factors that have an influence on its operations, or on the industry segment in which our Company operates, which may have been disclosed in "Risk Factors" on page 27 of this Red Herring Prospectus. This section should be read in conjunction with such risk factors.

Unless otherwise indicated, industry and market data included in this section has been derived and extracted from various websites and publicly available documents from various industry sources. This section should be read in conjunction with the "Industry Overview" on page 94 of this Red Herring Prospectus. Our Financial Year ends on March 31 of each year, and references to a particular Financial Year are to the 12-month period ending March 31 of that year.

Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Financial Information, on page 181 of this Red Herring Prospectus.

Unless the context otherwise requires, in relation to business operations, in this chapter of this Red Herring Prospectus, all references to "we", "us", "our", "Our Company" and "Purple United" are to Purple United Sales Limited as the case may be.

OVERVIEW

Purple United Sales Private Limited ("Purple United") was incorporated in 2014. By 2015, the company had established offline and online distribution in the Apparel & Bags category. In 2017, Purple United signed a licensing agreement with Disney and Mattel for kids' footwear. The following year, the company began PAN India distribution, launching its e-commerce business on platforms like Amazon and Flipkart, and collaborating with key accounts such as Reliance, V-Retail, and regional players. In 2019, they started retail stores (EBO) for Purple United Kids in Delhi, expanding to Punjab in 2020. By 2022, further expansion reached Delhi NCR and Uttarakhand. In 2024, they established 24 Exclusive Brand Outlets (EBO) stores, received the Emerging Brand award in the kids' wear category at Sheroes Radio City 91.1, and in 2025, continued retail expansion and growth initiatives led to its conversion into a public company.

Purple United is a premium fashion brand dedicated to offering high-quality, versatile apparel, footwear, and accessories for children of all ages. Founded in 2014 by Mr. Seth, our mission is to enable children to express themselves using our 'brand' as a medium. Our ethos revolves around celebrating childhood with a strong emphasis on comfort, safety, and quality. Our flagship brand, "Purple United Kids," supports the entire journey of children up to 14 years old, offering lab-tested products made from premium materials in vibrant colours and designs for every occasion. Our operations encompass designing, developing, sourcing, marketing, and selling apparel and footwear for infants (0 to 1 year), toddlers (2 to 6 years), and older kids (7 to 14 years). We also offer a wide range of accessories and hard goods, such as strollers, etc.

We are exclusively catering kids wear in India with focus on mindful product categorization for kids of all age and segment. Our brand ethos revolves around celebrating childhood, emphasizing comfort, safety, and sustainability. Our trendy line of lab-tested products, designed to be gentle on delicate skin, sets us apart. Our products are crafted from premium quality material in vibrant colours and designs for every occasion and season. Additionally, our product range supports the entire journey of kids up to 14 years of age.

We cater exclusively to the Indian market. Our extensive distribution network comprises 24 exclusive brand outlets (EBOs), multiple shop-in-shops, and a robust online presence through our website, mobile app, and major e-commerce platforms such as Myntra, Amazon, Flipkart, FirstCry, Nykaa, Hopscotch, AJJIO and more. This dynamic approach allows us to maintain high purchase frequency and cater to repeat customers while continually expanding our reach. With an expected CAGR of 4.4% in the Indian kids' category, we are committed to growth and excellence. Our focus on innovation, quality, and the 3Fs—Fun, Fashion, and Functionality—ensures that we simplify parenthood and keep children safe, comfortable, and stylish.

We believe that our combination of brand strength, distribution network size, sourcing and operational expertise allows us to provide what we believe to be our "value proposition"- premium quality and unique designs for the kids. We currently outsource the manufacturing of our apparels and footwears. We believe our offerings appeal to a broad range of consumers, and our omni-channel sales strategy allows us to reach consumers where they are. Our product mix has evolved significantly over the past several years and we continue to expand our product range to meet a varied range of consumer needs for our target segment. We operate in the retail category with high purchase frequency, in which the kids outgrow the clothing sizes frequently, hence through our dynamic product offering with large variety, we seek to focus on needs of our customers while expanding our portfolio.

Our range of products include t-shirts, shirts, jackets, sweaters, clothing sets, dungarees, rompers, partywear, dresses, denim, lowers, trousers, jeggings, skirts, shoes, ballerinas, slides, moulds, flipflops, sandals, caps, sling bags, socks, strollers among others.

Our products are available through a Pan India omni-channel distribution network that we have built over the years comprising of our exclusive brand outlets ("EBO") and shop-in-shop in multi-brand outlets ("Key Accounts"), including at Reliance Centro, V-Retail, Choupal Sagars (ITC group) and more, as well as online channels comprising of our own website and other online marketplaces including Myntra, Amazon, Flipkart, FirstCry, Nykaa, Hopscotch, AJIO and more. In addition to the shop-in-shops, we also sell our products to distributors who further sell our products to local and regional retail stores.

As on November 25, 2024, we have 24 EBOs under the brand name "Purple United Kids" across 8 states and 17 cities in India and 14 shop-in-shops in Key Accounts and 24 distributors across Pan India. Early in our journey, we recognized the importance of the online channels and building our digital capabilities. Hence while we earlier primarily sold our products through third party marketplaces such as Myntra, Amazon, Flipkart, FirstCry, Nykaa. Hopscotch, AJIO and more, we now also sell our products through our own website, www.purpleunited.in. We are investing significantly in building a significant online presence within our category.

The table below sets forth a breakdown of our revenue from operations from our distribution channels for the periods indicated: -

(figures in lakhs)

Particulars	September 30, 2024		FY 2024		FY 2023		FY 2022	
	Number	Revenue	Number	Revenue	Number	Revenue	Number	Revenue
Retail Stores	19	785.38	14	1,244.34	11	409.01	7	280.03
Key accounts	14	132.15	20	44.98	17	423.03	49	157.65
Online*	15	145.89	15	377.88	15	347.80	11	617.16
Distributors	24	1,998.45	44	2,574.25	45	1291.81	29	601.34
Others		1.90		50.13		99.44		-
Total Revenue generated		**3,063.78**		**4,291.58**		**2,571.09**		**1,656.18**

*Online includes sale from own website and other marketplaces

Key performance indicators

Table set forth below are certain key operational and financial metrics for the periods indicated:

(figures in lakhs, except otherwise provided)

Metrics	September 30, 2024	FY 2024	FY 2023	FY 2022
Revenue from Operations[1]	3,050.10	4,277.44	2,569.45	1,651.89
Total Income[2]	3,052.04	4,291.59	2,571.10	1,656.19
Revenue growth	185.23%	66.47%	55.55%	14.05%
EBITDA[3]	713.16	987.20	385.57	240.18
EBITDA Margin (%)[4]	23.38%	23.08%	15.01%	14.54%
EBIT[5]	637.56	831.26	358.92	221.71
Profit After Tax[6]	329.28	481.54	149.22	177.16
PAT Margin (%)[7]	10.80%	11.26%	5.81%	10.72%
Total Equity (Net Worth)[8]	2,368.62	1,733.64	1,036.58	617.59
Return on Net Worth[9]	13.90%	27.78%	14.40%	28.69%
Total Debt[10]	3,366.66	2,562.80	1,187.42	1,105.76
Debt / Equity Ratio (in times)[11]	1.42	1.48	1.15	1.79
EPS (Basic and Diluted)[12]	4.77	7.26	2.45	3.20
Interest Coverage Ratio[13]	3.06	3.54	2.39	2.12
Return on Capital Employed (in %)[14]	11.12%	19.35%	16.14%	12.87%
Days working capital (in Days)[15]	155.22	323.25	250.12	344.47

As certified by M/s. NGMKS & Associates, Chartered Accountants pursuant to their certificate dated November 23, 2024.

Notes:

(1) Revenue from operations is the total revenue generated by the Company except other income
(2) Total Income is the total revenue generated by the Company including other income
(3) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
(4) EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
(5) EBIT is calculated as Profit before tax + Interest Expenses - Other Income
(6) PAT is calculated as Profit before tax – Tax Expenses
(7) PAT Margin is calculated as PAT for the year divided by Revenue from Operations

(8) Total Equity (Net worth) has been computed as the aggregate of share capital and reserves and surplus (excluding revaluation reserves, if any) of our Company.

(9) Return on Net Worth is ratio of Profit after Tax and Net Worth

(10) Total debt represents long term and short-term borrowings and lease liabilities.

(11) Debt- equity ratio is calculated by dividing total debt by total equity.

(12) Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules,2014.

(13) Interest coverage ratio is defined as Earnings before interest and taxes (EBIT) divided by finance cost for the year.

(14) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

(15) Days Working Capital is arrived at by dividing working capital (current assets less current liabilities) by revenue from operations multiplied by the number of days in the year (365).

Explanation for the Key Performance Indicators:

KPI	Explanation
Revenue from operation	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.
Total Income	Total Income is used by our management to track the other non-operating revenues generated by the Company.
Revenue growth	Revenue growth (%) is used by our management to assess the company's performance and growth trajectory.
EBITDA	EBITDA provides information regarding the operational efficiency of thebusiness
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financialperformance of our business
EBIT	Management monitors EBIT to assess core operational profitability and efficiency, excluding the impact of financing and taxes.
PAT	Profit after Tax is an indicator which determine the actual earnings available to equity shareholders
PAT %	PAT% is useful for assessing how efficiently a company is able to convert its sales into net profit after accounting for all expenses and taxes.
RoNW%	It is an indicator which shows how much company is generating from its availableshareholders' funds
Total debt	It is used to evaluate a company's leverage and financial risk. It helps assess the overall level of borrowing relative to the company's equity and assets.
Debt-Equity Ratio	The debt-to-equity ratio is used to assess the extent to which a company relies on debt to finance its operations relative to the equity provided by shareholders.
EPS	It measures a company's profitability on a per-share basis. It reflects the portion of net income attributed to each outstanding share, providing insights into financial performance and shareholder value.
Interest Coverage Ratio	Interest coverage is a financial metric that assesses a company's ability to meet its interest payments on outstanding debt.
ROCE %	ROCE provides how efficiently our Company generates earnings from the capitalemployed in the business.
Days Working Capital	Days Working Capital is a financial metric that measures the average number of days it takes for a Company to convert its working capital into revenue.

Our Product Portfolio

Our Products are designed keeping kid's comfort in mind. From shoes that support natural foot development to apparel that allows unrestricted movement, we prioritize safety and comfort. At Purple United, we believe in the magic of colours and the story they tell. Purple as a colour, itself represents the colour of premium expression and royalty. It is a combination of red and blue and our products are designed to combine the vibrant energy of red with the calm stability of blue, resulting in the empowering shade of purple. This unique blend represents our commitment to combining the best qualities of both colours to create something truly special for kids. We offer a broad range of products creating signature, contemporary designs within the kids apparels and footwear category including casual wear, party wear, etc. Our collection is inspired by the essence of parenthood, embodying confidence, strength, and creativity. Our wide selection of products and the value provided henceforth, appeals to the consumers,

and we believe that this further enhances our brand loyalty. Our product categories is provided below:

- T-Shirts/ Shirts
- Jackets/ Sweaters
- Tops
- Dresses
- Dungarees & Jumpsuits
- Co-ord Sets
- Skirts
- Shorts
- Trouser/ Lowers/ Denims
- Flip flops
- Mules
- Moulds
- Sandals/ Shoes
- Jeggings
- Ballerinas
- Caps
- Sling bags
- Socks
- Rompers
- Partywear

Our Brands

- **"toothless"** is a fashion-forward kids' wear brand that tells the story of a new-age kid who is free-spirited, self-dependent, and confident. We believe in the simplest of joys for children through minimal and logical elements imbued in the products. More than just the kid's wear brands; we strive to become a reliable part of children's foundation by adding to their micro joys. Hence being more than just the next-door kids-wear destination. We present you with a platform where you are spoilt for choices. A platform that offers a plethora of products, with quality that is parred excellence, we are transforming the realm of kid's footwear.
- "**That's Her Style**" was created catering to the needs of Premium Fashion wear for the Girls. THS was born from a vision to provide premium party wear that not only meets but exceeds the expectations of discerning parents and their fashion-forward daughters. The brand offers an exquisite collection of dresses, gowns, and accessories, each piece meticulously designed to capture the essence of fun and fashion. Every outfit is crafted with the finest materials, ensuring both comfort and durability, so that every girl can look and feel her best, whether she's attending a birthday party, a wedding, or any festive celebration.
- "**That's His Style**" was created catering to the needs of Premium Fashion wear for the Boys.

Our Retail network

Our Pan India retail network is comprised of EBOs, Key Accounts, distributors and online channels, including our own website and online marketplaces.

Exclusive Brand Outlets (EBOs)

Our EBOs are an integral part of our business operations and sales. They constitute a considerably large portion of the sales to our customers for the Financial Year 2023 and 2024. Going forward also, EBOs are central to our growth strategy. We opened our first EBO store in Sarita Vihar, New Delhi on December 01, 2019. In addition to increasing the brand visibility and awareness in each city, our EBOs enable us to provide high quality and standardized experience to our customer helping us achieve our target *#SHOP HAPPINESS*. We aim to identify and assess the most attractive locations for EBOs in order to maximize revenues from our offline footprint. As of November 18, 2024, we have 24 EBOs across 8 states and across 17 cities in India with 17 (70.83%) of our EBOs located on high street and 7 (29.16%) in malls. Our average store size ranges from 530 sq. ft. to 1,760 sq. ft. of area for "Purple United Kids" branded EBO and within each EBO we endeavor to provide a premium experience with personalized attention to each customer. Except as stated under "Our properties" below, all our EBOs are company owned and company operated with 100% of leases in our name. Below is the list of stores added in each FY from the year we started our

first store:

Financial Year	Number of new stores	Cumulative number of stores
FY 2020	1	1
FY 2021	4	5
FY 2022	2	7
FY 2023	4	11
FY 2024	3	14
FY 2025 (till November 18, 2024)	10	24*

**The store located in Patiala, Punjab has been closed in FY 2024-25 as we have opened store in another nearby location.*

Examples of our EBO storefronts and interiors are as follows: -

(The Great India Place store front)

For the Financial Years 2022, 2023, 2024 and for the period ended on September 30, 2024 revenue generated from our EBOs amounted to 280.04 lakhs, 409.02 lakhs, 1,244.35 lakhs and 785.38 respectively and represented 16.95%, 15.92%, 29.09% and 25.63% of our total revenue from operations, respectively.

Key accounts and Distributors

A selection of our apparel and footwear products are sold through 14 key accounts and 24 distributors (as of September 30, 2024), including shop-in-shops and multi-brand outlets in prominent fashion retail stores and major retail chains, located in various cities in India as of November 18, 2024. The Key Accounts and the distributors are carefully selected and allow us to expand our customer base by reaching out to the clientele of such Key Accounts and Distributors, which we believe prefers to shop in multi-brand outlets. In addition to the shop-in-shops, we also sell our products to distributors who further sell our products to local and regional retail stores. These points of sale are not included in our overall multi-brand outlet count. For the Financial Year ended September 30, 2024, ₹ 2,130.60 lakhs constituting 69.54% of total sales were generated through this mode (including sales to other distributors).

Online

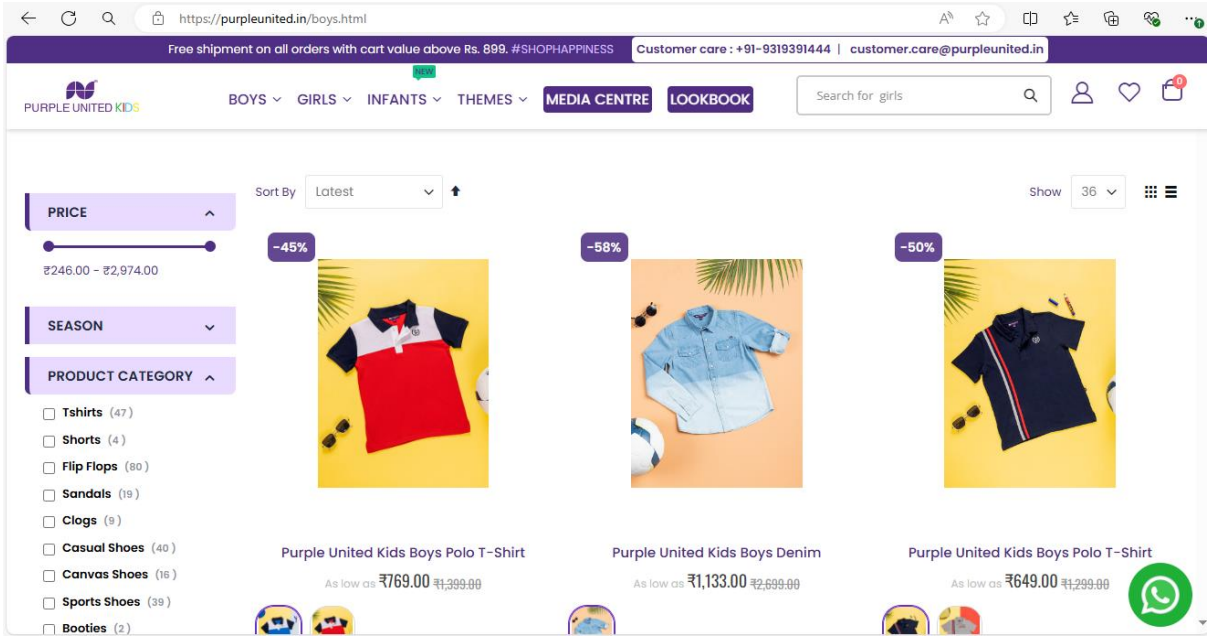
We also sell our products through our own websites, www.purpleunited.in, and through online marketplaces including Myntra, Amazon, Flipkart, FirstCry, Nykaa, Hopscotch and more.

Our online sales happen through various marketplaces operated under two models: outright sales ("OS") and pure play marketplace ("MP"). In the OS model, we bill online marketplaces in bulk at a fixed rate, allowing for returns up to a predetermined percentage of total billing within a specific period. In the MP model, our inventory is integrated with our warehouse stock, enabling customers to place orders directly on the respective online marketplace websites. We then dispatch these products

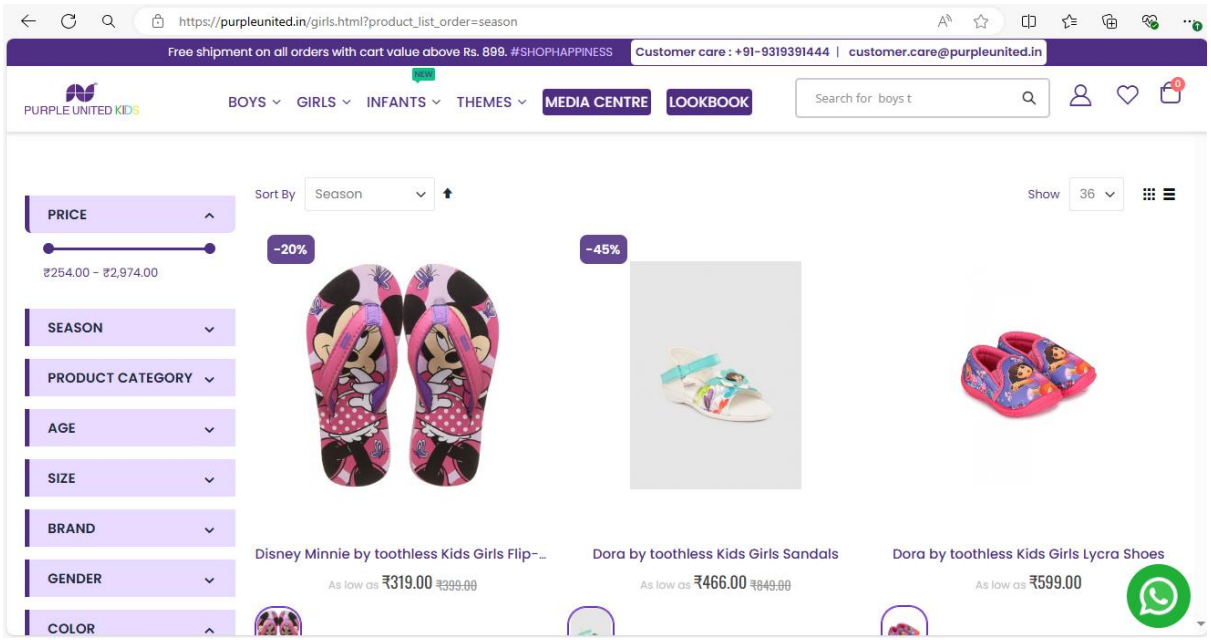
directly from our warehouse to the customers. For our online business, we have taken the services of UNICOMMERCE for our Warehouse Management System (WMS) software.

Images from our website are below.

BOYS SECTION



GIRLS SECTION



Our revenue from online sales in Financial Year ending as on September 30, 2024, March 31, 2024, and March 31, 2023, amounted to 145.89 lakhs, 377.88 lakhs and 347.80 lakhs respectively.

Our geographical presence

(figures in lakhs)

S No.	Store Name	FY 2022	FY 2023	FY 2024	September 30, 2024
1	Sarita Vihar	65.06	81.25	131.82	69.95
2	Rohini	52.55	69.06	108.36	54.07
3	Rajouri Garden	71.70	64.67	132.83	71.42
4	Bhatinda GT Road	41.09	25.22	66.57	45.34
5	Patiala	36.57	45.85	102.37	*
6	Ghaziabad	6.96	27.25	77.90	53.17
7	Bhucho Mandi	6.10	45.69	101.37	59.92
8	Aria Mall, Gurugram	-	14.58	51.58	36.22
9	TGIP Mall, Noida	-	18.33	134.92	64.42
10	Crown Interiorz Mall, Faridabad	-	14.45	99.20	59.20
11	Dehradun	-	2.65	53.82	39.90
12	Faridkot Store	-	-	78.45	58.72
13	Gaur City Store	-	-	93.91	70.15
14	Kamla Nagar	-	-	11.24	27.99
15	Kharar	-	-	-	1.17
16	Barnala	-	-	-	17.51
17	Green City	-	-	-	16.20
18	Mall of Dehradun	-	-	-	17.80
19	Mohali - Phase 7	-	-	-	4.22
20	Patiala – Bhupendra Nagar	-	-	-	17.94
	Sales from EBOs (retail stores)	**280.03**	**409.00**	**1,244.34**	**785.37**
	Sales from Key accounts and Distributors	**758.99**	**1714.84**	**2,619.23**	**2,130.60**
	Sales from Online	**617.16**	**347.8**	**377.88**	**145.89**
	Sales from Other channels	**-**	**99.44**	**50.13**	**1.91**
	Total revenue from operations	**1656.18**	**2571.09**	**4291.58**	**3,063.78**

**Patiala store relocated*

Note: *Sales from key accounts, distributors, online and other channels are on a pan India basis and cannot be segregated into specific geographical locations.*

Our Competitive Strengths

We believe that we possess a few competitive strengths, which will enable us to successfully execute our business strategies, including the following:

- **Well-positioned to benefit from the fast-growing market for kid's products.**
  The number of kids in India between the ages of 0 and 14 was 26% of the population. The continued growth in our target population and the on-going shift from the unorganized to the organized market are expected to lead to growth in the kid's apparel market in India. We believe that our focus on this demographic and our firm foothold present us with a significant opportunity to benefit from the fast-growing market for kid's products.

- **Extensive product portfolio of quality products delivering a robust value proposition.**
  We offer an extensive product portfolio of garments and footwear for infants, toddlers and older under “Purple United Kids”. Our portfolio included approximately 650 styles (400 for apparel and 250 for footwear), each "style" being a permutation of a design - by gender, colour, fabric or artistic application, or any combination of the foregoing, in Financial Year 2024 for garments and footwear across age categories - infants, toddler and older - for boys and girls and we plan to offer approximately 690 styles (450 for apparel and 240 for footwear) in Financial Year 2025. We also offer accessories and hard goods, such as strollers, that complement our apparel and footwear. We focus on providing quality products at prices that deliver an attractive value to consumers, and we cover a wide price spectrum. We believe that our extensive portfolio of premium quality fashion products has contributed to our growth and will continue to support the development of brand loyalty among consumers.

- **Strong back end with design capabilities, strong focus on 3Fs (fun, fashion and functionality) and control over distribution channels.**
  We have a strong in-house design and merchandising team with the ability to design and develop products across all our categories

keeping in mind the essence of the brand which is "every product ought to adhere to 3Fs." As of September 30, 2024, our design team consisted of 4 members and our retail team consists of 108 members. We have a robust screening and selection process for all new design samples and every sample is approved after a detailed discussion and survey of the market trends and only if it matches with our vision. Having large number of manufacturers for our apparel and footwear products, over which we retain control over the production process, enables us to maintain product quality standards. We also exercise control over our distribution channels by providing our distributors with marketing, training and supervisory support. Additionally, our staff supervises and carries out sales at our shop-in-shops within Key Accounts.

- **Experienced Promoter and management team.**
We have an experienced management team led by our Promoter, Chairman and Managing Director, Mr. Jatinder Dev Seth, who has more than 25 years of experience in the apparel and footwear industry. We are also led by a highly experienced senior management team with our Promoter, Whole-time Director, Mrs. Bhawna Seth, who is deeply involved in conceptualization, design, product development and retail operations of the Company. Mr. Manish Dev Seth proven track record in the world of designing, coding, analysis, developing, testing, and implementation of software applications. He holds Over 25 years' experience in Software Design, Development and Project Management, Mrs. Monica Seth is an accomplished professional with a strong educational background and a proven track record in the world of Technology and management. We believe it has proven its ability to identify emerging trends in industry and to identify new locations to promote our business growth..

- **Strong financial performance.**
We have delivered growing total income over the past 3 years despite challenging economic conditions. From FY 2022 to FY 2024, we increased our net sales from 1,651.89 lakhs to 4,277.44 lakhs respectively (a CAGR of 37.32%). We believe that our track record of growth and profitability makes us well positioned to further expand our business.

Our Strategies

Our key strategies are:

- **Continued focus on kid's apparel, footwear and accessories in India and on increasing market share.**
We believe our focus on kids' apparel and footwear continues to drive sales and provides a stable revenue base. To sustain this, we plan to regularly introduce new designs and styles in our existing apparel and footwear categories. Leveraging our brand, we aim to further penetrate the kids' apparel and footwear market by creating new categories such as day wear, evening wear, party wear, and high fashion collections for kids. Additionally, we intend to increase our market share by enhancing our product offerings and providing a wider variety of footwear and accessories that complement our kids' fashion line. Targeting the urban and upper-middle-income segments of the Indian market, we will ensure our products are available where these customers shop, maintaining both affordability and quality to build a loyal customer base.

- **Expand our presence across India and grow sales of our products at existing points of sale.**
To take advantage of the consumer spending growth in India, the growth in the kid's products market segment and on the shift from the unorganized to the organized market, we plan to expand our presence across India by increasing our network of exclusive brand outlets, while continuing to provide an excellent in-store consumer experience. We plan to increase our number of EBOs to approximately 33 in FY 2025. We believe this expansion represents a significant growth opportunity for us. In addition, we aim to focus on increasing our same store sales growth through a combination of advertising campaigns, introducing new products and improving the shopping experience for consumers.

- **Capitalize on the increasing e-commerce penetration in Indian Retail as well as within our category.**
E-commerce has grown substantially in India in recent years, due to wider selection of products, higher discounts, greater convenience for shopping (including doorstep delivery) and payment channels along with an increase in internet penetration and discretionary spending. Identifying these trends, we have made significant investments in our IT Infrastructure and digital capabilities. Through our online platforms including our own website, we generated a revenue of ₹ 145.89 lakhs in the period ended on September 30, 2024 amounting to 4.76% of our total turnover. We intend to capitalize on this position by further increasing sales through our website and online marketplace.

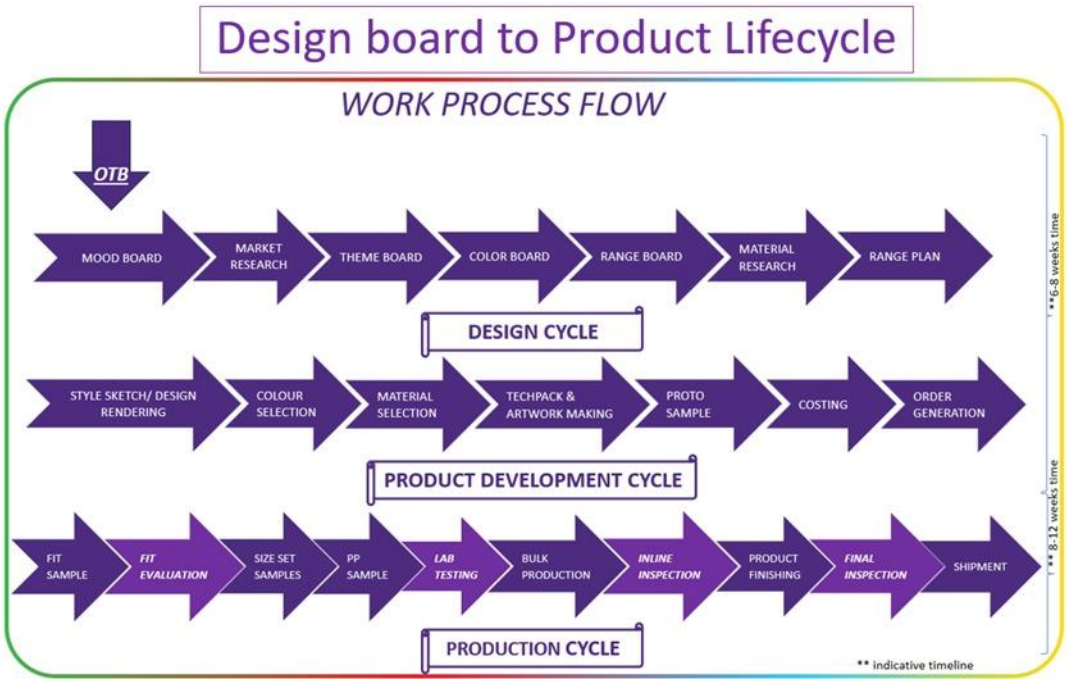
- **Increase market share by capitalizing on the strength of our brand.**
Our ability to develop and evolve our existing brand is key to our success. Our strategy is to continue building brand leadership in core items and categories, such as casual wear and party wear for infants, toddlers, boys and girls in line with global fashion trends, that we believe represent a significant opportunity for our future growth. We intend to accomplish this by offering premium fashion quality products, and further promoting our brand through different forms of marketing and advertising, including our community formation programs, and leveraging our strength with our existing customers and end-consumer base.

Manufacturing, Supply chain and Distribution Network

Our manufacturing process is outsourced which provides an attractive return on capital for our business. We engage our

manufacturers on contract, so as to maintain our low-cost business model and production is allocated on purchase order basis. These manufacturers procure raw material required for such product and get the quality approved by us or procure it through the vendors nominated by us. Upon receiving the sample from the manufacturers, we get the products tested through recognized laboratories and only when such product passes the quality test, is the approval given to the manufacturer. All orders placed by us are based on internal demand projections, carried out over in advance of the estimated delivery date of the final product. The factories provide us with manufacturing services strictly in compliance of our quality standards and requirements. As of March 31, 2024, we have a broad base of factories which manufacture for us, and our selection of factories is purely based on merits.

We also directly procure finished products, such as bags and accessories including hard goods, from third party manufacturers, which also undergo stringent quality checks. After passing these checks, the goods are dispatched to either our EBOs or our other modes of business. All our inventory management processes are also operated through our warehouse where we have system-driven processes with strong analytical capabilities to assist with our inventory management. This includes system-driven distribution and replenishment of inventory and the management of our product portfolio through data-driven forecasting of evolving fashion trends across India. The complete lifecycle of the product at Purple United Kids is as follows:



Product Pricing

We arrive at a pricing point for each of our products through a detailed mechanism that takes into consideration a range of factors, including costs incurred in connection with procurement, production, marketing and other ancillary expenses. We strive to ensure that our products remain aspirational and of premium quality for our customers, which exclusively manage and regulate the prices at which our products are sold.

Marketing and Distribution

The company's marketing strategy centers on delivering a premium experience for children, enhancing the brand's perceived value, and becoming a leading name in kids' fashion. With a primary focus on customer satisfaction and happiness, they aim to exceed expectations at every touchpoint, embodied in their slogan #ShopHappiness. They execute this vision by fostering a sense of belonging within the community and ensuring genuine connections with end users. Key initiatives include:

1. Social Media Campaigns: Engaging activities on platforms like Instagram and Facebook foster community interaction.
2. Influencer Partnerships: Collaborations with relevant influencers showcase the brand through authentic content.
3. Email Marketing: Personalized newsletters and promotions keep subscribers engaged and informed.
4. Paid Advertising: Targeted social media ads and Google AdWords optimize conversion rates.
5. SEO Optimization: Strategic keyword targeting and content optimization enhance online visibility.
6. Brand Film Creation: Emotional storytelling through films communicates the brand's values.
7. Event Participation: Presence at school festivals and community fairs offers direct customer engagement.
8. Online Presence: Strong presence on various social media platforms maintains audience connection.

9. Recognition: Recognized as an emerging kids' wear brand for 2022-2023 in media features.

Quality Control and Quality Assurance

We are committed to maintaining high quality standards throughout our sourcing and distribution cycles and have established quality control measures in various facets of our supply chain, including raw material/ finished product inspections, quality audits and product quality tracking. Our quality control starts from first fit/ proto sample stage. Based on the nature of raw material, we manage the size and fit of the product. To ensure this we make the proto sample (first sample) of correct bulk quality, so that we can close the fitting with the right material in one go.

During production our quality inspector takes a sample of a production lot, which is picked according to the Acceptable Quality Limits (AQL). The samples are randomly inspected for defects according to the standards and procedures.

Our products undergo rigorous lab testing to ensure durability, support, and safety. We place particular emphasis on arch support and stability in our footwear to promote proper foot development and posture, which also helps prevent accidents during kid's

growing years. And for apparels, we focus on reinforced seams which can withstand active play and repeated washings and use durable materials that resist fading and shrinking.

Seasonality and weather conditions

Our business is not seasonal in nature. However, we operate under two season collection:

Summer Collection: For the summer season, our focus is on products made with 100% premium cotton, curated prints with vibrant colours and designs for every occasion. We offer a range of t-shirts, shirts, shorts, skirts, denim, clothing sets, dungarees, rompers, party-wear, trousers, jeggings, lowers and dresses in apparels. We also offer flip-flops, moulds, sandals, slides, shoes, ballerinas etc. under footwear. We also have caps, sling bags, socks, etc. under accessories.

Winter Collection: During the winter season, we emphasize on fabrics like brushed cottons, fleece, wool, and polyfill. We provide sweaters, denim jackets, sweat-shirts, quilted jackets etc in apparels. We also offer boots, fashion ballerinas, sports shoes and casual shoes under footwear category. We also have seasonal accessories such as woollen caps & gloves, socks and other fashion accessories.

Most of our products mentioned in the summer collection above are all season and can be used in winters also.

Information Technology

We believe that a robust IT infrastructure is essential for ensuring strong operational efficiencies and enhancing productivity and we continue to focus on building and improving our IT capabilities. As a result over the years, we have implemented the technology initiatives at front-end and back-end of our operations commensurate with the size of our business. We have invested in information technologies designed to help us better monitor and run our business. We implemented LOGIC ERP system at both the distribution center and exclusive brand outlet levels and are in the process of implementing it across our offices. We use it mainly to record information relating to sales, inventories, finance, production and purchases. The LOGIC ERP system is deployed through a centralized data center located at our corporate office. For our online business, we have taken the services of UNICOMMERCE for our Warehouse Management System (WMS) software.

Competition

The Indian kid's apparel and footwear markets are highly competitive. Competition generally is based upon product quality, brand name recognition, price, product selection, in-store consumer experience, service and location accessibility and convenience. As a result, to remain competitive, we continuously strive to improve our product quality, increase our offering in terms of designs, style and categories and reduce cost of production. At the same time try to improve our operating efficiency and cost of distribution of goods. Also, the focus is on increasing reach to consumer and upgrade the consumer experience by continually standardizing and improving the aesthetics and environment of the stores, maintain high standards of customer service and select prime locations.

We operate in a competitive atmosphere with few organised competitors and large number of unorganised players. We believe that we have the potential to compete effectively in the market with our quality of products. Over the years, we have expanded into premium category of products offering a variety of products for every occasion namely day wear, evening wear and party wear range. Our products compete with home-grown and established international brands.

Insurance

Our principal types of insurance coverage include, fire insurance, theft and burglary insurance, money in transit insurance. We maintain an insurance program of an amount considered appropriate by our Board that covers our inventory against fire, terrorism, lightning, storms, floods, earthquakes, spontaneous combustion and related risks. Each of the insurance policies are renewable on an annual basis.

We do not anticipate having any difficulties in renewing any of our insurance policies and believe that our insurance coverage is in accordance with industry custom, including with respect to the terms of and the coverage provided by such insurance. Our insurance policies are subject to standard deductibles, exclusions and limitations. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. For further details, see "*Risk Factors* "on page 23.

Employees

Our employees contribute significantly to our business operations. As of October 31, 2024, we had 190 employees, all of whom were employed on a full-time basis. We place a significant emphasis on the recruitment and retention of our personnel and provide continuous training for employees to achieve high quality skills. The details of employees function wise is as set forth below: -

Department	No. of employees
Accounts	7
Admin	5
Design	4
E-Commerce	4
HR	2
IT	1
Key Accounts	14
Legal	1
Management	2
Marketing	3
MIS	2
Retail	108
Sales Ops	1
Sales (Footwear)	7
Sourcing (Apparels)	4
Sourcing (Footwear)	2
Warehouse	15
Warehouse (E-Commerce)	8
Total	**190**

Health, Safety and Environment

The health and safety of our employees is very important to us. We have established various measures in order to eliminate and reduce the risk of workplace accidents at our facilities and properties. Our operations are subject to various environmental, health and safety laws and regulations in each of the jurisdictions in which we operate.

We incur expenditures to maintain compliance with current and future environmental, health and safety laws and regulations, including obtaining appropriate operating permits, licenses and approvals that are necessary for our business operations. We monitor and assess compliance issues in connection with our operations and undertake mock drills and other safety orientation programs to create awareness and promote a safe working environment.

Utilities

Infrastructure: Our Registered Office and Corporate Office is well equipped with computer systems, internet connectivity, other communication equipment and security & surveillance, which are required for our business operations.

Power: We have arrangements for regular power supply at our corporate office premises. We depend on state electricity supply for our power requirements and power backup provided by our lessor to ensure that our facilities are operational during power failures or other emergencies.

Water: We source our water requirements from municipality at our office.

Capacity

Capacity and capacity utilization is not applicable to our Company since our business is not in the nature of a manufacturing concern with specified installed capacity.

Intellectual Property

As of November 18, 2024, we own 22 trademarks in India relating to our brands under several classes. Our registered trademarks are valid for a period of ten years from the date of application and renewable for a period of ten years, on expiry.

For further details, see "*Government and Other Approvals*" on page 201.

Properties

S. No.	Purpose	Location	Name of lessor	Area (sq. ft.)	Monthly Rental	Term	Lease Start date	Lease End date
1A	Registered Office and Warehouse	Khasra No. 55/14 & 55/15, Mundka, Near Rani Khera Road, Delhi – 110041 (Ground floor)	Surender Kumar Gupta	13,633	2,07,713	11 years	October 24, 2017	October 31, 2028
1B	Registered Office and Warehouse	Khasra No. 55/14 & 55/15, Mundka, Near Rani Khera Road, Delhi – 110041 (First floor)	Surender Kumar Gupta	13,633	1,21,247	6 years	April 1, 2019	March 31, 2025
2	Corporate Office	Tower B, Ground Floor Smartworks Corporate Park Plot 1 & 2, Amity Road, Sector 125, Noida, Uttar Pradesh - 201303	Smartworks Coworking Spaces Private Limited	90 workstations *	480,835	5 years	October 1, 2021	September 30, 2026
3	Retail Store	F-143, Ground Floor, Shop No.2, Main Market, Rajouri Garden, New Delhi - 110027	Usha Sethi	950	135,000	9 years	October 1, 2020	September 30, 2029
4	Retail Store	G-26, Ground Floor, City Centre, Plot No. 1B3, Twin District Centre, Sector - 10, Rohini, Delhi - 110085	Kiran and Karan Garg	530	143,750	9 years	September 16, 2020	September 17, 2029
5	Retail Store	G-78, Upper Ground Floor, Shop No. 1 & 2, Abul Fazal Enclave, Sarita Vihar, New Delhi - 110025	Huma Arif	1,007	50,000	6 years	December 1, 2019	December 31, 2025
6	Retail Store	Unit No. GF-36B, Crown Interiorz, Sector-35, Faridabad, Haryana - 121003	Mohini	600	221,280	9 years	November 1, 2023	October 30, 2032
7	Retail Store	Shop No. SF/S/20, Second Floor, Plot No-C1B/GH-01, Sector-4, Gaur City Mall, Greater Noida, West, Greater Noida, Gautam Buddha Nagar, Uttar Pradesh, 201310	Gaursons Hitech Infrastructure Pvt Ltd.	980	2,35,200	6 years	February 24, 2023	February 23, 2029
8	Retail Store	Shop No 1A, Ground Floor, Building No. 150/177, Model Town, GT Road, Ghaziabad, Uttar Pradesh - 201001	Shyam Veer Chaudhary, Chetan Chaudhary and Suman Singh	875	125,000	9 years	March 13, 2023	March 12, 2032
9	Retail Store	Unit number 1B & 1C, Ground Floor, The Great India Place Mall, Plot No. A-2, Sector 38A, Noida, Uttar Pradesh - 201301	Preetika Bharti, Prashansha Bharti, Vass Dev Wadhwa and Renu Wadhwa	880	246,400	9 years	January 1, 2023	December 31, 2032

S. No.	Purpose	Location	Name of lessor	Area (sq. ft.)	Monthly Rental	Term	Lease Start date	Lease End date
10	Retail Store*	Retail Space No. 25, Pelican Plaza, NH-54, Faridkot – Talwandi Road, NH-54, Opposite Crown Palace, Village Pakka – Distt – Faridkot, Punjab – 151203.	Indocan Developers	1,000	75,000	9 years	August 15, 2022	August 14, 2031
11	Retail Store*	Ground & First Floor, Goniana, G.T. Road, Near Raja Motors, Bathinda, Punjab - 151001.	Savita Rani Garg	1,280	172,000	9 years	November 1, 2022	October 30, 2031
12	Retail Store	Shop No-136, Ground Floor, NH-7, Factory Outlet Barnala Highway Road NH-07, Opp Wallmart, Mc Donald & KFC, Village Bhucho Khurd, Bhucho Mandi, Bhatinda, Bhucho, Punjab – 151101	Surinder Jit Kaur	816	100,000	9 years	December 22, 2021	December 21, 2030
13	Retail Store	Airia Mall, Shop No. SF-32, Second Floor, Sector 68, Gurugram, Haryana - 122001	Reach Promoters Private Limited	452	1,00,000	5 years	November 25, 2022	November 24, 2027
14	Retail Store	Shop No. 19, Third Floor, Centrio Mall, 108/84, Rabindra Nath Tagore Marg, Dehradun, Uttarakhand – 248001	Unison Infratech Pvt Ltd	668	1,11,600	6 years	February 10, 2023	February 9, 2029
15	Retail Store	Shop No. UB-47, Jawahar Nagar, Kamla Nagar, New Delhi – 110007	Anil Verma, Ambrish Verma & Archana Verma	540	130,000	6 Years	May 16, 2024	May 15, 2030
16	Retail Store	Shop No 14A, Ground Floor, Eaton Plaza, Bathinda to Barnala Road, NH-7, Near Zaildaar Dhaba, Village Handiaya, Distt, Barnala, Punjab – 148107	BRH Eaton Pvt Ltd	1,200	72,000	9 Years	July 06, 2024	July 6, 2033
17	Retail Store	Green City Square, Shop No 33, Ground Floor, Dabwali Road, Near AIIMS Hospital, Bathinda, Punjab – 151001	Rajbinder Kaur	1,035	76,590	9 Years	July 7, 2024	May 31, 2033

S. No.	Purpose	Location	Name of lessor	Area (sq. ft.)	Monthly Rental	Term	Lease Start date	Lease End date
18	Retail Store	Unit No. SH/2F/25, Mall of Dehradun, Haridwar Road, Dehradun - 248005	Pacific Development Retail Pvt Ltd	1,031	227,924	6 Years	May 20, 2024	May 19, 2030
19	Retail Store*	Shop No. 42, Lower Ground Floor, Amayra Emporio, Kharar, Mohali, Punjab, 140301, India	Nitin Jindal and Kunal Jindal	825	60,000	9 years	June 1, 2024	May 31, 2033
20	Retail Store	Ground Floor, Mauja Raxual, Main Road Infront of Ashram Road, Police Station Raxaul	Sita Sarraf	546	70,000	9 Years	September 17, 2024	September 16, 2033
21	Retail Store	Ground Floor And First Floor, Abha Crown, Pipliyahana, 23 Greater Brijeshwari Colony, Indore, Madhya Pradesh – 452016	Asha Pachori	1200	19,583	9 Years	September 04, 2024	September 03, 2033
22	Retail Store	SCF-18, Sector-61, Phase-7, SAS Nagar, Mohali, Punjab-160055.	Simaranjeet Sing Dhanoa, Jaspal Kaur, Gurpreet Singh and Amrinder Singh Dhanoa	900	1,85,000	9 Years	August 26, 2024	August 25, 2033
23	Retail Store	Shop No, Upper Ground Floor, Bhupendra Road, Patiala, Punjab 147001	Narinder Kaur and Manpreet Kaur	1312	1,75,000	9 Years	September 02, 2024	September 01, 2033
24	Retail Store	Shop No.71, Ground Floor, The OutletVillage, Sangrur, Punjab	NH-7 PR Realtors	1225	1,15,640	9 Years	November 08, 2024	November 07, 2033
25	Retail Store	Shop No-A-08, Ridhi Sidhi High Street, Hanumangarh Road, Sri Ganganagar, Rajasthan – 335001	Piyush Mittal, Gaurav Bansal, Atul Bansal and Vishal Gaur	870	50,000	9 Years	August 01, 2024	July 31, 2033
26	Retail Store	C-20, Ground Floor, Ekta Nagar, Bareilly, Uttar Pradesh 243001	Aqeel Ahmed, Shabeena Bee and Mohd Ayan	1080	70,000	9 Years	October 03, 2024	October 02, 2033

**Corporate office situated in coworking space consisting 90 workstations, 2 director offices, reception and meeting room, exact identification of area in square feet is not available.*

**We have entered into a Business Development agreement for locations GT Road-Bhatinda, Faridkot and Kharar-Mohali wherein lease agreements have been entered in the name of our business associate, however the core responsibility to operate such retail store is ours.*

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.

The following is an overview of some of the important laws, policies and regulations which are pertinent to our business. Taxation statutes such as the Income Tax Act, GST and applicable labour 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 the 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 201 of this Red Herring Prospectus.

APPLICABLE LAWS AND REGULATIONS

The following description is a summary of certain key statutes, rules, regulations, notifications, memorandums, circulars and policies which are applicable to our Company and the business undertaken by our Company. The information detailed in this chapter, is based on the current provisions of key statutes, rules, regulations, notifications, memorandums, circulars, and policies, as amended, and are subject to future amendments, changes and/or modifications. The information detailed in this chapter has been obtained from sources available in the public domain. The regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute professional legal advice. The statements below are based on the current provisions of Indian law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

A. BUSINESS AND/ OR INDUSTRY AND / OR TRADE RELATED LAWS AND REGULATIONS

- **National Textile Policy, 2000**

The National Textile Policy, 2000 ("NTP") aims at facilitating the growth of the textile industry to attain and sustain a preeminent global standing in the manufacture and export of clothing. The objective is sought to be achieved by liberalizing controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment. In furtherance of its objectives, the strategic thrust of the NTP is on technological upgradation, enhancement of productivity, quality consciousness, product diversification, maximizing employment opportunities, and so on. The NTP also envisages certain sector specific initiatives, including the sector of raw materials, spinning, weaving, power loom, handloom, jute and textile. The Policy also lays down certain delivery mechanisms for the implementation of the policy and to enable the Indian textile industry to realize its full potential and achieve global excellence.

Ministry of Textiles is contemplating a New Textile Policy which has not been finalized and it is at draft stage. The New Textile Policy, inter alia, will give thrust on enhancing export performance and creating better employment opportunities. The New Textile Policy is being formulated by holding widespread consultations with various associations, industry bodies, State Governments and other stakeholders representing subsectors viz. Cotton, Silk, Jute Wool, Handloom, Handicrafts, Power loom etc.

Salient objective of NTP is as follows:

- Equip the textile industry to withstand pressures of import penetration and maintain a dominant presence in the domestic market;
- Develop a strong multi-fibre base with thrust on product up-gradation and diversification;
- Sustain and strengthen the traditional knowledge, skills and capabilities of our weavers and craftspeople;
- Enrich human resource skills and capabilities, with special emphasis on those working in the decentralized sectors of the textile industry; and for this purpose to revitalize the institutional structure;
- Make Information Technology (IT), an integral part of the entire value chain of textile;
- Production and thereby facilitate the textile industry to achieve international standards in terms of quality, design and marketing; and
- Involve and ensure the active co-operation and partnership of the State Governments, Financial Institutions, Entrepreneurs, Farmers and Non-Governmental Organizations in the fulfilment of these objectives, vide the NTP, the Government has conveyed its

commitment towards providing a conducive environment to enable the Indian textile industry to realize its full potential, achieve global excellence, and fulfil its obligation to different sections of society.

- **Textile Committee Act, 1963**

The Textiles Committee Act, 1963 ("TCS") came into force on August 22, 1964. A textiles committee ("Textiles Committees") has been established under TCS with the primary objective of ensuring a standard quality of textiles both for domestic and export markets as well as standardization of the type of textile machinery used for production. The Textiles Committee's functions include, among others, the promotion of Indian textiles and textile exports, researching in technical and economic fields, establishing standards for Indian textiles and textile machinery, setting up of laboratories, and data collection. Additionally, the Textiles Committee regulates the imposition of cess on textile and textile machinery that is manufactured in India under TCS.

- **The Legal Metrology Act, 2009 (the "Legal Metrology Act") and the Legal Metrology (Packaged Commodities) Rules, 2011**

The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Legal Metrology Act governs the standards/units/denominations used for weights and measures. It also states that any transaction/contract relating to goods shall be as per the weight/measurement prescribed by the Legal Metrology Act. Such weights and measures are required to be verified and re-verified periodically before usage through government approved test centers. Under the provisions of the Legal Metrology Act, pre-packaged commodities are required to bear statutory declarations and entities are required to obtain a registration before import of any weight or measure. Approval of model is required before manufacture or import of any weight or measure. Any non-compliance or violation under the Legal Metrology Act may result in, inter alia, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

The Legal Metrology (Packaged Commodities) Rules, 2011 (the "Packaged Commodities Rules") were framed under Section 52(2) (j) and (q) of the Legal Metrology Act and lay down specific provisions applicable to packages intended for retail sale, wholesale and for export and import. A "pre –packaged commodity" means a commodity which without the purchaser being present is placed in a package of a pre-determined quantity. The key provisions of the Packaged Commodities Rules provide that it is illegal to manufacture, pack, sell, import, distribute, deliver, offer, expose or possess for sale any pre-packaged commodity unless the package is in such standard quantities or number and bears thereon such declarations and particulars as prescribed. Further, all pre-packaged commodities must conform to the declarations provided thereon as per the requirement of Section 18(1) of the Legal Metrology Act and no pre-packaged commodity shall be packed with error in net quantity beyond the limit prescribed in the first schedule of the Packaged Commodity Rules. The Packaged Commodity Rules were amended in the year 2017 to increase protection granted to consumers. Some recent additions include increased visibility of retail price, removal of dual maximum retail price and bringing e-commerce within the ambit of these rules.

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

The Bureau of Indian Standards Act, 2016 ("BIS Act") provides for the establishment of bureau for the standardization, markingand quality certification of goods. Functions of the bureau include, inter-alia, (a) recognizing as an Indian standard, any standardestablished for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall beof such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license.

- **Bureau of Indian Standards Rules, 2018 (the "Bureau of Indian Standards Rules")**

The Bureau of India Standards Rules, 2018, as amended, have been notified, in supersession of the Bureau of Indian Standards Rules, 1987, in so far as they relate to Chapter IV A of the said rules relating to registration of the articles notified by the CentralGovernment, and in supersession of the Bureau of Indian Standards Rules, 2017 except in relation to things done or omitted to be done before such supersession. Under the Bureau of Indian Standards Rules, the bureau is required to establish Indian standards in relation to any goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian standards so established as may be necessary.

B. GENERAL CORPORATE COMPLIANCE

- **Companies Act, 2013**

The Companies Act 2013 regulates the formation and functioning of corporations or companies in India. The first Companies Act after

independence was passed in 1956, which governed business entities in the country. The 1956 Act was based on the recommendations of the Bhabha Committee. This Act was amended multiple times, and in 2013, major changes were introduced. By Section 135 of the 2013 Act, India became the first country to make corporate social responsibility (CSR) spending mandatory by law. It has introduced the concept of 'Dormant Companies'. It introduced the National Company Law Tribunal. It is a quasi-judicial body in India adjudicating issues concerning companies. It replaced the Company Law Board.

- **Sale of Goods Act, 1930:**

The Sale of Goods Act, 1930 (the "Sale of Goods Act") governs contracts relating to the sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract for 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 goods, delivery of goods, rights and duties of the buyer and seller.

- **Indian Contract Act, 1872**

This Act is to define and Amend the certain parts of the Law relating to Contracts. The Indian Contract Act is one of the oldest mercantile laws of our country. It lays down the conditions under which promises made between parties are legally binding. Indian Contract Act codifies the way we enter into a contract, execute a contract, implementation of provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time.

- **The Competition Act, 2002:**

The Competition Act, 2002 is a law that governs commercial competition in India. It replaced the erstwhile Monopolies and Restrictive Trade Practices Act, 1969. The Competition Act aims to prevent activities that have an adverse effect on competition in India. This act prohibits anti-competitive agreements, abuse of dominant position by enterprises and regulates combinations (acquisition, acquiring of control and M&A), which causes or likely to cause an appreciable adverse effect on competition within India. An Act is to provide, keeping in view of the economic development of the country, for the establishment of a Commission to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect the interests of consumers and to ensure freedom of trade carried on by other participants in markets, in India, and for matters connected therewith or incidental thereto.

- **The Consumer Protection Act, 2019:**

The Consumer Protection Act, which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, inter alia to promote and protects the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of "consumer" has been expanded under the Consumer Protection Act to include persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. One of the substantial changes introduced by Consumer Protection Act is inclusion of the e-commerce industry under Consumer Protection Act with "e-commerce" defined to refer to the buying and selling of goods or services over digital or electronic network. Therefore, the Consumer Protection Act aims to cover entities that are involved in the process of selling goods or services online. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances.

- **Negotiable Instruments Act, 1881:**

It is a law concerning all the negotiable instruments, i.e., promissory notes, bills of exchange, and cheques. The word instrument states a document transferable from one party to another. The Negotiable Instruments Act, 1881, is an Indian legislation introduced during the British rule, with the objective of governing the usage of negotiable instruments. It outlines the various rules and procedures pertaining to negotiable instruments, their transfer, and the parties involved. This Act is segmented into 17 chapters and encompasses 142 sections, each dedicated to specific aspects related to negotiable instruments. The Negotiable Instruments Act, 1881, has been periodically revised to better suit the evolving financial environment

- **The Arbitration and Conciliation Act, 1996 :**

This act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation.

- **The Insolvency and Bankruptcy Code, 2016 :**

The Insolvency and Bankruptcy Code, 2016 (the "code") cover Insolvency of individuals, unlimited liability partnerships, Limited Liability partnerships (LLPs) and companies. The Insolvency Regulator (The Insolvency and Bankruptcy Board of India) has been established to exercise regulatory oversight over (a) Insolvency Professionals, (b) Insolvency Professional Agencies and (c) Information Utilities.

C. LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED

- **Shops and Establishments Legislations :**

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations 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. All industries have to be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations.

- **The Micro, Small and Medium Enterprises Act, 2006 (the "Act"):**

MSME stands for Micro, Small, and Medium Enterprises. It was introduced by the Government of India in agreement with the MSMED (Micro, Small, and Medium Enterprises Development) Act of 2006. As per this act, MSMEs are the enterprises involved in the processing, production, and preservation of goods and commodities. MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises.

Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

D. 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 allows the Central Government to set a minimum statutory wage. In pursuance of the Code, the Code on Wages (Central Advisory Board) Rules, 2021 have been notified, which prescribe, inter alia, the constitution and functions of the Central Advisory Board set up under the Code on Wages, 2019.

The four existing laws are as follows:

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

Payment of Wages Act, 1936, as amended, 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 thereunder

- ***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 "PoB Act")***

  The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

- ***The Equal Remuneration Act, 1976***

  The Equal Remuneration Act 1976 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work.

- **Occupational Safety, Health and Working Conditions Code, 2020 :**

The Government of India enacted 'The Occupational Safety, Health and Working Conditions 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 several separate legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The law that concerns our business is as follows –

- **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. The ID 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 twenty or more workers.

- ***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 so as to minimize industrial conflicts. The Standing Orders play a key role in defining the terms and conditions of employment within industrial employment. The highlights of the Standing Orders such as 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.

- **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 several 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 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 Employees' Act, the amount of compensation to be paid depends on the nature and severity of the injury. The Employees' Act also lays down the duties/obligations of an employer and penalties in cases of non-fulfilment of such obligations thereof. 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 seven days of death/serious bodily injury.

- ***Employees State Insurance Act, 1948***

  The ESIC Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employerto make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

- ***Employee's Provident Fund and Miscellaneous Provisions Act, 1952 and the schemes formulated there under ("Schemes")***

  The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF Act") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

- ***Maternity Benefit Act, 1961***

  The Maternity Benefit Act, 1961 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 ten 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 Payment of Gratuity Act, 1972 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 ten 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 ten 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.

- **Child Labour (Prohibition and Regulation) Act, 1986 :**

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

- **The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 :**

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints

and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, 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.

- **Industrial (Development and Regulation) Act, 1951 :**

This Act has been liberalized under the New Industrial Policy dated July 24th, 1991, and all industrial undertakings have been made exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum ("IEM") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

- **The Public Liability Insurance Act, 1991 and the Public Liability Insurance Rules, 1991 :**

The PLI 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 the PLI Act mandate the employer to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies.

- **Employees' Deposit Linked Insurance Scheme, 1976 :**

The scheme shall be administered by the Central Board constituted under section 6C of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the Act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to the Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

- **The Employees' Pension Scheme, 1995 :**

Family pension in relation to this Act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this Act. Every employee who is a member of EPF or PF has an option of the joining the scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the all the employees who are members of the fund

E. TAX RELATED LEGISLATIONS

- **Income Tax Act, 1961 :**

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act.

- **Goods and Services Tax :**

GST is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act, 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature / Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST

with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

It replaces following indirect taxes and duties at the central and state levels: Central excise duty, duties of excise (medicinal and toilet preparations), additional duties on excise–goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cess relating to supply of goods and services, state VAT, central sales tax, luxury tax, entry tax (all forms), entertainment and amusement tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

- **Customs Act, 1962 :**

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code).

F. INTELLECTUAL PROPERTY LEGISLATIONS

In general, the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- The Copyrights Act, 1957
- The Trade Marks Act, 1999
- Design Act, 2000

- **Indian Patents Act, 1970 :**

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making using selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

- **The Copyright Act, 1957 :**

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

- **Trade Marks Act, 1999 (the "Trade Marks Act") and Trade Mark Rules, 2017 ("Trade Mark Rules") :**

The Trade Marks Act, 1999 provides for application and registration of trademarks in India. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. It prohibits registration of deceptively similar trademarks and also provides for penalties in form of imprisonment or fine or both for infringement, falsifying and falsely applying trademarks and using them to cause confusion among the public. The Trade Marks Rules, lay down certain guidelines regarding procedure. Some of the salient features of the Trade Marks Rules include the process for determination of 'well-known' trademarks, representation of sound marks, recognition of e-mail as a mode of service, new registration fees and mandatory filing of statements of users. Further, pursuant to the notification of the Trademark (Amendment) Act, 2010 simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark (Amendment) Act, 2010 also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law to international practice.

- **Designs Act, 2000 :**

The Design Act, 2000 came into force in May 2001 to consolidate and amend the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, in two or three dimensional or both forms. In order to register a design, it must be new and original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination of known designs in order for it to be registerable.

G. FOREIGN EXCHANGE REGULATIONS

- **The Foreign Trade (Development & Regulation) Act, 1992 :**

The Foreign Trade (Development and Regulation) Act, 1992 [herein after FTA] read along with relevant rules inter-alia provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for mattersconnected therewith or incidental thereto. As per the provisions of the FTA, the Government: (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified casesas well as subject them to exemptions; (iii) is authorized to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorized to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import Policy. FTA read with the Indian Foreign Trade Policy inter-alia provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

- **Foreign Exchange Management Act, 1999 ("the FEMA") and Rules and Regulations thereunder :**

Export of goods and services outside India is governed by the provisions of the Foreign Exchange Management Act, 1999 ("FEMA"), read with the applicable regulations. The Foreign Exchange Management (Export of goods and services) Regulations 2000 have been superseded by the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 ("Export of Goods and Services Regulations 2015") issued by the RBI on January 12, 2016 [last amended on June 23, 2017]. The RBI has also issued a Master Circular on Export of Goods and Services. The export is governed by these Regulations which make provisions such as declaration of exports, procedure of exports as well as exemptions.

H. ENVIRONMENTAL LAWS

- **Environment (Protection) Act, 1986 and the Environment Protection Rules, 1986 :**

The Environment (Protection) Act, 1986 ("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 emitted any environmental pollutant in excess of such standards as may be prescribed. The Environment Protection Rules specifies, amongst other things, the standards for emission or discharge of environmental pollutants, and restrictions on the handling of hazardous substances in different areas. For contravention of any of the provisions of the Environment Protection Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both.

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, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution.

- **Water (Prevention and Control of Pollution) Act, 1974 :**

The Water (Prevention and Control of Pollution) Act, 1974 ("Water Act") aims to prevent and control water pollution and to maintain or restore wholesomeness of water. The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. Any person intending to establish any industry, operation or process or any treatment and disposal system likely to discharge sewage or other pollution into a water body, is required to obtain the consent of the relevant state pollution control board by making an application.

- **Water (Prevention and Control of pollution) Cess Act, 1977 :**

The Water (Prevention and Control of pollution) Cess Act, 1977 ("Water Cess Act") lays down levy and collection of cess for the purpose of the Water Act. Further, the Central Government is also empowered to exempt the levy of water cess under the Water Cess Act. The Central Government shall take into consideration nature of raw materials, effluents, source of water extraction, nature of effluent receiving bodies and production data. Schedule II of the Water Cess Act gives details regarding purpose for which water is consumed in different industries.

- **Air (Prevention and Control of Pollution) Act, 1981 :**

The Air (Prevention and Control of Pollution) Act, 1981 ("Air Act") aims to prevent, control and abate air pollution, and stipulatesthat no person shall, without prior consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area. They also cannot discharge or cause or permit to be discharged the emission of any air pollutant in excess of the standards laid down by the relevant state pollution control board. The Central Pollution Control Board and the state pollution control boards constituted under the Water Act perform similar functions under the Air Act as well. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant.

- **The Noise Pollution (Regulation & Control) Rules 2000 ("Noise Regulation Rules") :**

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

- **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 :**

The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Waste Rules") regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of afacility 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.

- **Public Liability Insurance Act, 1991 :**

The Public Liability Insurance Act, 1991 ("PLI 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 PLI Act hasbeen enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the PLI Act. The rules made under the PLI Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer. In addition to the above-mentioned environmental laws, there are other environmental laws which may be applicable to our Company as per the nature of the business activities carried-out by us.

I. GENERAL LAWS

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Specific Relief Act 1963, Apprentice Act 1961, Registration Act 1908, Information Technology Act, 2000 and Digital Personal Data Protection, 2023 are also applicable to the company.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of Our Company

Our Company was originally incorporated as 'Purple United Sales Private Limited' under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated September 16, 2014 bearing Registration Number 271636 issued by Registrar of Companies, Delhi. 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 May 11, 2024 and consequently the name of the Company was changed from 'Purple United Sales Private Limited' to 'Purple United Sales Limited' vide fresh Certificate of Incorporation consequent upon conversion to public company dated June 20, 2024 by Registrar of Companies, Delhi, bearing Corporate Identity Number U51909DL2014PLC271636. Mr. Jatinder Dev Seth, Mrs. Bhawna Seth, Mr. Manish Dev Seth, Mrs. Monica Seth and InnovationM Mobile And Web Technologies Private Limited are the Promoters of our Company. For further details of Our Promoters please refer the chapter titled *"Our Promoters and Promoter Group"* beginning on page 172 of this Red Herring Prospectus.

For information on our Company's profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major Vendors and suppliers, please refer the chapter titled "Our Business", "Industry Overview", "Our Management", "Restated Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 123, 94, 156, 182 and 185 respectively of this Red Herring Prospectus.

As on date of this Red Herring Prospectus, our Company has 45 (Forty-five) shareholders.

Corporate profile of our Company

Purple United Sales Limited ("Purple United") is a premium fashion brand dedicated to offering high-quality, versatile apparel, footwear, and accessories for children of all ages. Founded in 2014 by Mr. Seth, our mission is to enable children to express themselves using our 'brand' as a medium. Our ethos revolves around celebrating childhood with a strong emphasis on comfort, safety, and quality. Our flagship brand, "Purple United Kids," supports the entire journey of children up to 14 years old, offering lab-tested products made from premium materials in vibrant colours and designs for every occasion. Our operations encompass designing, developing, sourcing, marketing, and selling apparel and footwear for infants (0 to 1 year), toddlers (2 to 6 years), and older kid (7 to 14 years). We also offer a wide range of accessories and hard goods, such as strollers, etc.

We cater exclusively to the Indian market. Our extensive distribution network comprises 17 exclusive brand outlets (EBOs), multiple shop-in-shops, and a robust online presence through our website, mobile app, and major e-commerce platforms such as Myntra, Amazon, Flipkart, First Cry, Nykaa, Hopscotch and more. This dynamic approach allows us to maintain high purchase frequency and cater to repeat customers while continually expanding our reach. With an expected CAGR of 32% in the Indian kids' category, we are committed to growth and excellence. Our focus on innovation, quality, and the 3Fs—Fun, Fashion, and Functionality—ensures that we simplify parenthood and keep children safe, comfortable, and stylish.

For information on our Company's business profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major vendors and suppliers, please refer the chapter titled "*Our Business*", "*Industry Overview*", *"Our* Management*"*, "*Financial Information*" and "*Management Discussion and Analysis of Financial Position and Results of Operations*" beginning on pages 123, 94, 156, 182 and 185 respectively of this Red Herring Prospectus.

Change in Registered Office of Our Company Since Inception

As on the date of filing this Red Herring Prospectus, the registered office of our Company is situated at Khasra No. 55/14 & 55/15, Near Rani Khera Road, Mundka, West Delhi, New Delhi, Delhi, India, 110041

Except as disclosed below, there have been no other changes in the registered office of our Company since the date of incorporation:

Effective Date	Details of Registered Office	Reason for Change
September 16, 2014	2026, Street No. 7, Chuna Mandi, Pahar Ganj, Central Delhi, New Delhi-110055 IN.	Since Incorporation
May 01, 2024	2026, Street No. 7, Chuna Mandi, Pahar Ganj, Central Delhi, New Delhi-110055 IN" to its new address "Khasra No. 55/14 & 55/15, Near Rani Khera Road,	Administrative and operational Convenience

Effective Date	Details of Registered Office	Reason for Change
	Mundka, West Delhi, New Delhi-110041 IN."	

MAIN OBJECTS OF OUR COMPANY

The main objects contained in the Memorandum of Association of our Company is as mentioned below:

1. To carry on the business of manufacturing, trading (wholesale and retail) and distribution of all types of readymade garments, footwear, sports goods, bags, watches, sunglasses, perfumes, hosiery goods, accessories, and selling/buying through the medium of internet and retail shops/ franchisees, & to own and run websites and will be active in all activities like logistics which enable it to sell goods and services to its customers.

2. To carry on the business as a manufacturer, trader, wholesaler, distributer, retail trader, C&F agent and online sellers of all types of readymade garments, dresses, woolen garments, garments industry and dress materials, sportswear, sports apparels, textile goods, fabric's, hosiery, socks, caps, knitted goods men's, women's & children's wears, handicrafts etc., made of every description, and footwear, sports footwear, sandals, chappals, hawai chappals, plastic footwear etc.made of every description.

3. To carry on the business as a manufacturer, trader, wholesaler, distributer, retail trader, C&F agent and online sellers of all types of sports goods, sports footwear, sports apparels, sportswear, sports equipment, bags, suitcases, sports accessories, fitness and gym equipment, fitness and gym accessories, trophies, all type of gift items etc. made of every description.

4. To carry on the business of export and import of consumer products including all type of readymade Garments, cloth, woolen, handicrafts, all types of footwear including chappals, and sandals made of compound, plastic, canvass, rubber, eva sheets and material, leather or any other synthetic or natural products, all types of sports goods, bags, suitcases, watches, sunglasses, perfumes, hosiery goods, accessories, all type of gift items etc made of every description.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY SINCE INCORPORATION

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

Sr. No.	Particulars of Amendment	Date of Shareholders Meeting
1.	**Clause** V **of the Memorandum was amended to reflect:** Increase in Authorized Share Capital from ₹ 5,00,000 (Rupees Five Lakhs Only) divided into 50,000 (Fifty Thousand) Equity Shares of ₹ 10/- (Rupees Ten Only) each to ₹ 50,00,000/- (Rupees Fifty Lakhs Only) divided into 5,00,000 (Five Lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each.	March 18, 2019
2.	**Clause** V **of the Memorandum was amended to reflect:** Increase in Authorized Share Capital from ₹ 50,00,000 (Rupees Fifty Lakhs Only) divided into 5,00,000 (Five Lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each to ₹ 120,00,000/- (RupeesOne Crore Twenty Lakhs Only) divided into 12,00,000 (Twelve Lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only)each.	November 25, 2019
3.	**Clause** V **of the Memorandum was amended to reflect:** Increase in Authorized Share Capital from ₹ 1,20,00,000 (Rupees One Crore Twenty Lakhs Only) divided into 12,00,000 (Twelve Lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each to ₹ 5,00,00,000/- (Rupees Five Crores Only) divided into 50,00,000 (Fifty Lakhs) Equity Shares of ₹ 10/- (RupeesTen Only) each.	July 25, 2022
4.	**Clause** V **of the Memorandum was amended to reflect:** Increase in Authorized Share Capital from ₹ 5,00,00,000 (Rupees Five Crores Only) divided into 50,00,000 (Fifty Lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each to ₹ 7,00,00,000/- (Rupees Seven Crores Only) divided into 70,00,000 (Seventy Lakhs) Equity Shares of ₹ 10/- (RupeesTen Only) each.	March 01, 2024
5.	**Clause** V **of the Memorandum was amended to reflect:** Increase in Authorized Share Capital from ₹ 7,00,00,000/- (Rupees Seven Crores Only) divided into 70,00,000 (Seventy Lakhs) Equity Shares of ₹ 10/- (RupeesTen Only) each to ₹ 11,00,00,000/- (Rupees Eleven Crores Only) divided into 1,10,00,000 (One Crore Ten Lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each.	May 11, 2024
6.	**Clause I of the Memorandum was amended to reflect:** Change the name of the Company from Purple United Sales Private Limited to Purple United Sales	May 11, 2024

Sr. No.	Particulars of Amendment	Date of Shareholders Meeting
	Limited	

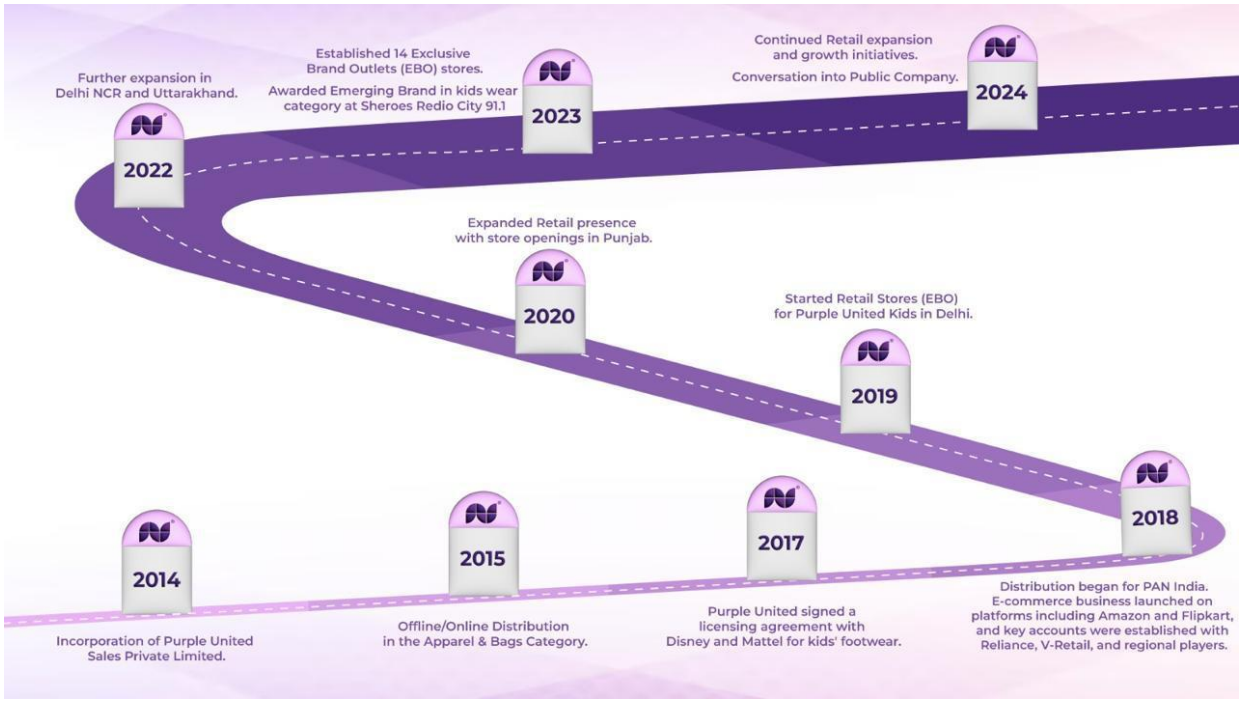
ADOPTION OF NEW ARTICLES OF ASSOCIATION OF COMPANY

Our Company has adopted a new set of Articles of Association of the Company in accordance with applicable provisions of the Companies Act 2013, in the Extra Ordinary General Meeting of the Company dated May 11, 2024.

MAJOR EVENTS AND MILESTONES OF OUR COMPANY

The table below sets forth the key events in the history of our Company:

Year	Particulars
2014	Company Incorporation
2015	Offline/Online Distribution in the Apparel & Bags Category
2017	Purple United signed a licensing agreement with Disney and Mattel for kids' footwear
2018	Distribution began for PAN India. E-commerce business launched on platforms including Amazon and Flipkart, and key accounts were established with Reliance, V-Retail, and regional players.
2019	Started Retail Stores (EBO) for Purple United Kids in Delhi
2020	Expanded Retail presence with store openings in Punjab.
2022	Further expansion in Delhi NCR and Uttarakhand.
2023	Establish 14 Exclusive Brand Outlets (EBO) stores.
2024	Continued Retail expansion and growth initiatives



AWARDS, ACCREDITATIONS OR RECOGNITIONS

Our Company has received the following awards, accreditation and recognition:

Sr. No.	Accreditation	Year ofAward
i.	To acknowledge the meticulous efforts by the brand Radio city 91.1 honoured Purple United Kids as the emerging brand in kid's wear category	2022-23

MAJOR AGREEMENT

The Company has entered into a non-exclusive licensing arrangement with globally recognized brands, Disney and Mattel, for their footwear category. These agreements authorize them to design, develop, source, and manufacture Licensed Products as well as offer, distribute, and sell these Licensed Products to their Customers. This strategic partnership is a significant milestone for the company, allowing them to leverage the widespread appeal of these beloved characters to enhance their product offerings and expand their reach to a broader customer base.

The arrangement helps them in the following aspects:

1. Licensed characters enable them to leverage global trends, providing children with footwear that is both fashionable and aligned with contemporary preferences. By incorporating popular characters, their products resonate with current trends, enhancing their appeal and making them more desirable to young consumers.

2. As an emerging brand, their association with Disney and Mattel provides them with substantial marketing support, which is critical for enhancing their visibility and brand presence in the market. The characters associated with these brands are widely recognized and resonate strongly with their target demographics, helping them attract a diverse range of customers and boost sales.

3. Association with Disney and Mattel gives access to their marketing assets, having very strong followers indirectly helps the Company in promoting their brand.

Agreement Structure: These licensing agreements are structured on a renewable basis, enabling the Company to maintain a long-term partnership that can be periodically reviewed and adapted to meet their evolving business objectives. As part of these agreements, the Company has committed to paying a minimum guarantee (MG) as royalty to the licensors based on the business plan, ensuring a baseline financial commitment. Additionally, should the Company's sales exceed the thresholds set under the MG, they are obligated to make additional payments for any amounts beyond the MG, reflecting the success and profitability of the partnership. The royalty margin varies from 8.5 -13% depending upon the character and business channel (B2B or B2C). Detailed below is the relationship between revenue generated due to the licensing arrangement and licensing cost incurred for the past 3 financial years:

(₹ in Lakhs)

Particulars	September 30, 2024	FY 2023-24	FY 2022-23	FY 2021-22
Revenue	195.99	740.63	974.15	1,022.30
Licensing fees	24.75	53.98	101.95	103.76
Percentage	12.63%	7.28%	10.47%	10.15%

HOLDING COMPANY

Our Company does not have a holding company since the date of incorporation.

SUBSIDIARIES, ASSOCIATE AND JOINT VENTURES

Our Company does not have any subsidiaries, associate and joint ventures.

STRIKES AND LOCK-OUTS

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock- outs. As on the date of this Red Herring Prospectus, our employees are not unionized.

TIME/ COST OVERRUN

There are no unusual time/cost overruns while completing the projects by Company. The details for this have been disclosed in chapter titled "Risk Factors" on page 23 of this Red Herring Prospectus.

There are no changes in the activities of the Company during the last three years which may have had a material effect on the profits/loss, including discontinuance of lines of business, loss of agencies or markets and similar factors except shifting of trading business.

CAPACITY OR FACILITY CREATION AND LOCATIONS OF PLANTS

This clause is not applicable to our Company since our business is not in the nature of a manufacturing concern with specified installed capacity.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS

Our Company has not defaulted on repayment of any loan availed from any banks or financial institutions. The tenure of repayment of any loan availed by our Company from banks or financial institutions has not been rescheduled.

DETAILS OF ACQUISITION OR DIVESTMENTS

Our Company has not acquired nor divested any business/undertaking since inception preceding the date of this Red Herring Prospectus.

MERGERS OR AMALGAMATION

Our Company has not undertaken any merger or amalgamation since inception preceding the date of this Red Herring Prospectus.

REVALUATION OF ASSETS

Our Company has not revalued its assets since inception preceding the date of this Red Herring Prospectus.

DETAILS OF SHAREHOLDERS' AGREEMENTS

As on date there are no Shareholders' agreements.

OTHER AGREEMENTS

Neither our Promoters nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

Further, our Company has not entered into any other subsisting material agreement, other than in the ordinary course of business.

FINANCIAL AND / OR STRATEGIC PARTNERS

Our Company does not have any financial and/or strategic partners as on the date of filing this Red Herring Prospectus.

LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY OR EXIT IN NEW GEOGRAPHIES

For details of launch of key products or services, entry in new geographies or exit from existing markets, please refer to the chapter *"Our Business"* on page 123 of this Red Herring Prospectus.

GUARANTEES GIVEN BY OUR PROMOTER

Except as disclosed below, as on the date of this Red Herring Prospectus, our Promoters have not provided any guarantees to third parties

S No.	Particulars	Given By	Given To
1	Personal Guarantee	Mr. Jatinder Dev Seth	1. Deutsche Bank Limited 2. ICICI Bank Limited 3. Clix Capital Services Private Limited 4. Aditya Birla Finance Limited 5. Fullerton India Credit Company Limited 6. Poonawalla Fincorp Limited 7. Cholamandalam Investement and Finance Com Limited 8. Unity Small Finance 9. IDFC First Bank Limited 10. Moneywise Financial Services Private Limited 11. Standard Chartered Bank 12. HDFC Bank Limited 13. Inditrade Fincorp Limited 14. Tata Capital Financial Services Limited 15. IIFL Finance Limited 16. L&T Finance Limited 17. Hero Fincorp Limited 18. ECL Finance Limited 19. Yes Bank Limited 20. Fedbank Financial Services Limited 21. Kotak Mahindra Bank Limited 22. Bajaj Finance Limited 23. Kisetsu Saison Finance (India) Private Limited 24. Axis Bank Limited 25. Indusind Bank Limted 26. Protium Finance Limited 27. Neogrowth Credit Private Limited 28. Ugro Capital Limited 29. Incred Financial Services 30. Getvantage Tech Private Limited 31. Jayshree Dealers Private Limited 32. Kangra Bank 33. Bank of Baroda 34. Tata Capital Finance Services Limited 35. TAP Invest (Purple Petal Invest Private Limited) 36. Protium Finance Limited

S No.	Particulars	Given By	Given To
			37. Unity Small Finance Bank
2	Personal Guarantee	Mrs. Bhawna Seth	1. Deutsche Bank Limited 2. ICICI Bank Limited 3. Clix Capital Services Private Limited 4. Aditya Birla Finance Limited 5. Fullerton India Credit Company Limited 6. Poonawalla Fincorp Limited 7. Cholamandalam Investement and Finance Com Limited 8. Unity Small Finance 9. IDFC First Bank Limited 10. Moneywise Financial Services Private Limited 11. Standard Chartered Bank 12. HDFC Bank Limited 13. Inditrade Fincorp Limited 14. Tata Capital Financial Services Limited 15. IIFL Finance Limited 16. L&T Finance Limited 17. Hero Fincorp Limited 18. ECL Finance Limited 19. Yes Bank Limited 20. Fedbank Financial Services Limited 21. Kotak Mahindra Bank Limited 22. Bajaj Finance Limited 23. Kisetsu Saison Finance (India) Private Limited 24. Axis Bank Limited 25. Indusind Bank Limted 26. Protium Finance Limited 27. Neogrowth Credit Private Limited 28. Ugro Capital Limited 29. Incred Financial Services 30. Getvantage Tech Private Limited 31. Jayshree Dealers Private Limited 32. Bank of Baroda 33. Tata Capital Finance Services Limited 34. TAP Invest (Purple Petal Invest Private Limited) 35. Protium Finance Limited 36. Unity Small Finance Bank
3	Personal Guarantee	Mr. Manish Dev Seth	1. Deutsche Bank Limited 2. HDFC Bank Limited 3. Bank of Baroda
4	Personal Guarantee	Mrs. Monica Seth	1. HDFC Bank 2. ICICI Bank
5	Personal Guarantee	InnovationM Mobile and Web Technologies Private Limited	Not applicable

CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT

Other than as mentioned above in the section titled *"Our Business"* and *"History and Certain Corporate Matters"* beginning on pages 123 and 148 respectively, of this Red Herring Prospectus, there has been no change in the activities being carried out by our Company which may have a material effect on the profits/ loss of our Company, including discontinuance of the current lines of business, loss of projects or markets and similar factors in the last five years.

INJUNCTIONS OR RESTRAINING ORDERS

There are no injunctions/ restraining orders that have been passed against the Company.

CHANGES IN THE MANAGEMENT

For details of change in Management, please see chapter titled "*Our Management*" on page 156 of the Red Herring Prospectus.

OTHER DECLARATIONS AND DISCLOSURES

Our Company is not a listed entity. Our Company has not made an application to NSE EMERGE for listing of its equity shares on the NSE EMERGE. Further, our Company had/ has neither received any objections or rejections post receipt of the In-Principal Approval dated November 06, 2024 and our securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, our Company has not made any public issue (as defined in the SEBI (ICDR) Regulations) in the past.

Further, no action has been taken against our Company by any Stock Exchange or by SEBI. Our Company is neither a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985; nor is our Company under winding-up process nor has it received any notice for striking off its name from the Registrar of Companies.

FUND RAISING THROUGH EQUITY OR DEBT

For further details in relation to our fund-raising activities through equity and debt, please refer to the section titled "*Financial Information"* and *"Capital Structure"* beginning on pages 181 and 60 respectively, of this Red Herring Prospectus.

OUR MANAGEMENT

Our Company currently has 6 (Six) directors on its Board, including 3 (Three) Independent directors. For details on the strength of our Board, as permitted and required under the Articles of Association, see *"Main Provisions of Articles of Association"* on page 248 of this Red Herring Prospectus.

Board of Directors

As on the date of this Red Herring Prospectus, our Board comprises of 6 (Six) Directors, including 2 (Two) Executive Directors and 4 (Four) Non-Executive Directors.

Sr. No.	Name, Father's Name, Designation, Address, Occupation, Qualification,Date of Original Appointment, Nationality, Date of Birth, Current Term and DIN	Age (in years)	Other Directorships
1.	**MR. JATINDER DEV SETH** **DIN: 06944942** **Designation:** Chairman & Managing Director **Date of Birth:** August 27, 1972 **Father's Name:** Mr. Baldev Raj Seth **PAN:** ACDPS4101P **Nationality:** Indian **Address:** Flat No. 901, Tower No. 16, Jaypee Kalypso Court, Sector 128, Noida, Gautam Buddha Nagar, Uttar Pradesh 201304 **Experience:** 25 Years **Occupation:** Business **Qualification:** Bachelor of Engineering, MBA Finance **Current term:** For a period of Three (3) consecutive years with effect from April 01, 2024. **Original Date of Appointment:** September 16, 2014 **Change in Designation:** April 01, 2024	52 years	Nil
2.	**MRS. BHAWNA SETH** **DIN**: **07385656** **Designation:** Whole Time Director **Date of Birth:** May 13, 1975 **Father's Name:** Mr. Om Prakash Hans **Address:** Flat No. 901, Tower No. 16, Jaypee Kalypso Court, Sector 128, Noida, Gautam Buddha Nagar, Uttar Pradesh 201 304 **Qualification**: Master of Arts English **Experience:** 20 Years **Current Term:** For a period of Three (3) consecutive years with effect from April 01, 2024. **Original Date of Appointment**: December 14, 2015 **Change in Designation:** April 01, 2024	49 years	Nil
3.	**MR. PANKAJ LAL GUPTA** **DIN**: 07537290 **Designation**: Independent Director **Date of Birth**: March 20, 1974 **Designation**: Independent Director **Father's name:** Late Mohinder Kumar Gupta **Address:** C-1-1101, 11th Floor, The Legend Apartments, Near HDFC School, Shushant Lok PH-3 Gurgaon Sector-56, Haryana -122001 **Occupation:** Business **Qualification**: MBA, Business Management for Delivery Excellence **Experience:** 20 Years **Current Term:** For a period of Five (5) years with effect from May 08, 2024.	50 years	**Public Limited Companies:** Nil **Private Limited Companies:** i. Body And Strength Private Limited ii. Intelibliss India Private Limited iii. Seguir Innovation Private Limited iv. Qnt Sport India Private Limited v. Xelium Retail Private Limited vi. Xeliumtech Solutions Private

Sr. No.	Name, Father's Name, Designation, Address, Occupation, Qualification,Date of Original Appointment, Nationality, Date of Birth, Current Term and DIN	Age (in years)	Other Directorships
	Original Date of Appointment: May 08, 2024 **Change in Designation:** May 11, 2024		Limited vii. Lanzeintegra Technologies Private Limited viii. Daksh Electronics Private Limited ix. Vng Enterprises Private Limited x. Inbel Enterprises Private Limited **Foreign Companies:** Nil **LLP:** i. M2R Technomations LLP
4.	**MR. VISHAL SHARMA** **DIN:** 10604586 **Designation:** Independent Director **Date of Birth:** August 30, 1970 **Father's Name:** Mr. Chander Mohan Sharma **Address:** House No. 23, 1st Floor, Block-H, Pocket –2, Sector-16, Near Bus Stand, North West, Delhi-110089 **Occupation:** Private Employment **Qualification:** Bachelor of Engineering, MBA **Experience:** 30 years **Current Term:** For a period of Five (5) years with effect from May 08, 2024. **Original Date of Appointment:** May 08, 2024. **Change in Designation:** May 11, 2024	53 years	Nil
5.	**MR. TARUN ANAND** **DIN:** 10617975 **Designation**: Independent Director **Date of Birth:** June 30, 1974 **Father's Name**: Mr. Tara Chand Anand **Address:** T3-001 Sunworld Vanalika Gh -01b, Sector -107, Noida Gautam Budhha Nagar, Uttar Pradesh-201301 **Occupation:** Private Employment **Experience: 30** years **Current Term:** For a period of Five (5) years with effect from May 08, 2024. **Original Date of Appointment:** May 08, 2024. **Change in Designation:** May 11, 2024	50 years	Nil
6.	**MR. NIRAJ RAJPAL** **DIN: 10344731** **Designation**: Non-Executive Director **Date of Birth:** September 02, 1971 **Father's Name**: Mr. Dina Nath Rajpal **Address:** N-83, Kriti Nagar New Delhi 110015-India **Occupation:** Professional **Experience:** 18 years **Current Term:** For a period of Five (5) years with effect from September 15, 2023. **Original Date of Appointment:** September 15, 2023 **Change in Designation:** July 08, 2024	53 years	Nil

For further details on their qualification, experience etc., please see their respective biographies under the heading *'Brief Biographies'*

below.

Brief Biographies of the Directors of our Company

1. **MR. JATINDER DEV SETH** aged 52 years is the Promoter, Chairman and Managing Director of our Company. He has been a director of our Company since its incorporation. He holds a Bachelor's degree in Engineering (BE) and MBA in Finance. Mr. Seth is an accomplished professional with a strong educational background and a proven track record in the world of Retail, Distribution and Brand Management. Holding a dual professional degree, he brings a unique blend of technical acumen and financial expertise to the table. He holds over two decades of experience in Sales, Distribution, Retail and E-Commerce of various international brands like Puma, Nike, adidas, Hush Puppies, Wilson etc was instrumental for the launch of these brands in the region

2. **MRS. BHAWNA SETH** aged 49 years is the Promoter and Whole Time Director of our Company. She has been on the Board of Directors of our Company since December 14, 2015. An exceptional expert in the creative and merchandising field, she possesses a distinctive fusion of qualification and experience. Prior to her current position, she had the privilege of effectively overseeing and guiding a fashion institute. This experience enriched her comprehension of consumer behavior, creative innovation and proficient team leadership. It was during this period that she refined her dedication to achieving excellence and fostering innovation. It was here that she honed her commitment to excellence and innovation resulting in driving the team to match up with the sales direction of the organization. Holding a Master of Arts in English, she seamlessly combines technical expertise with a profound understanding of children's fashion trend. Her remarkable skill set enables her to craft collections that expertly blend style and functionality, setting her apart as a standout figure in the industry.

3. **MR. NIRAJ RAJPAL** aged 53 years is non-executive director on the Board of the Company. He is a seasoned enterprise architect with a proven track record of delivering solutions for various companies in healthcare, logistics, manufacturing and IT consulting. Holding a Bachelor's degree in Engineering from Pune University and PG Diploma in International Business from Indian Institute of Foreign Trade, he brings a unique blend of technical acumen and strategic expertise to the table. He holds over 18 years of experience in architecting, deploying, managing and a maintaining Data Centers and private cloud infrastructures and a dynamic leader with extensive experience in Citrix, VMW are, Azure, GCP & AWS public cloud and a successful track record in managing projects with global teams. He has worked with Perot Systems, Dell, NTT Data in various positions at different capacities.

4. **MR. PANKAJ LAL GUPTA** aged 50 years is an independent director on the Board of the Company. He is an experienced Chief Executive Officer with 20 years' experience of working in the information technology and services industry, skilled in Global Delivery, IT Strategy, Management, Pre-sales, and Solution Architecture. Strong business development professional with a MDP focused on Business Management for Delivery Excellence from Indian Institute of Management Bangalore. He holds B. Tech degree in Computer Science & Engineering, Master of Science in Software Systems from Birla Institute of Technology and Science, PGDBM, International Business & Systems from IMT, Ghaziabad besides MDPs from IIM Ahmedabad & IIM Bangalore.

5. **MR. VISHAL SHARMA** aged 53 years is an Independent Directors on the Board of the Company. He is an accomplished professional with a strong educational background and a proven track record in the world of Engineering. Holding a Bachelor of Engineering in Civil Engineering and an MBA degree from the University of Pune. He is a dynamic and results-oriented professional with extensive 28 years of experience in managing distribution networks for chemical products and consumer products across India. Proven track record of driving sales growth, optimizing supply chain efficiencies and strategic partnerships. Sales Forecasting. expertise in expanding market presence and maximizing profitability with Technology integration.

6. **MR. TARUN ANAND** aged 50 years is an Independent Directors on the Board of the Company. He is an accomplished professional with a strong educational background and a proven track record in the world of Information Technology and system management. Holding a Bachelor of Commerce degree from Delhi University, he brings a unique blend of technical acumen and digital eco-system expertise to the table. He holds a digital leadership with experience of over 30 years in designing and delivering high performing digital eco-systems using latest technology strategies. He has built strong technological capabilities in the organizations like Dabur, Mother Dairy, Hero Cycles, Oriflame & Modicare for IT solution delivery in a global setup. He is certified Global CIO from ISB Hyderabad and has been member of SAP Product Advisory Council & Next100 Awards Jury. He has won many accolades like ICONIC IDC Insights award by International Data Corporation, Excellence Award by ETCIO and CIO100 award by International Data Group.

CONFIRMATIONS

Relationship between our Directors, Key Managerial Personnel and Senior Management Personnel

None of our Directors are related to each other or to any of our Key Managerial Personnel or Senior Management Personnel, except the following:

Name of Director/ Key Managerial Personnel and Senior Management Personnel	Relative	Nature of Relationship
Mr. Jatinder Dev Seth *Managing Director*	Mrs. Bhawna Seth	Spouse
Mrs. Bhawna Seth *Whole Time Director*	Mr. Jatinder Dev Seth	Spouse

Arrangements or understanding with major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a director or member of a senior management

As on the date of this Red Herring Prospectus, our company has no arrangements or understanding with any major shareholders, customers or suppliers and none of our directors or members of senior management were appointed pursuant to any arrangement or understanding with any major shareholders, customers, suppliers or others also.

Service contracts with Directors

Our Company does not have any service contract with the Directors pursuant to which they are entitled to any benefits upon termination of employment.

Confirmations

None of our Directors is or was a director in any listed company / companies whose shares have been or were suspended from being traded on any stock exchange during the term of their directorship in such company / companies, during the five (5) years, immediately preceding the date of filing of this Red Herring Prospectus.

None of our Directors is or was a director in any listed company / companies which has been or was delisted from any stock exchange during the term of their directorship in such company / companies.

None of the Directors are categorized as a wilful defaulter or Fraudulent Borrower, as defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations.

None of the abovementioned Directors have been declared a Fugitive Economic Offender under section 12 of the Fugitive Economic Offender Act, 2018.

None of the Promoters or Directors has been or is involved as a promoter or director of any other Company which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

Except as disclosed in this Red Herring Prospectus, no consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested by any person either to induce them to become or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

Borrowing Powers of the Board

Our Articles of Association, subject to the provisions of clause (c) of Sub-Section (1) of Section 180 of the Companies Act, 2013, authorizes our Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company.

The shareholders have, pursuant to a special resolution passed at the Extra-ordinary General Meeting held on July 08, 2024, in accordance with the provisions of clause (c) of Sub-Section (1) of Section 180 of the Companies Act, 2013, have authorized our Board to borrow monies from time to time, such sums of money even though the money so borrowed together with money already borrowed exceeds the aggregate of the paid-up capital and free reserves of the Company provided, however, that the total borrowing (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed shall not exceed ₹ 60 Crores (Rupees Sixty Crores only).
For further details of the provisions of our Articles of Association regarding borrowing powers, please refer to the section titled *"Main Provisions of Articles of Association"* beginning on page 247 of this Red Herring Prospectus.

Compensation and remuneration to Managing/ Whole-time Directors

The remuneration payable to our Managing/ Whole-time Directors will be governed as per the terms of their appointment and shall be

subject to the provisions of Sub-Section (54) and Sub-Section (94) of Section 2 of the Companies Act, 2013, read with Section 196, Section 197, Section 198, and Section 203 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 2013, for the time being in force).

The details of remuneration paid and perquisites given to Managing Director and Executive Director for services rendered by them to the Company during the period ended on September 30, 2024:

Mr. Jatinder Dev Seth

Particulars	Remuneration
Salary	60,00,000 per annum
Designation	Chairman & Managing Director
Term	Has been appointed as Director since Incorporation and designated as Managing Director with effect from April 01, 2024 for three (3) years.
Remuneration paid during the year ended on September 30,2024	₹ 30,00,000.00

Mrs. Bhawna Seth

Particulars	Remuneration
Salary	60,00,000 per annum
Designation	Whole time Director
Term	Has been appointed as Director on December 14, 2015 and designated as Whole Time Director with effect from April 01, 2024 for three (3) years.
Remuneration paid during the year ended on September 30, 2024	₹ 30,00,000.00

Sitting Fees or benefit to Non-Executive Directors of our Company

Pursuant to the resolution of our Board dated July 13, 2024, our non-executive directors and independent directors are entitled to receive sitting fees of ₹ 5,000/- (Rupees Five Thousand Only) for attending each meeting of our Board or a Committee.

Shareholding of Directors in our Company

Our Articles of Association do not require our directors to hold qualification shares.

As on date of filing of this Red Herring Prospectus, except the following, none of our directors holds any Equity Shares of our Company:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)
1.	Mr. Jatinder Dev Seth	40,00,000	57.10%	41.62%
2.	Mrs. Bhawna Seth	10,00,000	14.27%	10.41%
	Total	**50,00,000**	**71.37%**	**52.03%**

Remuneration paid or payable to our Directors from our Subsidiary

Since our Company has no subsidiary, no such remuneration has been paid to our Directors.

Bonus or profit-sharing plan for the Directors

Our Company does not have any bonus or profit-sharing plan for our directors.

Payment of benefits (non-salary related)

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years receding the date of filing of this Red Herring Prospectus or is intended to be paid or given to any of our directors except the remuneration for services rendered.

Contingent and Deferred Compensation payable to Directors

No Director has received or is entitled to any contingent or deferred compensation as on the date of filing this Red Herring Prospectus. Further,there is no contingent or deferred compensation accrued for the year, which is payable to our directors as on the date of filing this Red Herring Prospectus.

Interests of Our Directors

Our Directors may be deemed interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of remuneration paid to them or services rendered as a Director of our Company and reimbursement of expenses payable to them.

Further, except as disclosed under sub-section *'Shareholding of Directors in our Company'* above, none of our Directors hold any Equity Shares or any other form of securities in our Company. Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue.

Our directors may also be deemed interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as disclosed in this Red Herring Prospectus, no sum has been paid or agreed to be paid to any of our Directors or to any firm or company in which Director is a partner or member, in cash or shares or otherwise by any person either to induce such Director to become, or to qualify as, a director, or otherwise for services rendered by such Director or by such firm or company in connection with the promotion or formation of our Company.

Interest in promotion of our Company

Our Promoter Directors are interested in our Company to the extent that of promotion of our Company, and to the extent of their shareholding in our Company and the dividends payable, if any, and any other distributions in respect of the Equity Shares held by them. As of the date of this Red Herring Prospectus, our Promoters Directors hold an aggregate of 50,00,000 Equity Shares, aggregating to 71.37% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company.

For details of Equity Shares held by our Promoter, please refer to paragraph titled '*Notes to Capital Structure'* under the section titled ***"Capital Structure"*** beginning on page 60 of this Red Herring Prospectus.

Further, except as stated in this section titled *"Our Management"* beginning on page 156 and the section titled *'Financial Information - Note 31 – Restated Summary of Related Party Transactions'* beginning on page 182 of this Red Herring Prospectus respectively and to the extent to remuneration received/ to be received by our Directors, none of our Directors any interest in the promotion of our Company.

Interest in property, land, construction of building, supply of machinery

Our Promoters do not have any interest in any property acquired by our Company within three years preceding the date of filing this Red Herring Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements except as stated in *"Financial Information"* on page 182 of this Red Herring Prospectus.

Interest as Guarantor

Except as disclosed below, as on the date of this Red Herring Prospectus, our Promoters have not provided any guarantees to third parties

S No.	Particulars	Given By	Given To
1	Personal Guarantee	Mr. Jatinder Dev Seth	1. Deutsche Bank Limited 2. ICICI Bank Limited 3. Clix Capital Services Private Limited 4. Aditya Birla Finance Limited 5. Fullerton India Credit Company Limited 6. Poonawalla Fincorp Limited

S No.	Particulars	Given By	Given To
			7. Cholamandalam Investment and Finance Com Limited 8. Unity Small Finance 9. IDFC First Bank Limited 10. Moneywise Financial Services Private Limited 11. Standard Chartered Bank 12. HDFC Bank Limited 13. Inditrade Fincorp Limited 14. Tata Capital Financial Services Limited 15. IIFL Finance Limited 16. L&T Finance Limited 17. Hero Fincorp Limited 18. ECL Finance Limited 19. Yes Bank Limited 20. Fedbank Financial Services Limited 21. Kotak Mahindra Bank Limited 22. Bajaj Finance Limited 23. Kisetsu Saison Finance (India) Private Limited 24. Axis Bank Limited 25. Indusind Bank Limited 26. Protium Finance Limited 27. Neogrowth Credit Private Limited 28. Ugro Capital Limited 29. Incred Financial Services 30. Getvantage Tech Private Limited 31. Jayshree Dealers Private Limited 32. Kangra Bank 33. Bank of Baroda 34. Tata Capital Finance Services Limited 35. TAP Invest (Purple Petal Invest Private Limited) 36. Protium Finance Limited 37. Unity Small Finance Bank
2	Personal Guarantee	Mrs. Bhawna Seth	1. Deutsche Bank Limited 2. ICICI Bank Limited 3. Clix Capital Services Private Limited 4. Aditya Birla Finance Limited 5. Fullerton India Credit Company Limited 6. Poonawalla Fincorp Limited 7. Cholamandalam Investment and Finance Com Limited 8. Unity Small Finance 9. IDFC First Bank Limited 10. Moneywise Financial Services Private Limited 11. Standard Chartered Bank 12. HDFC Bank Limited 13. Inditrade Fincorp Limited 14. Tata Capital Financial Services Limited 15. IIFL Finance Limited 16. L&T Finance Limited 17. Hero Fincorp Limited 18. ECL Finance Limited 19. Yes Bank Limited 20. Fedbank Financial Services Limited 21. Kotak Mahindra Bank Limited 22. Bajaj Finance Limited 23. Kisetsu Saison Finance (India) Private Limited 24. Axis Bank Limited 25. Indusind Bank Limited

S No.	Particulars	Given By	Given To
			26. Protium Finance Limited 27. Neogrowth Credit Private Limited 28. Ugro Capital Limited 29. Incred Financial Services 30. Getvantage Tech Private Limited 31. Jayshree Dealers Private Limited 32. Bank of Baroda 33. Tata Capital Finance Services Limited 34. TAP Invest (Purple Petal Invest Private Limited) 35. Protium Finance Limited 36. Unity Small Finance Bank
3	Personal Guarantee	Mr. Manish Dev Seth	1. Deutsche Bank Limited 2. HDFC Bank Limited 3. Bank of Baroda
4	Personal Guarantee	Mrs. Monica Seth	1. HDFC Bank 2. ICICI Bank 3. Bank of Baroda
5	Personal Guarantee	InnovationM Mobile and Web technologies Private Limited	Not applicable

Interest as Director of our Company

Mr. Jatinder Dev Seth and Mrs. Bhawna Seth are interested in our Company as the Chairman & Managing Director and Whole Time Director respectively to the extent of the remuneration is payable to them and to the extent of shares held by them in this regard.

Further Mr. Pankaj Lal Gupta, Vishal Sharma and Tarun Anand are the Independent Directors and Mr. Niraj Rajpal is Non – Executive (Professional) Director of our Company and may be deemed to be interested to the extent of sitting fees, if any, payable for attending meetings of the Board or a Committee thereof as well as to the extent of commission and reimbursement of expenses payable for services rendered to our Company in accordance with the provisions of the Companies Act, 2013, terms of the Articles of Association and his terms of appointment. For further details, see *"OurManagement"* beginning on page 156 of this Red Herring Prospectus.

Interest in the business of Our Company

Save and except as stated otherwise in Related Party Transaction in the chapter titled "*Financial Information*" beginning on page 182 of this Red Herring Prospectus, Our Directors do not have any other interests in our Company as on the date of this Red Herring Prospectus. Our directors are not interested in the appointment of Underwriter, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Other Indirect Interest

Save and except as stated above and otherwise in Related Party Transaction in the chapter titled "*Financial Information*" on page 182 of this Red Herring Prospectus, Our Directors do not have any other interests in our Company as on the date of this Red Herring Prospectus. Our Directors are not interested in the appointment of Underwriter, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Except as stated in chapter titled "*Financial Information"* beginning on page 182 of this Red Herring Prospectus, none of our Directors have given unsecured loan to our Company.

Except as stated in chapter titled "*Financial Information"* beginning on page 182 of this Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our directors.

Changes in our Company's Board of Directors during the last three (3) years

Save and except as mentioned below, there had been no change in the Directorship during the last three (3) years:

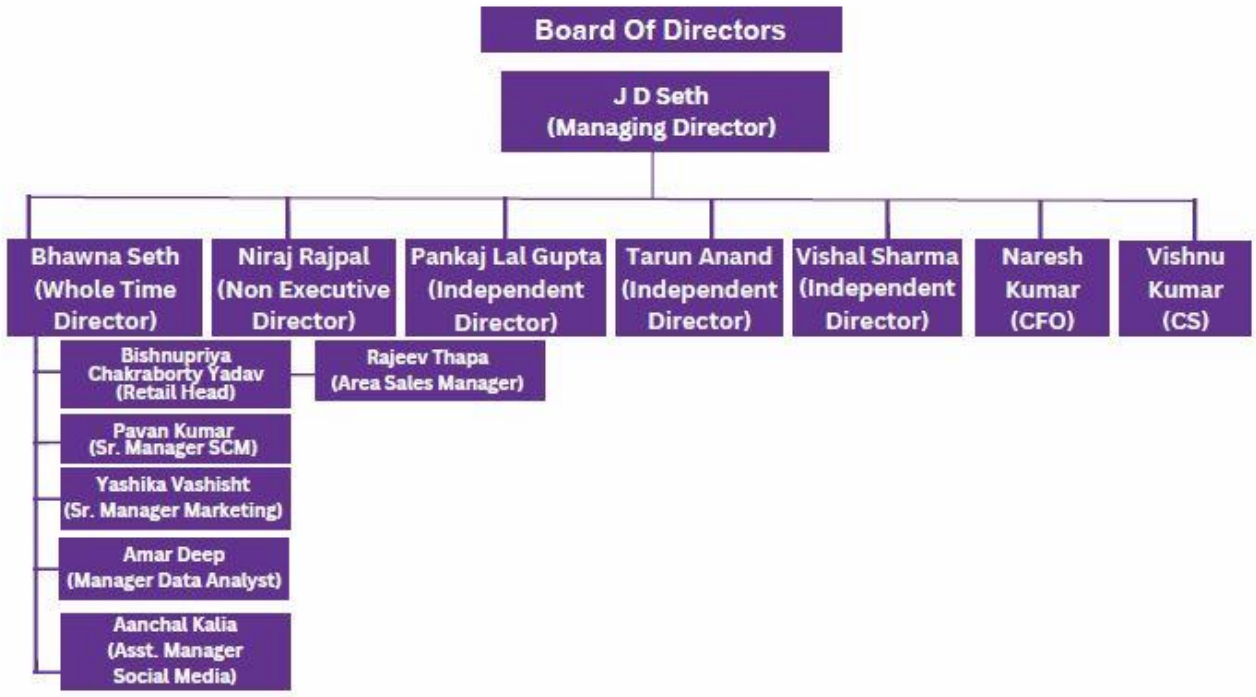
Name of Director	Date of Event	Nature of Change	Reason for Change
Mr. Niraj Rajpal	September 15, 2023	Appointment	He has been appointed as Non-executive director of the Company.
Mr. Pankaj Lal Gupta	May 08, 2024	Appointment	He has been appointed as an Independent Director of the Company.
Mr. Vishal Sharma	May 08, 2024	Appointment	He has been appointed as an Independent Director of the Company.
Mr. Tarun Anand	May 08, 2024	Appointment	He has been appointed as an Independent Director of theCompany.
Mr. Pankaj Lal Gupta	May 11, 2024	Change in Destination	His designation was changed from Non – Executive Additional Director of the company to Non- Executive Independent Director of the Company.
Mr. Vishal Sharma	May 11, 2024	Change in Destination	His designation was changed from Non – Executive Additional Director of the company to Non- Executive Independent Director of the Company.
Mr. Tarun Anand	May 11, 2024	Change in Destination	His designation was changed from Non – Executive Additional Director of the company to Non- Executive Independent Director of the Company.
Mr. Niraj Rajpal	July 08,2024	Change in Destination	He retired by rotation as on July 08, 24 and was reappointed as Non-Executive (Professional) Director.

Appointment of relatives of our directors to any office or place of profit

Other than as disclosed in this Red Herring Prospectus, none of the relatives of our directors currently hold any office or place of profit in our Company.

MANAGEMENT ORGANIZATIONAL STRUCTURE

The following chart depicts our Management Organization Structure:



COMPLIANCE WITH CORPORATE GOVERNANCE

Applicable provision of the Companies Act, 2013 with respect to corporate governance and the provisions of the SEBI (LODR) Regulations, as amended from time to time, will be applicable to our Company upon the listing of the Equity Shares with the Stock Exchanges. As on date of this Red Herring Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI

(ICDR) Regulations, 2018 as amended from time to time, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination and Remuneration Committee

1. Audit Committee

Our Company has formed the Audit Committee vide resolution passed in the meeting of Board of Directors held on June 21, 2024, as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

The constituted Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Vishal Sharma	Chairman	Independent Director
Mr. Pankaj Lal Gupta	Member	Independent Director
Mr. Tarun Anand	Member	Independent Director
Mr. Jatinder Dev Seth	Member	Managing Director

The Company Secretary of our Company shall act as a secretary of the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to furnish clarifications to the shareholders in any matter relating to financial statements.

The scope and function of the Audit Committee and its terms of reference shall include the following:

1. **Tenure**

The Audit Committee shall continue to be in function as a Committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

A. **Quorum and meetings of the Audit Committee**

The Audit Committee shall meet at least four (4) times in a year and not more than one hundred twenty (120) days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the Audit Committee, whichever is higher but there shall be presence of minimum two Independent Directors at each meeting.

B. **Role and Powers**

The role of Audit Committee together with its powers as Part C of Schedule II of SEBI (LODR) Regulations and Companies Act, 2013 shall be as under:

(a) The recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
(b) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
(c) Examination and reviewing of the financial statement and the auditors' report thereon before submission to the board for approval, with particular reference to:

(i) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause of Sub-Section (3) of Section 134 of the Act;
(ii) Changes, if any, in accounting policies and practices and reasons for the same;

(iii) Major accounting entries involving estimates based on the exercise of judgment by management;
(iv) Significant adjustments made in the financial statements arising out of audit findings;
(v) Compliance with listing and other legal requirements relating to financial statements;
(vi) Disclosure of any related party transactions;
(vii) Qualifications in the draft audit report

(d) Examination and reviewing, with the management, the quarterly financial statements before submission to the board for approval;
(e) Approval or any subsequent modification of transactions of the Company with related parties;
(f) Scrutiny of inter-corporate loans and investments;
(g) Valuation of undertakings or assets of the Company, wherever it is necessary;
(h) Evaluation of internal financial controls and risk management systems;
(i) Monitoring the end use of funds raised through public offers and related matters;
(j) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
(k) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
(l) 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;
(m) Discussion with internal auditors of any significant findings and follow up thereon;
(n) 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;
(o) Review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the issue document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
(p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
(q) Approve payment to statutory auditors for any other services rendered by the statutory auditors;
(r) Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
(s) Approval of appointment of Chief Financial Officer (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. Of the candidate;
(t) Oversee the procedures and processes established to attend to issues relating to the maintenance of books of accounts, administrations procedures, transactions and other matters having a bearing on the financial position of our company, whether raised by the auditors or by any other person;
(u) Act as a compliance committee to discuss the level of compliance in our Company and any associated risks and to monitor and report to the Board on any significant compliance breaches;
(v) Reviewing the Management discussion and analysis of financial position and results of operations;
(w) Reviewing the Management letters / letters of internal control weaknesses issued by the statutory auditors;
(x) Reviewing the Internal audit reports relating to internal control weaknesses;
(y) Reviewing the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;
(z) Reviewing the functioning of the Whistle Blower mechanism;

(aa) Reviewing/ redressal of complaint/s under the Sexual Harassment of Women at Workplace (Prohibition, Prevention & Redressal) Act, 2013;

(bb) Subject to and conditional upon approval of our Board, approval of related party transactions or subsequent modifications thereto. Such approval can be in the form of omnibus approval of related party transactions, subject to conditions not inconsistent with the conditions specified in Regulation 23(2) and Regulation 23(3) of the SEBI LODR Regulations;

(cc) Establishment of a vigil mechanism for directors and employees to report genuine concerns about unethical behavior, actualor suspected fraud or violation of the Company's code of conduct or ethics policy in such manner as may be prescribed, which shall also provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases;

(dd) Review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;

(ee) Such other functions/ activities as may be assigned/ delegated from time to time by the Board of Directors of the Company and/ or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and SEBI (LODR) Regulations.

2. **Stakeholders Relationship Committee:**

Our Company has formed the Stakeholders Relationship Committee as per Section 178 of the Companies Act, 2013 and other applicableprovisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated June 21, 2024.

The constituted Stakeholders Relationship Committee comprises of the following members:

Name of the Director	**Status in Committee**	**Nature of Directorship**
Mr. Niraj Rajpal	Chairman	Non-Executive Director
Mr. Tarun Anand	Member	Independent Director
Mrs. Bhawna Seth	Member	Whole Time Director
Mr. Jatinder Dev Seth	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee.

The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

A. **Tenure**

The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.

B. **Quorum and meetings of the Stakeholders Relationship Committee**

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater. The Stakeholder Relationship Committee shall meet at least at least one time in a year and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. Since the formationof the Stakeholders Relationship Committee, no Stakeholders Relationship Committee meetings have taken place.

C. **Terms of Reference**

a) The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholders Relationship Committee include the following:
b) Considering and resolving the grievance of security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends;
c) Monitoring transfers, transmissions, dematerialization, rematerialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer / transmission of shares and debentures;
d) Reference to statutory and regulatory authorities regarding investor grievances;
e) To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
f) Such other functions / activities as may be assigned / delegated from time to time by the Board of Directors of the Company and/or pursuant to the provisions of the Act read with SEBI (LODR) Regulations.

3. **Nomination and Remuneration Committee**

Our Company has formed the Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers)

Rules, 2014 (as amended) vide board resolution dated June 21, 2024. The Nomination and Remuneration Committee comprises of the following members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Vishal Sharma	Chairman	Independent Director
Mr. Pankaj Lal Gupta	Member	Independent Director
Mr. Niraj Rajpal	Member	Non – Executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

A. **Tenure**

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved bythe Board.

B. **Quorum and meetings of the Nomination and Remuneration Committee**

The Nomination and Remuneration Committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the Nomination and Remuneration Committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.

C. **Terms of Reference:**

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance;
- Determining, reviewing and recommending to the Board, the remuneration of the Company's Managing/ Joint Managing/ Deputy Managing/ Whole time/ Executive Director(s), including all elements of remuneration package;
- To ensure that the relationship of remuneration to perform is clear and meets appropriate performance benchmarks.
- Formulating, implementing, supervising and administering the terms and conditions of the Employee Stock Option Scheme, Employee Stock Purchase Scheme, whether present or prospective, pursuant to the applicable statutory/regulatory guidelines;
- Carrying out any other functions as authorized by the Board from time to time or as enforced by statutory/ regulatory authorities.
- Formulating and recommending to the Board of Directors for its approval and also to review from time to time, a nomination and remuneration policy or processes, as may be required pursuant to the provisions of the Companies
- Engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure / policy

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of the Sub-Regulation (1) of Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, as amended, will be applicable to our Company immediately upon the listing of Equity Shares. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, as amended, on listing of Equity Shares. Further, Board of Directors at their meeting held on June 21, 2024, has approved and adopted the policy on insider trading in view of the proposed public issue.

The Compliance Officer of our Company will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

POLICY FOR DETERMINATION OF MATERIALITY AND MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS

The provisions of the SEBI (LODR) Regulations will be applicable to our Company immediately upon the listing of Equity Shares of our Company. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, as amended, on listing of Equity Shares. The Board of Directors at their meeting held on June 21, 2024 has approved and adopted the policy for determinationof materiality and determination of materiality of related party transactions and on dealing with related party transactions.

KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

Profile of Key Managerial Personnel

In addition to our Managing Director, Mr. Jatinder Dev Seth and Executive Directors, Mrs. Bhawna Seth and Mr. Niraj Rajpal whose details are provided under "*Our Management*" beginning on page 156 of this Red Herring Prospectus, the details of our other Key Managerial Personnel as on the date of this Red Herring Prospectus are set forth below. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel.

Mr. Naresh Kumar, aged about 33 years, is the Chief Financial Officer of our company. He joined our company as CFO w.e.f. May 01, 2024. He has cleared the Bachelor of Commerce Examinations held by Delhi University. He is a member of the Institute of Chartered Accountants of India. Accomplished with over a decade of managerial experience in finance and accounting. Proven track record in leading financial operations, strategic planning, and risk managed abutment. Adept at driving organizational growth and efficiency through insightful financial analysis and effective resource allocation. He has worked with Shreyash Retail Pvt. Ltd. Demonstrates exceptional leadership, communication, and problem-solving skills, ensuring fiscal integrity and compliance.

Mr. Vishnu Kumar, aged about 28 years, was appointed as Company Secretary w.e.f. May 20, 2024. He holds qualifications as Company Secretary (CS) and a bachelor of law (LLB) with over two years of experience in legal and secretarial roles. He has previously worked at Primatel Fibcom Limited. Where he has achieved successful and timely completion of various obligations and compliances.

Profile of Senior Managerial Personnel

The details of the Senior Managerial Personnel as on the date of this Red Herring Prospectus are set out below. Except for certain statutory benefits, there are no other benefits accruing to the Senior Managerial Personnel.

Mrs. Bishnupriya Chakraborty Yadav, aged about 49 years, is appointed as Head Retail Operations & Business Development w.e.f. April 2022. She is Master in Business Administration. She is a specialist in retail store sales & growth of retail business with 26 years of experience. She has worked with Liliput kidswear Limited and Devyani Group International, She has increased the retail business with new stores location & franchisees. She has great knowledge of retail business and negotiation skills.

Mr. Pavan Kumar, aged about 44 years, was appointed as Warehouse Manager w.e.f. Sep 2017. He is a graduate in Arts. He is highly dynamic supply chain specialist with having 22 years' experience. He has worked with Bioworld Merchandising Pvt Ltd, Vishal Retail Limited and Reebok India Pvt Ltd. He has achieved successful and timely completion of various SCM projects. He is highly skilled in handling manpower to facilitate smooth coordination and completion of projects as per organisation requirement.

Ms. Yashika Vashisht, aged about 28 years, was appointed as Assistant Manager (Social Media and Marketing) w.e.f. February 2022. She is a Bachlor of Design in Footwear Design & Product Management. She has worked with MV Shoescare and Liberty Shoes Limited with 6 years' experience. She has achieved successful and timely completion of Marketing projects.

Mr. Amar Deep, aged about 35 years, was appointed as Manager Data Analyst w.e.f. April 2023. He is a graduate in accounts. He is skilled data analytics with having 16 years' experience. He has worked with Luxor International Private Limited & Kiassa Retail Private Limited. He has achieved successful and timely completion of various MIS projects. He is highly skilled in data analysis and MIS of organization.

Ms. Aanchal Kalia, aged about 29 years, was appointed as Sr. Executive (Social Media) w.e.f. July 2022. She has Diploma in Fashion Design. She has worked with Avinash Mishra (Designer) and Garvili Lifestyle Pvt Ltd with 6 years' experience. She has achieved

successful timely completion of social media projects.

Mr. Rajeev Thapa, aged about 31 years, is appointed as Assistant Manager (Retail) about w.e.f. Jan 2020. He is a skilled salesperson with 14 years of experience. He has a sound knowledge of retail stores business. He is highly skilled in handling manpower to facilitate smooth coordination and completion new stores project..

Shareholding of Key Management Personnel and Senior Management Personnel in our Company.

None of the Key Managerial Personnel and Senior Management Personnel hold any Equity Shares of our Company as on the date of this Red Herring Prospectus except below:

Name of the KMP/SMP	Designation	No. of Equity Shares
Mr. Jatinder Dev Seth	Chairman & Managing Director	40,00,000
Mrs. Bhawna Seth	Whole Time Director	10,00,000
Total		**50,00,000**

Interests of Key Management Personnel and Senior Management Personnel

The Key Management Personnel and Senior Management Personnel do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary courseof business.

Our Key Management Personnel and Senior Management Personnel may be deemed interested to the extent of Equity Shares that may be subscribed for and allotted to them, pursuant to this Issue. Such Key Management Personnel and Senior Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Our Key Management Personnel and Senior Management Personnel may be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue.

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 superannuation, 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 provident fund, gratuity fund and employee state insurance.

Except as stated under section titled *"Financial Information"* beginning on page 182 of this Red Herring Prospectus, none of the beneficiaries of loans and advances or sundry debtors are related to our Company, our Directors or our Promoters.

Remuneration/ Compensation paid to our Key Managerial Personnel and Senior Managerial Personnel

Except as mentioned below, no other current Key Managerial Personnel have received remuneration/ compensation during the year ended on March 31, 2024:

(Amount in ₹)

Name of Person	Designation	Year ended September 30, 2024
Mr. Jatinder Dev Seth	Managing Director	30,00,000
Mrs. Bhawna Seth	Executive Director	30,00,000
Mr. Naresh Kumar	CFO	1,041,667
Mr. Vishnu Kumar	Company Secretary and Compliance Officer	231,479

Relationship among Key Managerial Personnel and Senior Management Personnel and among Key Management Personnel and Senior Management Personnel and directors

None of the Key Managerial Personnel and Senior Managerial Personnel is related to each other.

Arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the Key Managerial Personnel and Senior Management Personnel was selected as a Key Managerial Personnel and Senior Management Personnel

None of our Key Managerial Personnel and Senior Management Personnel have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

Details of Service Contracts of the Key Managerial Personnel and Senior Management Personnel

Our Key Managerial Personnel and Senior Management Personnel are governed by the terms of their respective employment letters and the resolutions of our Board on their terms of appointment. None of our Key Managerial Personnel and Senior Management Personnel have entered into a service contract with our Company, entitling them to any benefits upon termination of employment.

Bonus and/ or Profit-Sharing Plan for the Key Managerial Personnel and Senior Management Personnel

Our Company does not have any bonus and/ or profit-sharing plan for the Key Managerial Personnel and Senior Management Personnel. However, our Company makes bonus payments to the employees based on their performances, which is as per their terms of appointment.

Contingent and Deferred Compensation payable to Key Managerial Personnel and Senior Management Personnel

None of our Key Managerial Personnel and Senior Management Personnel has received or is entitled to any contingent or deferred compensation.

Employee Stock Option or Employee Stock Purchase

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Red Herring Prospectus.

Loans availed by Directors/ Key Managerial Personnel/Senior Management Personnel of our Company

None of the Directors or Key Managerial Personnel or Senior Management Personnel have availed loan from our Company which is outstanding as on the date of this Red Herring Prospectus.

Shareholder's Right to Nominate Director on the Board

None of our shareholders have any right to nominate a Director on the Board of our Company.

Changes in Our Company's Key Managerial Personnel during the last three (3) years

Changes in our Key Management Personnel during the three years immediately preceding the date of this Red Herring Prospectus are set forth below: The Company has appointed following person as KMP.

Name of Employee	Date of Change	Reason for change
Mr. Jatinder Dev Seth	April 1, 2024	Re-designated as Managing Director
Mrs. Bhawna Seth	April 1, 2024	Re-designed as Whole Time Director
Mr. Naresh Kumar	May 01, 2024	Appointed as Chief Financial Officer
Mr. Vishnu Kumar	May 20, 2024	Appointed as Company Secretary and Compliance Officer

OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

The Promoters of our Company, as on the date of this Red Herring Prospectus are:

1. Mr. Jatinder Dev Seth,
2. Mrs. Bhawna Seth,
3. Mr. Manish Dev Seth
4. Mrs. Monica Seth
5. InnovationM Mobile and Web Technologies Private Limited

As on date of this Red Herring Prospectus, our Promoters hold an aggregate of 61,33,000 Equity Shares of ₹ 10/- each, constituting 87.54% of the pre issued, subscribed and paid-up Equity Share capital of our Company. For further details, please refer to the "*Capital Structure*" beginning on page 60 of this Red Herring Prospectus.

Details of Individual Promoters of our Company

	Mr. Jatinder Dev Seth aged 52 years is one of the Promoters and is the Managing Director of our Company. He has been a director of our Company since incorporation. He holds a Bachelor's degree in Engineering (BE) and an MBA in Finance. Mr. Seth is an accomplished professional with a strong educational background and a proven track record in the world of Retail, Distribution and Brand Management. Holding a dual professional degree, he brings a unique blend of technical acumen and financial expertise to the table. He holds over two decades of experience in Sales, Distribution, Retail and E-Commerce of various international brands like Puma, Nike, adidas, Hush Puppies, Wilson etc was instrumental for the launch of these brands in the region. He dominantly experienced all the major marketplaces since there launch in India. For further details, please refer to section titled "Our Management" beginning on page 156 of this Red Herring Prospectus. Permanent Account Number: ACDPS4101P Date of Birth: August 27, 1972 Residential Address: Flat No. 901, Tower No. 16, Jaypee Kalypso Court, Sector 128, Noida, Gautam Buddha Nagar, U.P. 201304 Voter's Identification Number: JBJ1099506 Position/posts held in the past: Director Directorship held in Other Companies: NIL
	Mrs. Bhawna Seth aged 49 years is one of the Promoters and Whole-time Director of our Company. An exceptional expert in the creative and merchandising field, Mrs. Bhawna possesses a distinctive fusion of qualification and experience. Prior to her current position, she had the privilege of effectively overseeing and guiding a fashion institute. This experience enriched her comprehension of consumer behaviour, creative innovation and proficient team leadership. It was during this period that she refined her dedication to achieving excellence and fostering innovation. It was here that she honed her commitment to excellence and innovation resulting in driving the team to match up with the sales direction of the organization. Holding a Master of Arts in English, she seamlessly combines technical expertise with a profound understanding of children's fashion trend. Her remarkable skill set enables her to craft collections that expertly blend style and functionality, setting her apart as a standout figure in the industry. For further details, please refer to section titled "Our Management" beginning on page 156 of this Red Herring Prospectus.

	Permanent Account Number: BBXPS1325K Date of Birth: May 13, 1975 Residential Address: Flat No. 901, Tower No. 16, Jaypee Kalypso Court, Sector 128, Noida, Gautam Buddha Nagar, U.P. 201304 Voter's Identification Number: JBJ1097864 Position/posts held in the past: Director Directorship held in Other Companies: NIL
	Mr. Manish Dev Seth aged 51 years is one of the Promoter of our Company. He holds a bachelor's degree in engineering (BE) and Post Graduate Diploma in Business Management. Mr. Seth is an accomplished professional with a strong educational background and a proven track record in the world of designing, coding, analysis, developing, testing, and implementation of software applications. He holds over 25 years' experience in Software Design, Development and Project Management. For further details, please refer to section titled "Our Management" beginning on page 153 of this Red Herring Prospectus. DIN: 05181219 Permanent Account Number: AAZPS6705R Date of Birth: September 24, 1973 Residential Address: K - 303, Great Value Sharanam, Sector - 107, Noida, UP - 210301 Voter's Identification Number: JBJ0772657 **Directorship held in Companies:** • InnovationM Mobile and Web Technologies Private Limited • FoxMatrix Global Service Private Limited • NuFolks Global Private Limited • MovingPin Technologies Private Limited
	Mrs. Monica Seth aged 49 years is one of the Promoter of our Company. An exceptional expert in the Information Technology and Management field. Mrs. Monica possesses a distinctive fusion of qualifications and experience. She holds a bachelor's degree in Education (B.Ed) and Post Graduate Diploma in Information Technology and Management. Mrs. Seth is an accomplished professional with a strong educational background and a proven track record in the world of Technology and management. She holds over 20 years' experience in Technology and Management. For further details, please refer to section titled "Our Management" beginning on page 153 of this Red Herring Prospectus. DIN: 05181223 Permanent Account Number: BBXPS1323R Date of Birth: July 12, 1975 Residential Address: K - 303, Great Value Sharanam, Sector - 107, Noida, UP - 210301

	Voter's Identification Number: JBJ0772640 **Directorship held in Companies:** InnovationM Mobile and Web Technologies Private Limited

We confirm that the Permanent Account Number, Bank Account Number(s) and Passport Number of our Promoters have been submitted to the Stock Exchange at the time of filing of this Red Herring Prospectus.

Corporate Promoter

InnovationM Mobile and Web Technologies Private Limited

InnovationM Mobile and Web Technologies Private Limited ("IMWTPL") was incorporated as a private company, limited by shares, under the Companies Act, 1956, and a certificate of incorporation dated February 13, 2012 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi. The registered office of IMWTPL is situated at A-2/2, First floor, Paschim Vihar, Delhi, Delhi, India, 110063. The CIN of "IMWTPL" is U72900DL2012PTC231401.

PAN: AACCI5817K

IMWTPL is currently engaged, inter-alia, in the business of a technical training, software/system solutions technologies comprising of mobiles, cellular and telecommunications systems, embedded system, RFID, Smart Card based systems, digital system, computer network system, database systems, Very Large-Scale Integration System, Internet based technologies. There has been no change in activities since incorporation of IMWTPL.

The promoters of IMWTPL are Manish Dev Seth and Monica Seth. As on the date of this Red Herring Prospectus, IMWTPL holds 11,33,000 Equity Shares, representing 16.17 % of the issued, subscribed and paid-up equity share capital of our Company.

Board of directors of IMWTPL The directors on the board of IMWTPL, as on the date of this Red Herring Prospectus, are:

1) Manish Dev Seth
2) Monica Seth

Change in control of IMWTPL There has been no change in the control of IMWTPL in the three years immediately preceding the filing of this Red Herring Prospectus.

Shareholding pattern of IMWTPL The shareholding pattern of IMWTPL as on the date of this Red Herring Prospectus is as follows:

S. No.	Name of Shareholders	Number of equity shares held	Percentage of issued and paid-up share capital (%)
1.	Mr. Manish Dev Seth	5,000	50%
2.	Mrs. Monica Seth	5,000	50%

Further, our Promoters, and relatives of our Promoters have confirmed that they have not been identified as willful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

Neither our Promoters nor members of our Promoter Group or any persons in control have been debarred or restricted from accessing the capital markets for any reason, by SEBI or any other authorities. Our Promoters are not, nor have been promoter, director or person in control of any company, which is debarred or restricted from accessing the capital markets for any reason, by SEBI or any other authorities.

CHANGE IN MANAGEMENT AND CONTROL OF THE COMPANY

There has not been any change in the control of our Company during the 5 years preceding the date of this Red Herring Prospectus.

INTERESTS OF OUR PROMOTERS

Interest in the promotion of the Company

Our Promoters are invested in our Company both in terms of their efforts in promoting it and through their shareholding. They have an interest in the dividends and any other distributions related to the Equity Shares they own. As of the date of this Red Herring Prospectus, our Promoters collectively hold 61,33,000 Equity Shares, representing 87.54% of the pre-Issue issued, subscribed, and paid-up Equity Share capital of our Company.

For details of Equity Shares held by our Promoters, please refer to paragraph titled '*Notes to Capital Structure'* under the section titled *"Capital Structure"* beginning on page 60 of this Red Herring Prospectus.

Further, except as stated in this section titled *"Our Management"* beginning on page 156 and the section titled *'Financial Information - Note 31 – Restated Summary of Related Party Transactions'* beginning on page 182 of this Red Herring Prospectus respectively and to the extent to remuneration received / to be received by our Directors, none of our Directors any interest in the promotion of our Company.

Interest in property, land, construction of building, supply of machinery

Our Promoters do not have any interest in any property acquired by our Company though a lease agreement within three years preceding the date of filing this Red Herring Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements except as stated in ***"****Financial Information****"*** on page 182 of this Red Herring Prospectus.

Interest as Guarantor

Except as disclosed below, as on the date of this Red Herring Prospectus, our Promoters have not provided any guarantees to third parties

S No.	Particulars	Given By	Given To
1	Personal Guarantee	Mr. Jatinder Dev Seth	1. Deutsche Bank Limited 2. ICICI Bank Limited 3. Clix Capital Services Private Limited 4. Aditya Birla Finance Limited 5. Fullerton India Credit Company Limited 6. Poonawalla Fincorp Limited 7. Cholamandalam Investement and Finance Com Limited 8. Unity Small Finance 9. IDFC First Bank Limited 10. Moneywise Financial Services Private Limited 11. Standard Chartered Bank 12. HDFC Bank Limited 13. Inditrade Fincorp Limited 14. Tata Capital Financial Services Limited 15. IIFL Finance Limited 16. L&T Finance Limited 17. Hero Fincorp Limited 18. ECL Finance Limited 19. Yes Bank Limited 20. Fedbank Financial Services Limited 21. Kotak Mahindra Bank Limited 22. Bajaj Finance Limited 23. Kisetsu Saison Finance (India) Private Limited 24. Axis Bank Limited 25. Indusind Bank Limted 26. Protium Finance Limited 27. Neogrowth Credit Private Limited 28. Ugro Capital Limited 29. Incred Financial Services 30. Getvantage Tech Private Limited 31. Jayshree Dealers Private Limited 32. Kangra Bank

S No.	Particulars	Given By	Given To
			33. Bank of Baroda 34. Tata Capital Finance Services Limited 35. TAP Invest (Purple Petal Invest Private Limited) 36. Protium Finance Limited 37. Unity Small Finance Bank
2	Personal Guarantee	Mrs. Bhawna Seth	1. Deutsche Bank Limited 2. ICICI Bank Limited 3. Clix Capital Services Private Limited 4. Aditya Birla Finance Limited 5. Fullerton India Credit Company Limited 6. Poonawalla Fincorp Limited 7. Cholamandalam Investement and Finance Com Limited 8. Unity Small Finance 9. IDFC First Bank Limited 10. Moneywise Financial Services Private Limited 11. Standard Chartered Bank 12. HDFC Bank Limited 13. Inditrade Fincorp Limited 14. Tata Capital Financial Services Limited 15. IIFL Finance Limited 16. L&T Finance Limited 17. Hero Fincorp Limited 18. ECL Finance Limited 19. Yes Bank Limited 20. Fedbank Financial Services Limited 21. Kotak Mahindra Bank Limited 22. Bajaj Finance Limited 23. Kisetsu Saison Finance (India) Private Limited 24. Axis Bank Limited 25. Indusind Bank Limted 26. Protium Finance Limited 27. Neogrowth Credit Private Limited 28. Ugro Capital Limited 29. Incred Financial Services 30. Getvantage Tech Private Limited 31. Jayshree Dealers Private Limited 32. Bank of Baroda 33. Tata Capital Finance Services Limited 34. TAP Invest (Purple Petal Invest Private Limited) 35. Protium Finance Limited 36. Unity Small Finance Bank
3	Personal Guarantee	Mr. Manish Dev Seth	1. Deutsche Bank Limited 2. HDFC Bank Limited 3. Bank of Baroda
4	Personal Guarantee	Mrs. Monica Seth	1. HDFC Bank 2. ICICI Bank
5	Personal Guarantee	InnovationM Mobile and Web technologies Private Limited	Not applicable

Interest as a Director and Key Managerial Personnel of our Company

Mr. Jatinder Dev Seth and Mrs. Bhawna Seth are interested in our Company as the Managing Director and Whole Time Director respectively to the extent of the remuneration is payable to them in this regard.

For further details, see *"Our Management"* beginning on page 156 of this Red Herring Prospectus.

Interest as Member of our Company:

As on the date of this Red Herring Prospectus, our Promoters hold 61,33,000 aggregating to 87.54% of our Company and is therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoter in our Company and benefits as provided in the section titled *"Our Management"* in that Remuneration details of our Directors on page 156 our Promoter does not hold any other interest in our Company.

Interest as Creditor of our Company:

Except as given in the "*Note 31 – Restated Summary of Related Party Transactions'* under chapter titled *"Financial* Information*"* beginning on page 182 of this Red Herring Prospectus, our Promoter does not have any interest as creditor of our Company.

Interest of Promoters in Intellectual Property

Our Promoters are not interested in any entity, which holds any intellectual property rights that are used by our Company.

Interest in other ventures of our Promoters

Our Promoters are not involved with any other ventures, except as disclosed in this Red Herring Prospectus. Further, our Promoters are not involved in any venture that is in the same line of activity or business as that of our Company.

Business Interests

No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which such Promoter is interested as a member, in cash or shares or otherwise by any person either to induce them to become or to qualify them as a director (as applicable) or otherwise for services rendered by them or by such Promoters or such firm or company in connection with the promotion or formation of our Company.

For further details in relation to the same, please refer to the section titled *"Financial Information"*, beginning on page 182 of this Red Herring Prospectus.

Payment of Amounts or Benefits to our Promoters or Promoter Group during the last two years

Except as stated in "*Financial Information*" beginning on page 181 of this Red Herring Prospectus, no amount or benefit has been paid by our Company to our Promoters or the members of our Promoter Group since the last two years of the Company.

Material Guarantees given to Third Parties

As on the date of this Red Herring Prospectus, none of our Promoters have given material guarantees to the third party (ies) with respect to the Equity Shares of our Company.

Our Promoter Group

In addition to our Promoters named hereinabove, the following natural persons are part of our Promoter Group in terms of Regulation 2(1)(pp) (ii) of SEBI (ICDR) Regulations:

Name of our Promoters	Relationship with the Relatives	Name of the Immediate Relatives
Mr. Jatinder Dev Seth	Spouse	Mrs. Bhawna Seth
	Son	Mr. Naman Seth
	Father	Mr. Baldev Raj Seth
	Mother	Ms. Saroj Seth
	Brother	Mr. Manish Dev Seth
	Brother	Mr. Ashish Dev Seth
	Spouse's Brother	Mr. Vivek Hans
	Spouse's Sister	Ms. Neetu Dhingra
	Spouse's Sister	Ms. Ipsa Phutela
	Spouse's Father	Mr. Om Prakash Hans
	Spouse's Mother	Ms. Kailash Hans
Mrs. Bhawna Seth	Spouse	Mr. Jatinder Dev Seth

Name of our Promoters	Relationship with the Relatives	Name of the Immediate Relatives
	Son	Mr. Naman Seth
	Father	Mr. Om Prakash Hans
	Mother	Ms. Kailash Hans
	Brother	Mr. Vivek Hans
	Sister	Ms. Neetu Dhingra
	Sister	Ms. Ipsa Phutela
	Spouse's Brother	Mr. Manish Dev Seth
	Spouse's Brother	Mr. Ashish Dev Seth
	Spouse's Father	Mr. Baldev Raj Seth
	Spouse's Mother	Ms. Saroj Seth
Mr. Manish Dev Seth	Spouse	Mrs. Monica Seth
	Brother	Mr. Ashish Dev Seth
	Brother	Mr. Jatinder Dev Seth
	Father	Mr. Baldev Raj Seth
	Mother	Mrs. Saroj Seth
	Spouse Father	Mr. Rajinder Kumar Chhabra
	Spouse Brother	Mr. Sachin Chhabra
	Daughter	Ms. Pehal Seth
	Son	Mr. Chirag Seth
Mrs. Monica Seth	Spouse	Mr. Manish Dev Seth
	Father	Mr. Rajinder Kumar Chhabra
	Brother	Mr. Sachin Chhabra
	Father-in-law	Mr. Baldev Raj Seth
	Mother-in-law	Mrs. Saroj Seth
	Spouse Brother	Mr. Jatinder Dev Seth
	Spouse Brother	Mr. Ashish Dev Seth
	Daughter	Ms. Pehal Seth
	Son	Mr. Chirag Seth
InnovationM Mobile & Web Technologies Private Limited	Director	Mr. Manish Dev Seth
	Director	Mrs. Monica Seth

Our Promoter Group as defined under Regulation 2(1)(pp)(iii) of the SEBI (ICDR) Regulations, includes following entities:

Nature of Relationship	Entities
Any Body corporate in which Promoter or Immediate relative or a firm/ HUF in which core promoter or immediate relative is partner/proprietor holds individually or collectively 20% shareholding andmore.	1. NuFolks Global Private Limited 2. Foxmatrix Global Services Private Limited 3. Bevarabia Limited 4. MovingPin Technologies Private Limited
Any Body corporate in which a body corporate mentioned aboveholds 20% or more of the total shareholding.	Nil
Any HUF / Firm in which Core Promoter or Immediate relativeholds individually or collectively 20% stake and more.	1. Jaydee Enterprises 2. Vinayak Fabrics

Companies with which the Promoters has disassociated in the last three years

None of our Promoter have disassociated themselves from any of the companies, firms or entities during the last three years preceding the date of this Red Herring Prospectus.

Related Party Transactions

For details of related party transactions entered into by our Promoter, Promoter Group and our Company during the last financial year, the nature of transactions and the cumulative value of transactions, please refer to "*Note 31 – Restated Summary of Related Party Transactions'* chapter titled "*Financial Information*" beginning on page 181 of this Red Herring Prospectus.

Experience of Promoters in the line of business

Our Promoters are well experienced in the Company's line of business. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

Litigation details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by our Promoters, please refer to section titled '*Outstanding Litigation and Material Developments*' beginning on page 198 of this Red Herring Prospectus.

Other Confirmation

The Company hereby confirms that:

- Our Promoters are not categorized as a willful defaulter or Fraudulent Borrower, as defined under Regulation2(1)(lll) of SEBI(ICDR) Regulations.
- Our Promoter and members of the Promoter Group have not been prohibited from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Our Promoter has not been declared as fugitive economic offender under section 12 of the Fugitive Economic Offender Act, 2018.
- Our Promoter is not promoter, directors or person in control of any other company which is prohibited from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Our Promoter is not interested in any other entity which holds any intellectual property rights that are used by our Company.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority against our Promoters during the last five (5) years preceding the date of this Red Herring Prospectus, except as disclosed under chapter titled *"OutstandingLitigation and Material Developments"* beginning on page 198 of this Red Herring Prospectus.

Our Promoters and members of our Promoter Group have neither been declared as a willful defaulter nor as a fugitive economic offender as defined under the SEBI (ICDR) Regulations, and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against our Promoters.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations 'Group Companies' of our Company shall include:

i. the companies with which there were related party transactions as disclosed in the Restated Financial Statements during any of the last three Financial Years in respect of which the Restated Financial Statements are included in this Red Herring Prospectus; and

ii. such other companies as considered material by the Board.

For the purposes of (ii) above, pursuant to the resolution passed by our Board at its meeting held on 21st June, 2024 the Board has approved that no companies shall be considered material.

Further, pursuant to a resolution of our Board dated 21st June, 2024 for the purpose of disclosure in relation to Group companies in connection with the Issue, a company shall be considered material if, all such companies (other than promoters and subsidiaries) with which there were related party transactions during the period covered in the Restated Financial Information, Financial Statements and included in the Issue Documents and the Company has entered into any transaction with such company that exceed 10% of the profit after tax, for the last completed financial year covered in the Restated Financial Information.

Accordingly, based on the parameters outlined above, as on the date of this Red Herring Prospectus, our Board has identified that there are no group companies.

DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and the applicable laws including the Companies Act, read with rules notified thereunder.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including but not limited to earning stability, contractual obligations, applicable legal restrictions, overall financial position of our Company and other factors considered relevant by the Board. In addition, our Company's ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under the loan or financing documents, our Company is currently a party to or may enter into from time to time. For more information on restrictive covenants under our loan agreements, please see *"Financial Indebtedness"* on page 196 of this Red Herring Prospectus.

No dividends have been paid by our Company on the Equity Shares since its incorporation.

There is no guarantee that any dividends will be declared or paid by our Company in the future. For details, please see *"Risk Factors – Our* ability *to pay dividends in the future may depend upon our future revenue, profits, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements."* on page 27 of this Red Herring Prospectus.

SECTION VI – FINANCIAL INFORMATION

Sr No.	Particulars	Page no.
1	Restated Financial Statements	RFS 1 – RFS 42

SECTION VI- FINANCIAL STATEMENTS
FINANCIAL STATEMNTS AS RESTATED

Independent Auditors' Report on the Restated Standalone Financial Statements of Purple United Sales Limited

Auditor's Report on the Restatement of Assets and Liabilities as on September 30,2024, March 31, 2024, March 31, 2023, March 31, 2022, Statement of Profit & Loss, and Cash Flow Statement for the Financial years/half year ending on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 of Purple United Sales Limited.

To
The Board of Directors
Purple United Sales Limited
KHASRA NO 55/14 & 55/15,
NEAR RANI KHERA ROAD,
MUNDKA, DELHI-110041

Dear Sirs,

1. We, have examined the attached Restated Summary Statements of Assets & Liabilities and Other Financial Information of Purple United Sales Limited (Formerly known as Purple United Sales Private Limited) (hereinafter referred to as "**the Company**") for the financial year/half year ended on September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, These Restated Financial Statements have been prepared by the management of the Company and approved by the board of directors of the Company at their meeting held on 23th November, 2024.

2. The Said Restated Financial Statements and other financial information have been examined and prepared for the purpose of inclusion in the Red Hearing/ Prospectus (Collectively hereinafter referred to as "offer documents") in connection with the proposed Initial Public Offering (IPO) on SME Platform of NSE Limited ("**NSE SME**") of the Company taking into consideration the following and in accordance with the requirements of:

   - Section 26 and 32 of Part 1 of Chapter III of the Companies Act, 2013 (herein after referred to as "**the Act**") read with Companies (Prospectus and Allotment of Securities) Rules 2014 as amended from time to time;
   - The Securities and Exchange Board of India ["**SEBI**"] (Issue of Capital and Disclosure Requirements) Regulations 2018 ("the SEBI ICDR Regulations") as amended from time to time in pursuance of Section 11 of SEBI Act, 1992;
   - The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**") The Guidance Note also requires that we comply with ethical requirements of the Code of ethics issued by ICAI
   - The Applicable regulation of SEBI (ICDR) Regulations,2018, as amended, and as per Schedule VI (Part A) (11) (II) of the said Regulations;
   - Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information;
   - The terms of reference to our engagement letter with the Company requesting us to carry out the assignment, in connection with the proposed IPO of Equity Shares on Emerge Platform of National Stock Exchange of India Limited ("IPO" or "SME IPO");

3. These Restated Financial Information (Included in Note I to 40) have been extracted by the Management of the Company from:

   The Company's Financial Statement for the financial year/half year ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 which have been approved by the Board of Directors at their meeting respectively and books of accounts underlying those financial statements and other records of the Company, to the extent considered necessary for the preparation of the Restated Financial Statement of the Company for the financial year/half year ended on September 30,

2024, March 31,2024 has been audited by us being Statutory Auditors of the Company and from the financial year ended March 31, 2023 and 2022 has been audited by M/s Naresh Aggarwal & Co, Chartered Accountants and had issued unqualified reports for these years.

4. The Restated Consolidated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Notes to the Restated Financial Statements. The respective Board of Directors of the Companies responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Statement. The respective Board of Directors are also responsible for identifying and ensuring that the company complies with the Act, ICDR Regulations and the Guidance Note.

5. In accordance with the requirement of section 26 and 32 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules 2014, the SEBI Regulations, the Guidance Note as amended from time to time and in terms of our engagement agreed with you, we further report that;

   (a) The Restated Statement of Assets and Liabilities for the financial year/half year ended on September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 examined by us, as set out in this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regrouping of the financial statements, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Note 1 to 40 to this Report.

   (b) The Restated Statement of Profit and Loss of the Company for the financial year/half year ended on September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 examined by us as set out in this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss, have been arrived at after making such adjustments and regrouping of the financial statements, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Note 1 to 40 to this Report.

   (c) The Restated Statement of Cash Flow of the Company for the financial year/half year ended on September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 examined by us as set out in this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Cash Flow, have been arrived at after making such adjustments and regrouping of the financial statements, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Note 1 to 40 to this Report.

   As a result of these adjustments, the amounts reporting in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

6. Based on above as per the reliance placed by us on the audited financial statements of the Company and report thereon given by the Statutory Auditor of the Company for the financial year/half year ended on September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, and to the best of our information and according to the explanation given to us, we are of the opinion that restated Financial Statements:

   (a) Have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial year/half year to reflect the same accounting treatment as per the changed accounting policies for all the reporting periods based on the significant accounting policies adopted by the Company as at September 30, 2024 and March 31, 2024.

   (b) Have been made after incorporating adjustments for prior period and other material amounts, if any in the respective financial years to which they related to:

   (c) Do not contain any extra ordinary items that need to be disclosed separately other than those presented in the Restated financial statement and do not contain any qualification requiring adjustments.

   (d) There were no classification in the audit report issued by the Statutory Auditors for the financial year/half year ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, which would require adjustments in this Restated financial statements of the Company;

(e) Restated summary statement of profit and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regrouping as in our opinion are appropriate and are to be read in accordance with the significant accounting policies and Notes to accounts as set out in Note 1 to 2 to this report.

(f) Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies,
(g) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements.
(h) There are no revaluation reserve, which need to be disclosed separately in the Restated Financial Statements,
(i) The Company has not paid dividend during the financial year under review.

(7) we have also examined the following other Restatement Financial Information as set out in the respective Annexure's to this report and forming part of the Restated Financial Statement. Prepared by the management of the Company and approved by the board of directors of the Company for the year/half year ended on September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, proposed to be included in the Red Hearing Prospectus (" Offer Document") for the proposed IPO.

1 Statement of Share capital, as restated in Note 3 to this report,
2 Statement of Reserves and surplus, as restated in Note 4 to this report,
3 Statement of Long- Term borrowings ,as restated in Note 5 to this report,
4 Statement of Other Long-Term liabilities, as restated in Note 6 to this report,
5 Statement of Long Term Provisions, as restated in Note 7 to this report,
6 Statement of Short Term borrowings ,as restated in Note 8 to this report,
7 Statement of Trade payables (with payable ageing Schedule), as restated in Note 9 to this report,
8 Statement of Other current liabilities, as restated in Note 10 to this report,
9 Statement of Short Term Provisions, as restated in Note 11 to this report,
10 Statement of Property, plant and equipment(PPE), as restated in Note 12 to this report,
11 Statement of Deferred Tax Assets, as restated in Note 13 to this report,
12 Statement of Long Term Loans and advances, as restated in Note 14 to this report,
13 Statement of Other non-current assets, as restated in Note 15 to this report,
14 Statement of Inventory, as restated in Annexure Note 16 to this report,
15 Statement of Trade Receivables (with receivable ageing Schedule), as restated in Note 17 to this report,
16 Statement of Cash & Cash Equivalents, as restated in Note 18 to this report,
17 Statement of Short Loans and advances, as restated in Note 19 to this report,
18 Statement of Other Current Assets , as restated in Note 20 to this report,
19 Statement of Revenue from Operations, as restated in Note 21 to this report,
20 Statement of Other Income, as restated in Note 22 to this report,
21 Statement of Purchase of Stock-in-Trade, as restated in Note 23 to this report,
22 Statement of Changes in Inventory, as restated in Note 24 to this report,
23 Statement of Employee Benefit Expenses, as restated in Note 25 to this report,
24 Statement of Depreciation & Amortization, as restated in Note 26 to this report,
25 Statement of Finance Cost, as restated in Note 27 to this report,
26 Statement of Other Expenses, as restated in Note 28 to this report,
27 Statement of Reconciliation of Restated Profit After Tax, EPS/DPS as restated in Note 29 to this report,
28 Statement of Liabilities Relating to Employee Benefits, as restated in Note 30 to this report,
29 Statement of Related Party Transactions, as restated in Note 31 to this report,
30 Statement of Additional Disclosure- borrowing, as restated in Note 32,
31 Statement of Foreign Currency Income/Expenditure, as restated in Note 33 to this report,
32 Statement of Contingent Liabilities and Commitments, as restated in Note 34 to this report,
33 Statement of Tax Shelter, as restated in Note 35 to this report,
34 Statement of Reconciliation of Restated Reserve and Surplus and Restated Profit, as restated in Note 36 to this report,
35 Statement of Accounting Ratio (with Variance), as restated in Note 37 to this report,
36 Statement of Additional Disclosure, as restated in Note 38,
37 Statement of Additional Disclosure, previous year regrouping as restated in Note 39,
38 Statement of Capitalisation, as restated in Note 40 to this report,

(8). We NGMKS & Associates, Chartered Accountants hold a valid Peer Review Certificate issued by the "Peer Review Board" of the Institute of Chartered Accountants of India ("ICAI")

(9) 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.

(10) This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as an opinion on any of the financial information referred to herein.

(11) Company has taken loan (long term and short term both) from Bank of Baroda and management is in the process of creation of charge till signing of the report.

(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 Restated Financial Statements contained in Note 1 to 40 to this report read along with the 'Significant Accounting Policies' and Notes to the financial statements appearing in Note 1 to 40 after making adjustments and regrouping/reclassification as considered appropriate and have been prepared in accordance with the provisions of Section 26 and 32 of the Company Act,2013 read with the Companies (Prospectus and Allotment of Securities) Rules 2014, to the extent applicable, the SEBI Regulations the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with Management.

(14) Our report is intended solely for use of the Management and for inclusion in the offer documents in connection with the proposed SME IPO of equity shares of the Company and is not to be used, referred to or distributed for any other purpose except with our prior written consent.

For NGMKS & Associates
Chartered Accountants
FRN:024492N

Nitin Goyal
M.No 517698
Partner
UDIN: 24517698BKHHXS8993
Place: New Delhi
Date: 23.11.2024

Purple United Sales Limited

(Formerly Known as Purple United Sales Private Limited)

Restated Financial Statements

for the period ended September 30, 2024

Purple United Sales Limited
(Formerly Known as Purple United Sales Private Limited)
Restated Balance Sheet as at September 30, 2024
(All amounts in Rs. lakhs, unless otherwise stated)

Particulars	Note	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
1. Equity					
(a) Equity share capital	3	700.58	663.30	608.08	553.82
(b) Reserves and Surplus	4	1,668.04	1,070.34	428.50	63.77
Total Equity		**2,368.62**	**1,733.64**	**1,036.58**	**617.59**
2. Liabilities					
Non – Current Liabilities					
(a) Long-term borrowings	5	1,045.74	952.70	743.81	824.05
(b) Other long-term liabilities	6	164.00	139.00	84.00	24.00
(c) Long-term provisions	7	45.36	39.45	19.64	16.81
		1,255.10	**1,131.15**	**847.45**	**864.86**
Current Liabilities					
(a) Short-term borrowings	8	2,320.92	1,610.10	443.60	281.71
(b) Trade payables	9				
- total outstanding dues to micro enterprises and small enterprises		161.65	7.75	97.48	75.33
- total outstanding dues of creditors other than micro enterprises and small enterprises		512.99	243.95	778.31	406.24
(c) Other current liabilities	10	310.08	123.68	42.88	29.43
(c) Short-term provisions	11	104.30	63.69	4.62	3.80
		3,409.95	**2,049.17**	**1,366.89**	**796.51**
Total Liabilities		**4,665.05**	**3,180.32**	**2,214.34**	**1,661.37**
Total Equity and Liabilities		**7,033.67**	**4,913.96**	**3,250.92**	**2,278.96**
II. Assets:					
1. Non-Current Assets					
(a) Property, plant and equipment	12	517.87	504.90	421.13	56.97
(b) Deferred tax assets (net)	13	58.56	50.30	35.58	72.34
(c) Long-term loans and advances	14	6.00	6.00	6.00	-
(d) Other non-current assets	15	128.42	86.02	84.55	59.10
		710.85	**647.22**	**547.26**	**188.41**
2. Current Assets					
(a) Inventories	16	1,961.15	966.22	731.24	713.08
(b) Trade receivables	17	3,535.33	2,860.68	1,779.37	1,159.26
(c) Cash and cash equivalents	18	124.00	59.62	21.17	17.41
(d) Short-term loans and advances	19	26.92	21.56	30.42	9.65
(e) Other current assets	20	675.42	358.66	141.46	191.15
		6,322.82	**4,266.74**	**2,703.66**	**2,090.55**
Total Assets		**7,033.67**	**4,913.96**	**3,250.92**	**2,278.96**

Summary of significant accounting policies (refer Note 2)
The accompanying notes form an integral part of these financial statements.

NGMKS & ASSOCIATES CA New Delhi

As per our report of even date

For **NGMKS & Associates**
Chartered Accountants
ICAI Firm Registration Number: 024492N

Nitin Goyal
Partner
Membership number: 517698

Place: Delhi
Date: November 23, 2024

For and on behalf of the Board of Directors of
Purple United Sales Limited
CIN: U51909DL2014PLC271636

Bhawna Seth
Director
DIN: 07385656

Place: Delhi
Date: November 23, 2024

Jatinder Dev Seth
Director
DIN: 06944942

Place: Delhi
Date: November 23, 2024

Naresh Kumar
Chief Financial Officer

Place: Delhi
Date: November 23, 2024

Vishnu Kumar
Company Secretary
M. No.: A67575

Place: Delhi
Date: November 23, 2024

Purple United Sales Limited
(Formerly Known as Purple United Sales Private Limited)
Restated Statement of Profit & Loss for the period ended September 30, 2024
(All amounts in Rs. lakhs, unless otherwise stated)

Particulars	Note	For the Period Sept 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Income					
Revenue from operations	21	3,050.10	4,277.44	2,569.45	1,651.89
Other income	22	1.94	14.15	1.65	4.30
Total income (A)		**3,052.04**	**4,291.59**	**2,571.10**	**1,656.19**
Expenses					
Purchase of traded goods	23	2,349.92	1,818.59	1,095.65	824.55
Change in inventories of traded goods	24	(994.93)	(234.98)	(18.16)	(284.97)
Employee benefits expense	25	408.67	667.31	383.91	322.04
Depreciation and amortization expense	26	75.60	155.94	26.66	18.47
Finance costs	27	208.58	234.80	150.06	104.56
Other expenses	28	575.22	1,053.48	724.12	554.39
Total Expense (B)		**2,623.06**	**3,695.14**	**2,362.24**	**1,539.04**
Profit before tax (C = A-B)		**428.98**	**596.45**	**208.86**	**117.15**
Tax Expenses					
Current tax		107.96	129.63	22.88	8.61
Deferred tax		(8.26)	(14.72)	36.76	(68.62)
Total tax expense (D)		**99.71**	**114.91**	**59.64**	**(60.01)**
Profit for the year (E)		**329.28**	**481.54**	**149.22**	**177.16**
Earnings per equity share (Face value per share Rs. 10/- each)	29				
Basic earnings per share (Rs.)		4.77	7.84	2.45	3.20
Diluted earnings per share (Rs.)		4.77	7.84	2.45	3.20

Summary of significant accounting policies (refer Note 2)
The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

For **NGMKS & Associates**
Chartered Accountants
ICAI Firm Registration Number: 024492N

Nitin Goyal
Partner
Membership number: 517698

Place: Delhi
Date: November 23, 2024

For and on behalf of the Board of Directors of
Purple United Sales Limited
CIN: U51909DL2014PLC271636

Bhawna Seth
Director
DIN: 07385656

Place: Delhi
Date: November 23, 2024

Jatinder Dev Seth
Director
DIN: 06944942

Place: Delhi
Date: November 23, 2024

Naresh Kumar
Chief Financial Officer

Place: Delhi

Vishnu Kumar
Company Secretary

M. No.: A67575
Place: Delhi

Purple United Sales Limited
(Formerly Known as Purple United Sales Private Limited)
Restated Statement of Cash Flow for the period ended September 30, 2024
(All amounts in Rs. lakhs, unless otherwise stated)

Particulars	For the Period Sept 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash flow from operating activities				
Profit before tax	428.98	596.45	208.86	117.15
Adjustments for:				
Depreciation and amortization	75.60	155.94	26.66	18.47
Amortisation of Preliminary Expenses	0.00	0.10	0.37	0.37
Non-Current Provision for Gratuity	5.91	19.81	2.83	16.81
Interest expenses	208.58	234.80	150.06	104.56
Operating profit before working capital changes	719.07	1,007.10	388.78	257.36
Adjustments for:				
(Increase) in Inventories	(994.93)	(234.98)	(18.16)	(284.97)
(Increase) in Trade receivables	(674.65)	(1,081.31)	(620.12)	(149.17)
Decrease/(Increase) in long term Loans & Advances	0.00	-	(6.00)	31.20
Decrease/(Increase) in Short Term Loans & Advances	(5.35)	8.86	(20.77)	1.10
(Increase) in Other Non-Current Assets	(42.40)	(1.57)	(25.83)	(58.62)
Decrease/(Increase) in Other Current Assets	(316.75)	(217.21)	49.69	38.47
Decrease in Short term Borrowings	710.82	1,166.49	161.90	56.12
Decrease/(Increase) in Other Current Liabilities	186.40	80.80	13.45	(0.96)
Decrease/(Increase) in Trade Payables	422.93	(624.08)	394.21	209.93
Decrease in Short Term Provisions	40.61	59.07	0.82	3.80
Decrease in Other Long-Term Liabilities	25.00	55.00	60.00	10.00
Cash flow (used in) operations	(648.32)	218.17	377.97	114.26
Income tax (paid)	(107.97)	(129.63)	(22.88)	(8.61)
Net cash flow (used in) operating activities (A)	(37.21)	88.54	355.08	105.65
B. Cash flow (used in) investing activities				
Purchase of property, plant and equipment	(88.56)	(238.80)	(390.81)	(9.09)
Net cash (used in) investing activities (B)	(88.56)	(238.80)	(390.81)	(9.09)
C. Cash flow from financing activities				
Proceed from issue of Shares	305.70	214.60	269.78	661.04
Proceed from Long Term Borrowing	93.04	208.89	(80.24)	(645.58)
Interest Paid	(208.58)	(234.80)	(150.06)	(104.56)
Net cash flow from financing activities (C)	190.16	188.69	39.48	(89.10)
Net increase in cash and cash equivalents (A+B+C)	64.38	38.45	3.76	7.45
Cash and cash equivalents at the beginning of the year (refer Note 18)	59.62	21.17	17.41	9.96
Cash and cash equivalents at the end of the year (refer Note 18)	124.00	59.62	21.17	17.41

NGMKS & ASSOCIATES New Delhi

Restated Statement of Cash Flow for the period ended September 30, 2024

(All amounts in Rs. lakhs, unless otherwise stated)

Components of Cash and cash equivalents:

Particulars	For the Period Sept 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Balance with banks				
- In Current account	86.37	35.48	11.84	10.22
Bank deposits with more than 12 months maturity	-	2.08	2.08	2.08
Cash in hand	37.63	22.06	7.25	5.11
Total Cash and cash equivalents (refer Note 18)	**124.00**	**59.62**	**21.17**	**17.41**

Notes:

1) The above Cash Flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (AS 3)
2) The Company did not have any cash flow changes arising from non-cash transactions from financing activities.

Summary of significant accounting policies (refer Note 2)
The accompanying notes are an integral part of these financial statements

As per our report of even date attached.

For **NGMKS & Associates**
Chartered Accountants
ICAI Firm Registration Number: 024492N

Nitin Goyal
Partner
Membership number: 517698

Place: Delhi
Date: November 23, 2024

For and on behalf of the Board of Directors of
Purple United Sales Limited
CIN: U51909DL2014PLC271636

Bhawna Seth
Director
DIN: 07385656

Place: Delhi
Date: November 23, 2024

Jatinder Dev Seth
Director
DIN: 06944942

Place: Delhi
Date: November 23, 2024

Naresh Kumar
Chief Financial Officer

Place: Delhi
Date: November 23, 2024

Vishnu Kumar
Company Secretary
M. No.: A67575

Place: Delhi
Date: November 23, 2024

1. Corporate information

Purple United Sales Limited (the "Company") is a public limited company domiciled in India and incorporated on September 16, 2014 under the provisions of the Companies Act, 2013 applicable in India. Its Corporate Identification Number (CIN) is U51909DL2014PLC271636.

The registered office of the Company is located at Khasra No. 55/14 & 55/15, Near Rani Khera Road, Mundka, West Delhi, New Delhi, Delhi, India, 110041. The Company is engaged in the business of kids Apparels and footwear and their fashion accessories through their Retail, E-commerce and wholesale business channel partners. it has wide pan India base distribution channel and network.

2. Basis of preparation

The Company prepared its Financial Statements as per accounting principles generally accepted in India (Indian GAAP), including the Companies (Accounting Standards) Rules, 2021 (as amended) specified under Section 133 of the Companies Act 2013, as amended ("the Act"), read with the Companies (Accounts) Rules, 2014.

The Financial Statements have been prepared using presentation and disclosure requirements of Division I of Schedule III to Companies Act, 2013.

The financial statements have been prepared on an accrual basis and under the historical cost convention.

2.1 Summary of significant accounting policies

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

NGMKS & ASSOCIATES ★ Chartered Accountants ★ New Delhi

b) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c) Property, Plant and Equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

The company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA circular dated 09 August 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of profit and loss.

d) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a written down value basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The company has used the following useful lives to provide depreciation on its property, plant and equipment:

Assets	Useful Life as per Schedule II (years)
Plant and machinery	15
Office equipment	5
Furniture and fixtures	10
Motor Vehicles	8
End user devices	3

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a written down value basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

f) Impairment of tangible and intangible assets

'The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.
Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the assets or cash-generating unit's recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

g) Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

h) Inventories

Raw materials, components, stores and spares are valued at 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 of raw materials, components and stores and spares is determined on a First-In-First-Out (FIFO) basis. Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventories.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a First-In-First-Out (FIFO) basis.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a First-In-First-Out (FIFO) basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

i) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between it carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

j) 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. The following specific recognition criteria must also be met before revenue is recognized:

Sale of services

Revenues from maintenance contracts are recognized pro-rata over the period of the contract as and when services are rendered. The company collects Goods and Service Tax (GST) and other taxes on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects Goods and Service Tax (GST) and other taxes on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

k) Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that

(i) the company will comply with the conditions attached to them, and

(ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Where the company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholders' funds.

l) Leases

Where the company is lessee

Finance leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

m) Retirement and other employee benefits

Retirement benefit in the form of provident fund and ESIC is a defined contribution scheme. The company recognizes contribution payable to the provident fund and ESIC scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The company operates a defined benefit plans for its employees, viz., gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

n) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period. However, we have opted for Section 115BAA of the income tax act.

o) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of Equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of Equity shares outstanding during the period is adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

q) Cash & cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

r) Contingent liabilities

A contingent liability that is a possible obligation that arises from past event whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future event beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

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Note 3. Equity share capital

Particulars	As at Sept 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Authorized share capital								
Equity Shares of Rs.10/- each	1,10,00,000	1,100.00	70,00,000	700.00	70,00,000	700.00	70,00,000	700.00
Total	**1,10,00,000**	**1,100.00**	**70,00,000**	**700.00**	**70,00,000**	**700.00**	**70,00,000**	**700.00**
Issued, subscribed and fully paid up (in cash)								
Equity Shares of Rs. 10/- each fully paid up	1,872,800	187.28	15,00,000	150.00	10,00,000	100.00	10,00,000	100.00
Issued, subscribed and fully paid up (against loans) *								
Equity Shares of Rs. 10/- each fully paid up	51,33,000	513.30	51,33,000	513.30	50,80,885	508.08	45,38,210	453.82
Total	**70,05,800**	**700.58**	**66,33,000**	**663.30**	**60,80,885**	**608.08**	**55,38,210**	**553.82**

**Company assumes that unsecured loan from directors and their relative issued at beginning from 1st April 2021, as per their loan outstanding in each year.*

Notes:

a) The Authorised Share Capital of the Company was increased from 12,00,000 Equity Shares of Rs 10/- each to 50,00,000 Equity Shares of 10/- each vide resolution passed in EGM dated 25th July' 2022.

b) The Company allotted 40,00,000 Equity Shares of Rs.10/- each on 5th September 2022, issued at par for converted loan into equity, proper resolution and valuation reports has been obtained for the same.

c) The Authorised Share Capital of the Company was further increased from 20,00,000 Equity Share of Rs 10/- each to 70,00,000 Equity shares of Rs 10/- each vide resolution passed in EGM dated 1st March' 2024.

d) The Company issued 5,00,000 Equity shares of Rs.10/- each at a premium of Rs.40/- each on 28th March' 2024, proper resolution and valuation reports has been obtained for the same.

e) The Company allotted 11,33,000 Equity Shares of Rs.10/- each at a premium of Rs.52/- each on 30th March' 2024 for converted loan into equity, proper resolution and valuation reports has been obtained for the same.

f) The Authorised Share Capital of the Company was further increased from 70,00,000 Equity Share of Rs 10/- each to 1,10,00,000 Equity shares of Rs 10/- each vide resolution passed in EGM dated 11th May' 2024.

g) The Company issued 3,72,800 Equity Shares of Rs. 10/- each at a premium of Rs. 72/- each on 23rd May 2024, proper resolution and valuation reports have been obtained for the same.

I. Terms/rights attached to shares

The Company has only one class of shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed, if any, by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

II. Shareholders holding more than 5 % shares in the Company

Particulars	As at Sept 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Number	%	Number	%	Number	%	Number	%
Jatinder Dev Seth	4,000,000	57.10%	40,00,000	60.30%	40,00,000	65.78%	40,00,000	72.23%
Bhawna Seth	1,000,000	14.27%	10,00,000	15.08%	10,00,000	16.44%	10,00,000	18.06%
InnovationM Mobile & Web Technologies Pvt Ltd	1,133,000	16.17%	11,33,000	17.08%	10,80,885	17.78%	5,38,210	9.72%

III. Reconciliation of the number of equities shares outstanding at the beginning and at the end of the reporting period are as given below:

Particulars	As at Sept 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Share capital of Rs. 10 each fully paid up								
Balance at the beginning of the year	66,33,000	663.30	60,80,885	608.08	55,38,210	553.82	55,38,210	553.82
Add: Equity Shares issued during the year (in cash)	3,72,800	37.28	5,00,000	50.00	-	-	-	-
Add: Equity Shares issued during the year (against loans)	-	-	52,115	155.22	5,42,675	154.26	-	-
Balance at the end of the year	**7,005,800**	**700.58**	**66,33,000**	**663.30**	**60,80,885**	**608.08**	**55,38,210**	**553.82**

IV. Reconciliation of the number of equity shares held by promoters:

Particulars	Sept 30, 2024				
	Number of shares at the beginning of the year	Changes during the year	Number of shares at the end of the year	% of total shares	% changes during the year
Jatinder Dev Seth	4,000,000	-	-	57.10%	-
Bhawna Seth	1,000,000	-	-	14.27%	-
InnovationM Mobile & Web Technologies Pvt Ltd	1,133,000	-	-	16.17%	-
		-	-	**87.54%**	-

Particulars	March 31, 2024				
	Number of shares at the beginning of the year	Changes during the year	Number of shares at the end of the year	% of total shares	% changes during the year
Jatinder Dev Seth	40,00,000	-	40,00,000	60.30%	-
Bhawna Seth	10,00,000	-	10,00,000	15.08%	-
InnovationM Mobile & Web Technologies Pvt Ltd	-		11,33,000	17.08%	
	50,00,000	-	**61,33,000**	**92.46%**	-

Particulars	March 31, 2023				
	Number of shares at the beginning of the year	Changes during the year	Number of shares at the end of the year	% of total shares	% changes during the year
Jatinder Dev Seth	40,00,000	-	40,00,000	65.78%	-
Bhawna Seth	10,00,000	-	10,00,000	16.44%	-
InnovationM Mobile & Web Technologies Pvt Ltd	-	-	-	-	-
	50,00,000	-	**50,00,000**	**82.22%**	-

Particulars	March 31, 2022				
	Number of shares at the beginning of the year	Changes during the year	Number of shares at the end of the year	% of total shares	% changes during the year
Jatinder Dev Seth	40,00,000	-	40,00,000	72.23%	-
Bhawna Seth	10,00,000	-	10,00,000	18.06%	-
InnovationM Mobile & Web Technologies Pvt Ltd	-	-	-	-	-
	50,00,000	-	**50,00,000**	**90.28%**	-

V. The Company has not allotted any fully paid-up shares by way of bonus shares, nor has it bought back any class of shares during the period of five years immediately preceding the balance sheet date. Further the Company has not issued any shares for consideration other than cash during the period of five years immediately preceding the balance sheet date other than disclosed above in table III.

Note 4. Reserves and Surplus

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
A. Securities Premium				
Balance at the beginning of the year	789.16	562.06	279.87	-
On shares issued	268.42	227.10	282.19	279.87
Total (A)	**1,057.58**	**789.16**	**562.06**	**279.87**
B. Surplus in the Restated Summary Statement of Profit and Loss				
Balance at the beginning of the year	281.18	(133.56)	(216.10)	(320.60)
Profit during the period	329.28	481.54	149.22	177.16
Addition in Value of PPE due to change in Accounting Estimates	-	0.91	-	-
Relating to Convertible loan taken as converted from beginning of the year	-	(67.71)	(66.68)	(72.65)
Total (B)	**610.46**	**281.18**	**(133.56)**	**(216.10)**
Balance at the end of the year (A+B)	**1,668.04**	**1,070.34**	**428.50**	**63.77**

Note 5. Long term borrowings

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
A. Secured				
(a) Term loans from Banks	322.86	373.17	479.40	85.91
Total (A)	**322.86**	**373.17**	**479.40**	**85.91**
B. Unsecured				
(a) Loans from Banks	91.37	134.66	81.03	-
(b) Loans and advances from related parties	297.45	114.83	3.32	265.15
(c) Loans and advances from others	334.06	330.03	180.06	472.99
Total (B)	**722.88**	**579.53**	**264.41**	**738.14**
Closing balance (A+B) *	**1,045.74**	**952.70**	**743.81**	**824.05**

*For additional disclosures refer Note 32.

Note 6: Other Long-Term Liabilities

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Interest free Security deposit from customers	164.00	139.00	84.00	24.00
Total	**164.00**	**139.00**	**84.00**	**24.00**

Note 7: Long-Term Provisions

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Provision for gratuity (refer Note 30)	45.36	39.45	19.64	16.81
Total	**45.35**	**39.45**	**19.64**	**16.81**

Note 8. Short term borrowings

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
A. Secured				
(a) Term loans from Banks	1,767.67	1,262.13	300.24	281.71
Total (A)	**1,767.67**	**1,262.13**	**300.24**	**281.71**
B. Unsecured				
(a) Loans from Banks	146.90	107.66	54.15	-
(b) Loans and advances from others	406.35	240.31	89.22	-
Total (B)	**553.25**	**347.97**	**143.37**	-
Closing balance (A+B) *	**2,320.92**	**1,610.10**	**443.60**	**281.71**

*For additional disclosures refer Note 32.

Note 9. Trade Payables

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Current				
Total outstanding dues of micro enterprises and small enterprises*	161.65	7.75	97.48	75.33
Total outstanding dues other than micro enterprises and small enterprises	512.99	243.95	778.31	406.24
Total	**674.64**	**251.70**	**875.79**	**481.57**

Trade Payable ageing schedule as at September 30, 2024

Particulars	Outstanding for following periods from date of invoice					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	161.50	0.15	-	-	161.65
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	494.25	18.66	-	0.08	512.99
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total		655.75	18.81	-	0.08	**674.64**

Trade Payable ageing schedule as at March 31, 2024

Particulars	Outstanding for following periods from date of invoice					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	7.75	-	-	-	7.75
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	198.73	44.89	0.25	0.08	243.95
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total		206.49	44.89	0.25	0.08	251.71

Trade Payable ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from date of invoice					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	97.48	-	-	-	97.48
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	772.60	0.72	-	4.99	778.31
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	-	870.08	0.72	-	4.99	875.78

Trade Payable ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from date of invoice					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	75.33	-	-	-	75.33
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	396.31	9.93	-	-	406.24
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	-	471.64	9.93	-	-	481.58

***Total outstanding dues of micro enterprises and small enterprises**

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the micro and small enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amount payable to such enterprises as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 has been made in the financial statements based on information received and available with the Company. Further in view of the Investment Manager, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier. The same has been relied upon by the auditors.

Particulars	Sept 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
The amount remaining unpaid to micro and small suppliers as at end of the year				
- Principal amount due to micro and small enterprises	161.65	7.75	97.48	75.33
- Interest due on above	0.30	0.29	-	-

Particulars	Sept 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-	-	-

Note 10. Other current liabilities

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Current				
Statutory Payables	-	16.27	11.02	5.56
Advances from customers	222.31	29.91	-	-
Expenses Payable	87.77	77.50	31.87	23.87
Total	310.08	123.68	42.89	29.43

Note 11: Short-Term Provisions

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Provision for gratuity (refer Note 30)	2.21	1.96	0.56	0.23
Provision for bonus	4.35	4.72	4.06	3.57
Provision for tax (net of advance tax and TDS)	97.44	56.72	-	-
Provision for interest on MSME	0.30	0.29	-	-
Total	**104.30**	**63.69**	**4.62**	**3.80**

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Note 12. Property, plant and equipment

Particulars	Plant and machinery	Furniture and fixtures	Office Equipment	Motor Vehicles	End user devices	Total
Gross carrying value (at cost)						
As at April 1, 2021	**17.79**	**73.27**	-	-	**25.28**	**116.34**
Additions	-	3.60	1.14	-	4.35	9.09
Disposals	-	-	-	-	-	-
As at March 31, 2022	**17.79**	**76.87**	**1.14**	-	**29.63**	**125.43**
Additions	15.69	302.04	1.37	17.90	53.81	390.81
Disposals	-	-	-	-	-	-
As at March 31, 2023	**33.48**	**378.91**	**2.51**	**17.90**	**83.44**	**516.24**
Additions	2.73	190.71	1.05	34.96	9.34	238.80
Disposals	-	-	-	-	-	-
As at March 31, 2024	**36.21**	**569.62**	**3.57**	**53.78**	**92.78**	**755.96**
Additions	-	78.38	1.15	-	9.03	88.56
Disposals	-	-	-	-	-	-
As at Sept 30, 2024	**36.21**	**648.00**	**4.72**	**53.78**	**101.81**	**844.52**
Accumulated depreciation						
As at April 1, 2021	**4.91**	**22.67**	-	-	**22.41**	**49.99**
Depreciation for the year	2.33	13.51	0.31	-	2.32	18.47
Disposal/ adjustments	-	-	-	-	-	-
As at March 31, 2022	**7.24**	**36.18**	**0.31**	-	**24.73**	**68.46**
Depreciation for the year	2.05	17.02	0.60	1.39	5.59	26.66
Disposal/ adjustments	-	-	-	-	-	-
As at March 31, 2023	**9.29**	**53.20**	**0.91**	**1.39**	**30.32**	**95.11**
Depreciation for the year	4.74	106.01	0.95	8.35	35.89	155.94
Disposal/ adjustments	-	-	-	-	-	-
As at March 31, 2024	**14.03**	**159.21**	**1.86**	**9.74**	**66.21**	**251.06**
Depreciation for the year	2.09	57.13	0.49	6.82	9.07	75.60
Disposal/ adjustments	-	-	-	-	-	-
As at Sept 30, 2024	**16.12**	**216.34**	**2.35**	**16.56**	**75.28**	**326.65**
Net carrying value						
As at March 31, 2022	**10.55**	**40.69**	**0.83**	-	**4.90**	**56.97**
As at March 31, 2023	**24.19**	**325.71**	**1.60**	**16.51**	**53.12**	**421.13**
As at March 31, 2024	**22.18**	**410.41**	**1.71**	**43.12**	**26.56**	**504.90**
As at Sept 30, 2024	**20.09**	**431.66**	**2.37**	**37.22**	**26.53**	**517.87**

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Note 13. Deferred tax

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
A. Calculation Deductible/Taxable Temporary Difference on WDV of Assets: -				
WDV as per IT Act	635.67	589.30	429.14	78.11
WDV as per Companies Act	517.87	504.90	421.13	56.97
Total Deductible Temporary Differences on WDV of Assets (DTA)	**117.80**	**84.40**	**8.01**	**21.14**
B. Calculation Deductible/Taxable Temporary Difference on Provisions: -				
a) Provision for Gratuity	47.57	41.41	20.20	s 17.04
b) Provision for Bonus	4.35	4.72	4.06	3.57
c) Provision for doubtful debts	62.64	62.64	-	-
d) Provision for interest on MSME	0.30	0.29	-	-
Total Deductible Temporary Differences on Provisions (DTA)	**114.87**	**109.06**	**24.26**	**20.61**
C. Calculation Deductible/Taxable Temporary Difference on Losses: -				
Losses carry forward to next year.	-	-	104.59	236.50
Total Deductible Temporary Differences on Losses (DTA)	-	-	**104.59**	**236.50**
Total Deductible Temporary Differences (DTA) (A+B+C)	232.67	193.46	136.86	278.25
Tax Effect @ 26% (25% Tax + 4% cess)	25.17%	26.00%	26.00%	26.00%
Closing Value of DTA	**58.56**	**50.30**	**35.58**	**72.34**
Less: Already Created DTA	**50.30**	**35.58**	**72.34**	**3.73**
DTA/(DTL) to be created	**8.26**	**14.72**	**(36.76)**	**68.62**

Note 14. Long-term loans and advances

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good				
Other loans and advances	6.00	6.00	6.00	-
Total	**6.00**	**6.00**	**6.00**	-

Note 15. Other non-current assets

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Interest Free Security deposits	128.42	86.02	84.45	58.62
Preliminary expenses	-	-	0.10	0.48
Total	**128.42**	**86.02**	**84.55**	**59.10**

Note 16. Inventories

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Traded Goods	1,961.15	966.22	731.24	713.08
Total	**1,961.15**	**966.22**	**731.24**	**713.08**

Note 17. Trade receivables

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good	3,535.33	2,860.68	1,779.37	1,159.26
Unsecured, considered doubtful	25.25	25.25	-	-
Unsecured, credit impaired	37.40	37.39	-	-
Gross receivables	**3,597.98**	**2,923.32**	**1,779.37**	**1,159.26**
Less: Provision for doubtful debts	62.64	62.64	-	-
Net receivables	**3,535.34**	**2,860.68**	**1,779.37**	**1,159.26**

a) Trade Receivables include no dues from companies (Sept 30, 2024: Rs. Nil; March 31, 2024: Rs. Nil; March 31, 2023: Rs. Nil; March 31, 2022: Rs. Nil) in which directors of the Company are director (refer Note 31).
b) Trade Receivables are non-interest bearing.

Trade Receivable ageing schedule as at Sept 30, 2024

Particulars	Not due	Outstanding for following periods from date of invoice					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	2,487.14	814.95	233.24	-	-	**3,535.33**
Undisputed Trade receivable – considered doubtful	-	-	-	-	-	25.25	**25.25**
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – considered doubtful	-	-		20.90	0.41	16.09	**37.40**
Total	-	**2,487.14**	**814.95**	**254.14**	**0.41**	**41.34**	**3,597.98**

Trade Receivable ageing schedule as at March 31, 2024

Particulars	Not due	Outstanding for following periods from date of invoice					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	2,122.56	597.06	135.96	3.70	1.40	**2,860.68**
Undisputed Trade receivable – considered doubtful	-	-	-	-	-	25.25	**25.25**
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – considered doubtful	-	-	-	20.90	0.41	16.09	**37.39**
Total	-	**2,122.56**	**597.06**	**156.85**	**4.10**	**42.74**	**2,923.32**

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Trade Receivable ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from date of invoice						Total
	Not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	1,221.05	511.48	4.10	42.74	-	1,779.37
Undisputed Trade receivable – considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – considered doubtful	-	-	-	-	-	-	-
Total	-	**1,221.05**	**511.48**	**4.10**	**42.74**	-	**1,779.37**

Trade Receivable ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from date of invoice						Total
	Not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	853.58	232.69	72.99	-	-	**1,159.26**
Undisputed Trade receivable – considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – considered doubtful	-	-	-	-	-	-	-
Total	-	**853.58**	**232.69**	**72.99**	-	-	**1,159.26**

Note 18. Cash and cash equivalent

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Current				
Balances with banks				
- In current accounts	86.37	35.48	11.84	10.24
- In Fixed Deposits	-	2.08	2.08	2.08
Cash on hand	37.63	22.06	7.25	5.11
Total	**124.00**	**59.62**	**21.17**	**17.43**

Note 19. Short-term loans and advances

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good				
Advance to employee	26.92	21.56	30.42	9.65
Total	**26.92**	**21.56**	**30.42**	**9.65**

Note 20. Other current assets

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	80.28	80.28	64.06	93.11
TDS receivable from NBFCs	19.02	11.77	50.05	97.63
Advance to Supplier	453.54	266.62	27.34	-
Balance with government authorities	122.58	-	-	0.40
Total	**675.42**	**358.66**	**141.46**	**191.15**

Note 21. Revenue from operations

Particulars	For the period ended Sept 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of traded goods	3,607.58	5,472.80	2,844.73	1,792.75
Less: Inter-branch transfer	543.80	1,143.10	230.85	101.16
Sales to outsiders	**3,063.78**	**4,329.71**	**2,613.88**	**1,691.60**
Less: Discount allowed	13.68	52.26	44.44	39.71
Total revenue from operations	**3,050.10**	**4,277.44**	**2,569.44**	**1,651.89**

Note: Company has not shown branch transfer in their audited financial statements in the FY 2022-2023 and FY 2021-2022. However, there is no impact on company's profitability.

Note 22. Other income

Particulars	For the period ended Sept 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on deposits	1.94	14.15	1.65	4.30
Total	**1.94**	**14.15**	**1.65**	**4.30**

Note: -
(a) All the items of other income are related to business activities. Further, out of all the items of other income only interest income from deposits and gain on foreign currency translations and transactions are recurring and the remaining are non-recurring in nature.
(b) The classification of 'Other income' as recurring or non-recurring and related or non-related to business activity is based on the current operations and business activities of the Company, as determined by the management.

Note 23. Purchase of Stock-in-Trade

Particulars	For the period ended Sept 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Total Purchases	3,089.15	2,999.45	1,373.16	950.61
Less: Inter branch transfer	543.80	1,143.10	230.85	101.16
Purchase from outsiders	**2,545.35**	**1,856.35**	**1,142.31**	**849.46**
Less: Discount received	195.43	37.77	46.66	24.91
Total	**2,349.92**	**1,818.59**	**1,095.65**	**824.55**

Note: Company has not shown branch transfer in their audited financial statements in the FY 2022-2023 and FY 2021-2022. However, there is no impact on company's profitability.

Note 24. Changes in inventories

Particulars	For the period ended Sept 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening balance of Stock				
- Stock-in-Trade	966.22	731.24	713.08	428.11
Less: Closing balance of Stock				
- Stock-in-Trade	1,961.15	966.22	731.24	713.08
(Decrease) in Stock	**(994.93)**	**(234.98)**	**(18.16)**	**(284.97)**

Note 25. Employee benefits expense

Particulars	For the period ended Sept 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	375.51	611.05	360.86	288.22
Contribution to provident and other funds (refer Note 30)	30.68	48.53	17.89	30.83
Staff welfare expenses	2.48	7.73	5.16	2.98
Total	**408.67**	**667.31**	**383.91**	**322.04**

Note 26. Depreciation and amortization expense

Particulars	For the period ended Sept 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on PPE (refer Note 12)	75.60	155.94	26.66	18.47
Total	**75.60**	**155.94**	**26.66**	**18.47**

Note 27. Finance costs

Particulars	For the period ended Sept 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest On Loan	159.21	190.62	128.09	97.38
Interest On Deposits	1.64	3.89	-	-
Bank Charges	4.97	0.89	0.19	1.37
Other Fees & Charges	42.76	39.40	21.78	5.81
Total	**208.58**	**234.80**	**150.06**	**104.56**

Note 28. Other Expenses

Particulars	For the year ended Sept 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Advertisement and publicity expenses	3.01	24.92	7.10	11.20
Commission	105.60	207.00	111.45	60.48
Postage & Courier Expenses	0.75	1.63	0.48	0.24
Water & Electricity Expenses	18.87	32.35	15.76	9.88
Business Promotion Expenses	9.66	12.45	11.74	5.45
Freight, Loading & Unloading Charges	17.34	43.44	113.58	32.73
Insurance Premium	0.86	4.43	3.38	2.35
Legal and professional fees	74.78	68.05	28.59	20.07
Office Expenses	6.52	23.01	27.82	28.55
Auditor Remuneration	2.00	3.00	0.51	0.35
Licence Fee	24.75	53.98	101.95	103.76
Running & Maintenance of Vehicle	20.96	2.55	0.14	0.38
Preliminary Expenditure	-	0.10	0.37	0.37
Printing & Stationery Expenses	2.33	6.48	2.34	4.54
Packing Expenses	13.98	25.56	24.13	16.73
Foreign Exchange Loss	-	-	1.31	0.65
Rates & Taxes	0.44	-	-	0.62
Rent Paid	158.09	259.62	202.58	110.15
Provision for Bad & Doubtful Debts	-	62.64	-	-
Provision for interest on MSME	-	0.29	-	-
Security Services	2.68	5.34	4.56	4.56
Repairs & Maintenance-Other	31.60	89.20	39.53	7.70
Online Fee	58.87	61.96	1.34	105.37
Diwali Expenses	-	3.20	3.93	3.92
Travelling & Conveyance Expenses	22.13	62.31	21.53	24.33
Total	**575.22**	**1,053.48**	**724.12**	**554.39**

Payment to auditor's:

Particulars	For the year ended Sept 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Statutory audit	2.00	2.50	0.30	0.25
Tax audit	-	0.50	0.21	0.10
Reimbursement of expenses	-	-	-	-
Total	**2.00**	**3.00**	**0.51**	**0.35**

Note 29: Disclosure pursuant to AS 20 "Earnings per Share"

Basic earnings per share are calculated by dividing the net profit for the year attributable to shareholders by the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share, the weighted average numbers of shares outstanding during the year are adjusted for the effect of all diluted potential shares.

Basic and Diluted Earnings per share ('EPS') computed in accordance with AS 20 "Earnings per Share".

Particulars	Sept 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Basic and diluted				
Profit attributable to shareholders (A)	329.28	481.54	149.22	177.16
No. of shares outstanding at year end*	70,05,800	66,33,000	60,80,885	55,38,210
Weighted average number of shares (B)	68,99,868	61,38,464	60,80,885	55,38,210
Basic/Diluted Earning per share in Rs. (A/B)**	4.77	7.84	2.45	3.20

*Face value Rs. 10/- per share.

**The Company does not have any outstanding dilutive potential instruments.

Note 30: Employee benefits

1. Defined contribution plan

The Company makes contribution towards provident fund to the State administered Provident Fund for the benefit of the employees. The Company has recognised the following amounts in the Statement of profit and loss account.

Particulars	Sept 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Employer's contribution to provident fund	30.68	27.32	14.73	13.79

2. Defined Benefit Plan

a) The Company has a defined benefit plan for gratuity. The following tables summarize the components of net benefit expense recognized in the account and the funded status and amounts recognized in the Balance sheet.

b) The results of the actuarial study for the obligation for employee benefits as computed by the actuary are shown below:

Actuarial study analysis	Gratuity			
	Sept 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Principal actuarial assumptions				
Discount rate	7.15%	7.25%	7.39%	7.18%
Range of compensation increase	5.00%	5.00%	5.00%	5.00%
Mortality table	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Withdrawal Rate				
- up to 30 years	5% p.a.	5% p.a.	5% p.a.	5% p.a.
- from 31 years – 44 years	5% p.a.	5% p.a.	5% p.a.	5% p.a.
- above 44 years	5% p.a.	5% p.a.	5% p.a.	5% p.a.
Retirement Age (in years)	60	60	60	60

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Actuarial study analysis	Gratuity			
	Sept 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Components of statement of income statement charge				
Current service cost	5.85	10.21	7.01	6.92
Interest cost	1.50	1.49	1.22	-
Recognition of past service cost	-	-	-	10.12
Settlement/curtailment/termination loss	-	-	-	-
Total charged to statement of profit or loss	**7.35**	**11.70**	**8.23**	**17.04**
Movements in net liability				
Net liability at the beginning of the year	41.41	20.20	17.04	-
Total expense recognised in the statement of P&L	6.17	21.21	3.16	17.04
Impact of liability assumed or (settled)	-	-	-	-
Benefits paid	-	-	-	-
Net liability at the end of the year	**47.57**	**41.41**	**20.20**	**17.04**
Re-measurements of defined benefit plans				
Actuarial (gains)/ losses due to changes in				
- Financial assumptions	0.43	0.49	(0.45)	-
- Demographic assumptions	-	-	-	-
- Experience adjustments	(1.61)	9.02	(4.62)	-
Total actuarial (gains)/ losses recognised in P&L	**(1.18)**	**9.51**	**(5.07)**	-

c) Quantitative Sensitivity analysis of significant assumptions

Particulars	Gratuity			
	Sept 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Increase/ (decrease) in defined benefit obligation on account of:				
Discount rate				
+ 0.5% discount rate	(2.15)	(1.88)	(1.13)	-
-0.5% discount rate	2.32	2.03	1.24	
Salary increase				
+0.5% salary growth	1.80	2.07	1.26	-
-0.5% salary growth	(2.15)	(1.93)	(1.16)	-

Note: The quantitative sensitivity analysis for significant assumption analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

d) Bifurcation of defined benefit obligation at the end of the year

Particulars	Gratuity			
	Sept 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Non-current	45.36	39.45	19.64	16.81
Current	2.21	1.96	0.56	0.23
Total	**47.57**	**41.41**	**20.20**	**17.04**

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Note 31: Related party disclosures

I. List of related parties as per the requirements of AS 18- "Related party disclosures" and Companies Act, 2013

Following are the related parties and transactions entered with related parties for the 6 months period ended September 30, 2024 and financial year ended March 31, 2024, March 31, 2023 and March 31, 2022.

A. Directors and Key Managerial Personnel (KMP)

Name of KMP	Designation
Jatinder Dev Seth	Managing Director
Bhawna Seth	Whole-time Director
Niraj Rajpal (w.e.f. September 15 2023)	Non-executive Director
Pankaj Lal Gupta (w.e.f. May 11 2024)	Independent Director
Vishal Sharma (w.e.f. May 11 2024)	Independent Director
Tarun Anand (w.e.f. May 11 2024)	Independent Director
Naresh Kumar (w.e.f. May 01 2024)	Chief Financial Officer (CFO)
Vishnu Kumar (w.e.f. May 20 2024)	Company Secretary and Compliance Officer (CS)

II. Transactions with the related parties during the year:

Name of related party	Relationship	Sept 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Share Capital issued during the year					
Jatinder Dev Seth	Managing Director	-	-	310.00	-
Bhawna Seth	Whole-time Director	-	-	90.00	-
InnovationM Mobile & Web Technologies P Ltd	Promoter	-	113.30	-	-
Loans from Directors					
Jatinder Dev Seth	Managing Director				
Opening Balance		29.77	2.49	514.57	736.50
Loan/Advances Received		433.60	363.89	265.73	334.83
Loan/Advances Repaid		313.25	336.62	777.80	556.75
Closing Balance		150.12	29.77	2.49	514.57
Bhawna Seth	Whole-time Director				
Opening Balance		3.99	0.82	148.03	102.37
Loan/Advances Received		49.42	116.30	23.29	60.17
Loan/Advances Repaid		15.05	113.13	170.50	14.50
Closing Balance		38.37	3.99	0.82	148.03
Director remuneration					
Jatinder Dev Seth	Managing Director	30.00	54.00	34.00	12.00
Bhawna Seth	Whole-time Director	30.00	54.00	34.00	12.00
Interest on loan					
Jatinder Dev Seth	Managing Director	4.59	0.66	22.36	61.64
Bhawna Seth	Whole-time Director	0.54	0.27	5.60	10.02

Name of related party	Relationship	Sept 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
InnovationM Mobile & Web Technologies P Ltd	Promoter				
Opening Balance		81.07	670.15	336.24	328.21
Loan and Advances Received		54.89	290.00	354.41	29.39
Loan and Advances Repaid		27.00	879.08	20.50	21.36
Closing Balance		108.96	81.07	670.15	336.24
Interest on loan		4.89	71.61	49.34	32.65
Jaydee Enterprises	Proprietorship				
Purchases*		1.18	5.25	3.25	5.27
Sales*		-	0.99	39.28	0.64
Remuneration to KMPs					
Naresh Kumar	CFO	10.42	-	-	-
Vishnu Kumar	CS	2.31	-	-	-

*Above balances are inclusive of GST, all Sales/purchases from KMP are on Arm Length Price (ALP)

Note 1: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

Note 32: Additional disclosures – Borrowings

A. The loan from bank and Financial Institutions is guaranteed/secured by:
(i) The loan from banks comprises of vehicle loan which are primarily secured by the respective vehicle financed.
(ii) Short term represents the amount payable within 12 months out of the long-term loans.
(iii) CC Limits are short term loan which are considered as demand loans.

B. The period and amount of continuing default in repayment of principal and interest – NIL

C. The borrowing from bank is secured by:
(i) Primary security: exclusive charge on current assets of Company by way of hypothecation of finished stock and sundry debtors.
(ii) Collateral Security: there is property mortgage in name of directors and their relative for ongoing working capital limits from banks.
(iii) for working capital limits both directors have provided their personal guarantee.
(iv) Unsecured term loan from banks and various financial institutions was taken during the 6 month period ended September 30, 2024 and financial year 2021-22, 2022-23 and 2023–24 and carries interest which ranges between 14% to 19% p.a. The loan is repayable in monthly instalments along with interest, and these loans have a maturity profile between 3 to 4 years from the date of loan. The loan is secured by personal guarantee of promoters.
(v) Inventory valuation is determined based on the lower of cost or net realisable value (NRV) this approach is followed by Accounting Standard-2 further as per company accounting policy the method of valuation is FIFO basis.
(vi) Bifurcation and details of secured loans: -

As at September 30, 2024

Particulars	ROI	Loan outstanding	Type of loan	Maturity period	Secured by
Deutsche Bank	10%	568.24	CC Loan	On Demand	Against Stock, Debtors & Personal Guarantee of Directors & property
Deutsche Bank (GECL)	8%	29.75	Term Loan	FY 2025-26	Against Stock, Debtors & Personal Guarantee of Directors
Bank of Baroda	11%	930.77	CC Loan	On Demand	Against Stock, Debtors & Personal Guarantee of Directors
Bank of Baroda	11%	345.57	Term Loan	FY 2030-31	Against Stock, Debtors & Personal Guarantee of Directors
HDFC Bank Ltd. Car Loan	9%	10.85	Car Loan	FY 2027-28	Against Vehicle Hypothecation
HDFC Bank Ltd. Car Loan	9%	31.27	Car Loan	FY 2030-31	Against Vehicle Hypothecation
ICICI Bank Ltd	9%	174.08	CC Loan	On Demand	Against Stock, Debtors & Personal Guarantee of Directors
Total Secured Loan from Bank		**2,090.53**			

As at March 31, 2024

Particulars	ROI	Loan outstanding	Type of loan	Maturity period	Secured by
Deutsche Bank	10%	557.82	CC Loan	On Demand	Against Stock, Debtors & Personal Guarantee of Directors & property
Deutsche Bank (GECL)	8%	21.00	Term Loan	FY 2025-26	Against Stock, Debtors & Personal Guarantee of Directors
Deutsche Bank (GECL)	8%	17.31	Term Loan	FY 2026-27	Against Stock, Debtors & Personal Guarantee of Directors
HDFC Bank Ltd. Car Loan	9%	33.11	Car Loan	FY 2027-28	Against Vehicle Hypothecation
HDFC Bank Ltd. Car Loan	9%	12.26	Car Loan	FY 2030-31	Against Vehicle Hypothecation
ICICI Bank Ltd	9%	618.89	CC Loan	On Demand	Against Stock, Debtors & Personal Guarantee of Directors
ICICI Bank Ltd	9%	374.92	Term Loan	FY 2030-31	Against Personal Guarantee
Total Secured Loan from Bank		**1,635.31**			

As at March 31, 2023

Particulars	ROI	Loan outstanding	Type of loan	Maturity period	Secured by
Deutsche Bank	10%	277.81	CC Loan	On Demand	Against Stock, Debtors & Personal Guarantee of Directors & property
Deutsche Bank (GECL)	8%	33.70	CC Loan	On Demand	Against Stock, Debtors & Personal Guarantee of Directors
Deutsche Bank (GECL)	8%	20.30	CC Loan	On Demand	Against Stock, Debtors & Personal Guarantee of Directors
HDFC Bank Ltd. Car Loan	9%	14.90	Car Loan	FY 2027-28	Against Vehicle Hypothecation
Yes Bank Ltd	9%	414.17	Term Loan	FY 2030-31	Against Personal Guarantee & property.
Total Secured Loan from Bank		**760.88**			

As at March 31, 2022

Particulars	ROI	Loan outstanding	Type of loan	Maturity period	Secured by
Deutsche Bank	10%	281.71	CC Loan	On Demand	Against Stock, Debtors & Personal Guarantee of Directors
Deutsche Bank (GECL)	8%	40.61	Term Loan	On Demand	Against Stock, Debtors & Personal Guarantee of Directors
Deutsche Bank (GECL)	8%	20.30	Term Loan	On Demand	Against Stock, Debtors & Personal Guarantee of Directors
Aditya Birla Finance Limited	10%	367.08	Term Loan	FY 2022-23	Against Personal Guarantee & property.
Total Secured Loan from Bank		709.70			

There are quarterly/monthly statements submitted to bank are reconciled with the book, there are some variances lying between 4% to 5% which is quite possible due to statements submitted to the bank on provisional basis but at the year-end some discount and credit notes adjusted in the books.

For trade payable company did not disclose trade payables for expenses as per bank norms and in case of trade receivable some gap exists due to provisional figure which lying between 3% to 5%. In statement submitted to bank monthly/quarterly basis.

Note 33: Foreign currency expenditure

Particulars	Year ended Sept 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Forex Expenses during the Year	-	-	45.95	45.36
Forex Income during the Year	-	-	-	-
Total	-	-	**45.95**	**45.36**

Note 34: Contingent liabilities and commitments

(i) Commitments:

At September 30, 2024, the Company has no commitment (net of advances) (March 31, 2024: Nil; March 31, 2023: Nil; March 31, 2022: Nil).

(ii) Contingent liabilities:

A. Demands/claims by Government authority not acknowledged as debts:

Particulars	Year ended Sept 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Disputed direct/indirect tax demands	Nil	Nil	Nil	Nil

B. Claims against the company by acknowledged as Debt:

At September 30, 2024, the claims against the Company by acknowledged as Debt are unascertainable. (March 31, 2024: Nil; March 31, 2023: unascertainable; March 31, 2022: unascertainable).

Note 35: Tax Shelter

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Net Profit before taxes (A)	429.98	596.45	208.86	117.15
Tax rate applicable %	25.17%	26.00%	26.00%	26.00%
Adjustments				
Add: Depreciation	75.60	155.94	26.66	18.47
Add: Loss on sale of fixed assets	-	-	-	-
Add: Gratuity provision	6.17	21.21	3.16	17.04
Add: Disallowance under Income Tax Act	5.09	69.16	4.06	3.57
Less: Taxable under other heads of income	1.94	14.15	0.79	0.15
Less: Depreciation as per Income Tax Act	42.20	78.63	39.79	11.68
Less: Deduction as per Income Tax Act	-	-	-	-
Less: Deferred Tax Credit Adjusted for computation of Tax under 115JB of Income Tax Act	-	-	-	-
Net Adjustments (B)	**42.71**	**153.52**	**(6.69)**	**27.26**
Business Income (A+B)	471.70	749.98	202.17	144.41
Income from Other Sources (Interest Income)	1.94	14.15	0.79	0.15
Interest on Income Tax Refund	-	0.76	0.68	0.07
Gross Total/ Taxable Income	**473.64**	**764.89**	**203.63**	**144.63**
Less: Deductions U/S 80JJAA	-	-	-	-
Net Total /Taxable Income	**473.64**	**764.89**	**203.63**	**144.63**
Tax Payable as per Normal Rate@25%	131.77	212.79	56.65	37.60
Tax payable as per Special Rate@22%	119.21	192.51	51.25	36.40
Interest Payable on above	-	-	-	-
Tax as per Income Tax (C)	**119.21**	**212.79**	**56.65**	**37.60**
Tax Payable as per Minimum Alternate Tax u/s 115JB of the Income Tax Act, 1961	NA	127.68	33.99	22.56
Interest Payable on above	-	-	-	-
Tax as per MAT (D)	**NA**	**127.68**	**33.99**	**22.56**
Net Tax (Higher of C & D)	**119.21**	**212.79**	**56.65**	**37.60**
Current tax as per restated Statement of P&L	**107.97**	**129.63**	**22.88**	**8.61**

Note 36:

A. Reconciliation of Restated Reserves and Surplus

The reconciliation of Shareholder's funds as per Audited financial statements and Shareholder's funds as per Restated financial statements is presented below. Thus summarizes the results of restatements made in the audited accounts for the respective years/period and its impact on Shareholder's funds of the company.

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Shareholder's Fund as per audited financial statements	**2,368.62**	**1,733.72**	**358.23**	**(162.21)**
(i) Adjustments on account of change in accounting estimates:	-	(0.91)	-	-
(ii) Differences carried over pertaining to changes in Profit/Loss due to Restated Effect for the period covered in Restated Financial	-	(147.54)	(118.76)	-
(iii) Differences pertaining to changes in Profit/Loss due to Restated Effect for the period covered in Restated Financial	-	(58.51)	(28.78)	(118.76)
(iv) Other material adjustments:	-	207.05	(530.81)	(661.04)
(v) Audit Qualifications:	-	-	-	-
Restated Shareholder's funds	**2,368.62**	**1,733.64**	**1,036.58**	**617.59**
As per Balance sheet	**2,368.62**	**1,733.64**	**1,036.58**	**617.59**

B. Reconciliation of Restated Profits

The reconciliation of Profit after tax as per audited financial statements and the Profit after tax as per Restated Financial statements is presented below. This summarizes the results of treatments made in the audited accounts for the respective years/period and its impact on the profit/loss of the company.

Particulars	Period ended Sept 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Profit after tax as per audited financial statements	**329.28**	**423.03**	**120.44**	**58.40**
(i) Adjustments on account of change in accounting estimates:	-	-	-	-
(ii) Other material adjustments:	-	-	-	-
Turnover	-	-	-	-
Employees benefit expenses	-	(24.26)	3.65	20.61
Cost of material consumed	-	-	-	-
Depreciation & Amortisation	-	(0.49)	1.23	0.17
Other expenses-Interest on loan added back	-	(67.71)	(66.68)	(72.65)
Income tax adjustments	-	0.08	-	-
Prior period Items	-	-	-	-
Deferred tax adjustment	-	33.87	33.03	(66.89)
(iii) Audit Qualifications:	-	-	-	-
Restated profit after tax	**329.28**	**481.54**	**149.21**	**177.16**

Note: -

Changes in profit due to the restatement of financials over the past three years reflect adjustments made to correct prior inaccuracies and ensure compliance with accounting standards.

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Note 37: Ratios

The ratios for the period ended September 30, 2024 and March 31, 2024 are as follows:

Particulars	Numerator	Denominator	Sept 30, 2024	March 31, 2024	Variance (%)
Current ratio (in times)	Current assets	Current liabilities	1.85	2.08	-11%
Debt equity ratio (in times)	Total borrowings	Shareholders' equity	1.42	1.48	-4%
Debt Service coverage ratio	Net operating income	Debt service	1.67	1.12	50%
Return on equity (in %) (refer Note 1 below)	Net profit after taxes	Average shareholder's equity	14%	28%	-50%
Inventory turnover (in times) (refer Note 2 below)	Cost of goods sold	Average inventory	0.93	1.87	-50%
Trade Receivable turnover (in times) (refer Note 3 below)	Net credit sales	Average trade receivable	0.95	1.84	-48%
Trade Payable turnover (in times) (refer Note 4 below)	Total purchase	Average trade payable	5.07	3.23	57%
Net capital turnover ratio (in times) (refer Note 5 below)	Net sales	Average working capital	1.29	2.47	-48%
Net profit ratio (in %)	Net profit	Net sales	11%	11%	-4%
Return on capital employed (in %) (refer Note 6 below)	EBIT	Average capital employed	18%	29%	-39%
Return on investment (in %)	Return on investment	Average investments	NA	NA	NA

Reasons for variance for more than 25%:

1. Debt coverage service ratio: Due to increase in EBIT during the period in comparison to previous year
2. Return on equity: Due to Lower Profit earned during the year in comparison to previous year
3. Inventory turnover ratio : It is on account of efficient management of inventory
4. Trade receivables turnover ratio : Due to Increase in Trade Receivables during the period in comparison to previous year
5. Trade payables turnover ratio: It is on account faster payments made to trade paybles
6. Net capital turnover ratio: Due to Increase in Net Capital during the period in comparison to previous year
7. Return on capital employed (ROCE): it is due efficiency in using capital to generate profits.

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The ratios for the period ended March 31, 2024 and March 31, 2023 are as follows:

Particulars	Numerator	Denominator	March 31, 2024	March 31, 2023	Variance (%)
Current ratio (in times)	Current assets	Current liabilities	2.08	1.98	5%
Debt equity ratio (in times) (refer Note 1 below)	Total borrowings	Shareholders' equity	1.48	1.15	29%
Debt Service coverage ratio (refer Note 2 below)	Net operating income	Debt service	1.12	1.85	(40)%
Return on equity (in %) (refer Note 3 below)	Net profit after taxes	Average shareholder's equity	28%	14%	93%
Inventory turnover ratio (in times)	Cost of goods sold	Average inventory	1.87	1.49	25%
Trade Receivable turnover ratio (in times)	Net credit sales	Average trade receivable	1.84	1.75	5%
Trade Payable turnover ratio (in times) (refer Note 4 below)	Total purchase	Average trade payable	3.23	1.61	100%
Net capital turnover ratio (in times)	Net sales	Average working capital	2.47	2.48	0%
Net profit ratio (in %) (refer Note 5 below)	Net profit	Net sales	11%	6%	94%
Return on capital employed (in %) (refer Note 6 below)	EBIT	Average capital employed	29%	19%	52%
Return on investment (in %)	Return on investment	Average investments	NA	NA	NA

Reasons for variance for more than 25%:

1. Debt-Equity Ratio- This increase in the debt-equity ratio is due to higher working capital limits during the year.
2. Debt Service Coverage Ratio: Decrease in DSCR is on account of repayment of term loans
3. Return on equity: Due to higher Profit earned during the year in comparison to previous year
4. Trade payables turnover ratio: It is on account faster payments made to trade payables
5. Net profit ratio: It is on account of improved profitability and better cost management during the year
6. Return on capital employed (ROCE): it is due efficiency in using capital to generate profits.

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The ratios for the period ended March 31, 2023 and March 31, 2022 are as follows:

Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance (%)
Current ratio (in times) (refer Note 1 below)	Current assets	Current liabilities	1.98	2.62	(25)%
Debt equity ratio (in times) (refer Note 2 below)	Total borrowings	Shareholders' equity	1.15	1.79	(36)%
Debt Service coverage ratio (refer Note 3 below)	Net operating income	Debt service	1.85	0.57	224%
Return on equity (in %) (refer Note 4 below)	Net profit after taxes	Average shareholder's equity	14%	29%	(50)%
Inventory turnover ratio (in times) (refer Note 5 below)	Cost of goods sold	Average inventory	1.49	0.95	58%
Trade Receivable turnover ratio (in times)	Net credit sales	Average trade receivable	1.75	1.52	15%
Trade Payable turnover ratio (in times) (refer Note 6 below)	Total purchase	Average trade payable	1.61	2.19	(26)%
Net capital turnover ratio (in times)	Net sales	Average working capital	2.48	2.67	(7)%
Net profit ratio (in %) (refer Note 7 below)	Net profit	Net sales	6%	11%	(46)%
Return on capital employed (in %) (refer Note 8 below)	EBIT	Average capital employed	19%	15%	27%
Return on investment (in %)	Return on investment	Average investments	NA	NA	NA

Reasons for variance for more than 25%:

1. Current Ratio: It is on account of increase in current liability at year end.
2. Debt-Equity Ratio- This decrease in the debt-equity ratio is due to repayment of loans during the year.
3. Debt Service Coverage Ratio: Decrease in DSCR is on account of repayment of term loans
4. Return on equity: It is on account of restatement of directors' loan as equity
5. Inventory turnover ratio: It is on account of efficient management of inventory
6. Trade payables turnover ratio: It is on account higher credit period negotiation with vendors.
7. Net profit ratio: It is on account of expansion of sales at lower margin.
8. Return on capital employed (ROCE): it is due efficiency in using capital to generate profits.

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The ratios for the period ended March 31, 2022 and March 31, 2021 are as follows:

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	Variance (%)
Current ratio (in times)	Current assets	Current liabilities	2.62	3.20	(18)%
Debt equity ratio (in times) (refer Note 1 below)	Total borrowings	Shareholders' equity	1.79	(7.68)	(123)%
Debt Service coverage ratio (refer Note 2 below)	Net operating income	Debt service	0.57	(1.80)	(132)%
Return on equity (in %) (refer Note 3 below)	Net profit after taxes	Average shareholder's equity	18.5%	14.6%	27%
Inventory turnover ratio (in times)	Cost of goods sold	Average inventory	0.95	1.13	(16)%
Trade Receivable turnover ratio (in times)	Net credit sales	Average trade receivable	1.52	1.59	(4)%
Trade Payable turnover ratio (in times) (refer Note 4 below)	Total purchase	Average trade payable	2.19	3.75	(42)%
Net capital turnover ratio (in times) (refer Note 5 below)	Net sales	Average working capital	2.67	(6.93)	(139)%
Net profit ratio (in %) (refer Note 6 below)	Net profit	Net sales	11%	(21)%	(151)%
Return on capital employed (in %) (refer Note 7 below)	EBIT	Average capital employed	15%	(11)%	(239)%
Return on investment (in %)	Return on investment	Average investments	NA	NA	NA

Reasons for variance for more than 25%:

1. Debt-Equity Ratio- This decrease in the debt-equity ratio is due to repayment of loans during the year.

2. Debt Service Coverage Ratio: Decrease in DSCR is on account of repayment of term loans

3. Return on equity: It is on account of conversion of directors' loan to equity during the year

4. Trade payables turnover ratio: It is on account higher credit period negotiation with vendors.

5. Net capital turnover ratio: it is on account of Covid during the FY.

6. Net profit ratio: It is on account of losses incurred during the covid period

7. Return on capital employed (ROCE): It is on account of losses incurred during the covid period

Note 38: Information with regard to other matters specified in Schedule III of the Act:

(i) The Company does not have any unutilised amounts in respect of any issue of securities and long-term borrowings from banks and financial institutions.

(ii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(iii) There are no charges or satisfaction yet to be registered with ROC beyond the statutory period except one loan from Deutsche bank Company is continuously following up with bank for charge creation/modification.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(viii) The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender since the Company has not undertaken any borrowing during the current year and previous year.

(ix) The Company do not have any transaction during the year with companies struck off.

(x) The Company does not meet the requirements for making CSR reserve with respect to net worth, turnover or net profit in the immediately preceding financial year, hence it is not required to comply with section 135 of the Companies Act, 2013.

Note 39:
Previous year's figures have been regrouped /reclassified wherever necessary to make them comparable with the current year's figures.

As per our report of even date

For **NGMKS & Associates**
Chartered Accountants
ICAI Firm Registration Number: 024492N

Nitin Goyal
Partner
Membership number: 517698

Place: Delhi
Date: November 23, 2024

For and on behalf of the Board of Directors of
Purple United Sales Limited
CIN: U51909DL2014PLC271636

Bhawna Seth
Director
DIN: 07385656

Place: Delhi
Date: November 23, 2024

Jatinder Dev Seth
Director
DIN: 06944942

Place: Delhi
Date: November 23, 2024

Naresh Kumar
Chief Financial Officer

Place: Delhi
Date: November 23, 2024

Vishnu Kumar
Company Secretary
M. No.: A67575

Place: Delhi
Date: November 23, 2024

Note: 40 CAPITALISATION STATEMENT

The following table sets forth the Company's capitalization as at September 30, 2024 as derived from the Restated Financial Information.

(₹ in lakhs, unless otherwise stated)

Particulars	Pre offer	Post offer
Borrowings		
Short term debt (A)	2,320.92	[•]
Long term debt (B)	1,045.74	[•]
Total debts (C)	3,366.66	[•]
Shareholders' funds		
Share Capital	700.58	[•]
Reserves and Surplus – as Restated	1,668.04	[•]
Total Shareholders' funds (D)	**2,368.62**	[•]
Long term debt / shareholders' funds (B / D)	**0.44**	[•]
Total debt / shareholders' funds (C / D)	**1.42**	[•]

Notes: -

1. Short Term Debts represent which are expected to be paid/payable within 12 months and include instalments of Term Loans repayable within 12 months.
2. Long Term Debts represent debts other than Short Term Debts as defined above.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30th September 2024.
4. The post issue capitalization will be determined only after the completion of the allotment of Equity Shares.

For **NGMKS & Associates**
Chartered Accountants
ICAI Firm Registration Number: 024492N

Nitin Goyal
Partner
Membership number: 517698

Place: Delhi
Date: November 23, 2024

For and on behalf of the Board of Directors of
Purple United Sales Limited
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Company Secretary

M. No.: A67575
Place: Delhi
Date: November 23, 2024

OTHER FINANCIAL INFORMATION

SUMMARY OF ACCOUNTING RATIOS

The accounting ratios derived from Restated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below:

(₹ in lakhs)

Particulars	As at/for the Fiscal / Period ended			
	Sep 30, 2024	Mar 31, 2024	Mar 31, 2023	Mar 31, 2022
Net Worth (A)	2,368.62	1,733.64	1,036.58	617.59
Net Profit after Tax (B)	329.28	481.54	149.22	177.16
No. of Shares outstanding at the end (C)	70.06	66.33	60.81	55.38
Face Value Per share	10	10	10	10
Adjusted Face Value Per share for ratio calculations	10	10	10	10
Weighted average number of shares (D)	70.06	66.33	60.81	55.38
Earnings per Share (EPS) (B / D) (₹)	4.77	7.84	2.45	3.20
Return on Net Worth (B / A)	13.90%	27.78%	14.40%	28.69%
Net Assets Value per Share (A / D)	33.81	26.14	17.05	11.15

Notes:

The ratios have been calculated as below:

1) *Basic Earnings Per Share (₹) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.*
2) *Diluted Earnings Per Share (₹) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.*
3) *Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100.*
4) *Restated Net Asset Value per equity share (₹) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.*
5) *Earnings Per Share calculation are in accordance with Accounting Standard 20-Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended*
6) *Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)*

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at September 30, 2024 as derived from our Restated Financial Information. This table should be read in conjunction with the sections titled *"Management's Discussion and Analysis of Financial Condition and Results of Operations"*, *"Financial Information"* and *"Risk Factors"* on pages 185, 182 , and 27 respectively.

(Amount in ₹ in Lakhs)

Particulars	Pre-Issue	Post-Issue
Borrowings		
Short term debt (A)	2,320.92	[●]
Long Term Debt (B)	1,045.74	[●]
Total debts (C)	**3,366.66**	[●]
Shareholders' funds		
Equity	700.58	[●]
Reserve and surplus - as restated	1,668.04	[●]
Total shareholders' funds	**2,368.62**	[●]
Total debt / shareholders' funds	**0.44**	[●]
Long term debt / shareholders' funds	**1.42**	[●]

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements which is included in this Red Herring Prospectus. Our Restated Financial Information differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries, and our assessment of the factors that may affect our prospects and performance in future periods. Accordingly, the degree to which our Restated Financial Information will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Ind AS. These regulations may also vary with ICDS, which may be material to an investor's assessment of our results of operations and financial condition.

Some of the information 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" on page 19 of this Red Herring Prospectus for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements as a result of various factors, including those described below and elsewhere in this Red Herring Prospectus. Also read "Risk Factors" and "Significant Factors Affecting our Results of Operations and Financial Condition" on page 27 and 60 respectively, of this Red Herring Prospectus, for a discussion of certain factors that may affect our business, financial condition or results of operations.

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

Our Fiscal ends on March 31 of each year. Accordingly, all references to a particular Fiscal are to the 12 months ended March 31 of that year. Unless otherwise indicated, the financial information included herein is based on our Restated Financial Information included in this Red Herring Prospectus. For further details, see "Financial Information" on page 182 of this Red Herring Prospectus.

Overview

Purple United Sales Limited ("Purple United") is a premium fashion brand dedicated to offering high-quality, versatile apparel, footwear, and accessories for children of all ages. Founded in 2014 by Mr. Jatinder Dev Seth, our mission is to enable children to express themselves using our 'brand' as a medium. Our ethos revolves around celebrating childhood with a strong emphasis on comfort, safety, and quality. Our flagship brand, "Purple United Kids," supports the entire journey of children up to 14 years old, offering lab-tested products made from premium materials in vibrant colors and designs for every occasion. Our operations encompass designing, developing, sourcing, marketing, and selling apparel and footwear for infants (0 to 1 year), toddlers (2 to 6 years), and older kid (7 to 14 years). We also offer a wide range of accessories and hard goods, such as strollers, etc.

We cater exclusively to the Indian market. Our extensive distribution network comprises 24 exclusive brand outlets (EBOs), multiple shop-in-shops, and a robust online presence through our website, mobile app, and major e-commerce platforms such as Myntra, Amazon, Flipkart, FirstCry, Nykaa, Hopscotch, AJIO and more. This dynamic approach allows us to maintain high purchase frequency and cater to repeat customers while continually expanding our reach. With an expected CAGR of 4.4% in the Indian kids' category, we are committed to growth and excellence. Our focus on innovation, quality, and the 3Fs—Fun, Fashion, and Functionality—ensures that we simplify parenthood and keep kids safe, comfortable, and stylish.

We have the following brands registered under our Company:
- "**toothless**" is a fashion-forward kids' wear brand that tells the story of a new-age kid who is free-spirited, self-dependent, and confident.
- "**That's Her Style**" was created catering to the needs of Premium Fashion wear for the Girls.
- "**That's His Style**" was created catering to the needs of Premium Fashion wear for the Boys.

Presentation of Financial Statements

Unless stated or the context requires otherwise, the financial information in this Red Herring Prospectus is derived from our Restated Financial Information, which have been prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations, as amended from time to time, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. For further information on our Company's financial information, see "*Financial Information*" on page 183 of this Red Herring Prospectus.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figuresin decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Further, any figures sourced from third party industry sources may be rounded off to other than to the second decimal to conform to their respective sources.

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

Significant Factors Affecting Our Results of Operations and Financial Condition

We believe that the following risks and uncertainties, including those discussed and detailed in the section titled "Risk Factors" beginning on page 27 of this Red Herring Prospectus, have significantly affected our results of operations and financial condition during the periods under review, and may continue to affect our results of operations and financial condition in the future:

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies.
2. Failure to successfully upgrade our product portfolio, from time to time.
3. Any change in government policies resulting in increases in taxes payable by us;
4. Increased competition in the industry in which we operate.
5. Our ability to grow our business.
6. Factors affecting Fashion industry
7. Our ability to retain our key managements persons and other employees.
8. Changes in laws and regulations that apply to the industries in which we operate.
9. Company's ability to successfully implement its growth strategy and expansion plans.
10. Our failure to keep pace with rapid changes in technology.
11. Our ability to maintain our relationships with domestic as well as foreign vendors and their inability to meet our products specifications and supply our products in timely manner.
12. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate.
13. Inability to successfully obtain registrations in a timely manner or at all.
14. General economic, political and other risks that are out of our control.
15. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices.
16. Conflicts of interest with affiliated companies, the promoter group and other related parties.
17. Any adverse outcome in the legal proceedings in which we are involved.
18. Concentration of ownership among our Promoters.
19. The performance of the financial markets in India and globally.

Significant Accounting Policies under Indian GAAP

For Significant accounting policies please refer "Significant Accounting Policies to the Restated Financial Statements", under Chapter titled "Financial Information" beginning on page 183 of this Red Herring Prospectus.

Principal Components of revenue and expenditure:

Income

Our total income comprises (i) Revenue from operations; and (ii) other income.

Revenue from operations
Revenue from operations comprises Revenue from Sale of Traded Goods.

Other income
Other income includes Interest on deposits with banks and others.

Expenses
Our expenses comprise (i) Purchase of Stock in Trade; (ii) Changes in inventories; (iii) Employee benefits expense; (iv) Depreciation and amortization expense; (v) Finance costs and (vi) Other expenses.

Purchase of Stock in Trade
It includes purchase of finished goods and its related directs costs.

Changes in inventories
Changes in inventories of finished goods and trading goods indicate the difference between the opening and closing inventory of traded goods.

Employee benefits expense
Employee benefits expense comprises (i) Salaries and wages, including bonus; (ii) contribution to provident and other funds; (iii) staff welfare expenses; and (iv) Gratuity expense.

Depreciation and amortization expense
Depreciation and amortization expense on property, plant and equipment.

Finance costs
Finance costs expense comprises (i) interest on loan; (ii) interest on deposits; (iii) bank charges and (iv) other fees and charges.

Other expenses
Other expenses include amongst others (i) rent paid; (ii) commission (iii) license fees; (iv) freight, loading and unloading charges; (v) online fees; (vi) repairs and maintenance; (vii) legal and professional; (viii) travelling and conveyance; (ix) office expenses and (x) packing expenses.

Results of Operations

The following table sets forth certain information with respect to our results of operations, on a Restated Financial basis as indicated below:

(₹ in lakhs)

Particulars	For the half year ended 30-Sep-24	% of Total Revenue	For the year ended 31-Mar-24	% of Total Revenue
Revenue from operation	3,050.10	99.94%	4,277.44	99.67%
Other income	1.94	0.06%	14.15	0.33%
Total Income (I + II)	**3,052.04**	**100.00%**	**4,291.59**	**100.00%**
Purchases of Traded Goods	2,349.92	76.99%	1,818.59	42.38%
Changes in inventories	(994.93)	(32.60)%	(234.98)	(5.48)%
Employee benefits expense	408.67	13.39%	667.31	15.55%
Finance costs	208.58	6.83%	234.80	5.47%
Depreciation and amortisation expenses	75.60	2.48%	155.94	3.63%
Other expenses	575.22	18.85%	1,053.48	24.55%
Total Expenses	**2,623.06**	**85.94%**	**3,695.14**	**86.10%**
Profit / (Loss) before Tax	**428.98**	**14.06%**	**596.45**	**13.90%**
Tax Expenses	99.71	3.27%	114.91	2.68%
Net Profit after tax	**329.28**	**10.79%**	**481.54**	**11.22%**

Particulars	For the year ended	% of Total Revenue	For the year ended	% of Total Revenue
	31-Mar-23		31-Mar-22	
Revenue from operation	2,569.45	99.94%	1,651.89	99.74%
Other income	1.65	0.06%	4.30	0.26%
Total Income (I + II)	**2,571.10**	**100.00%**	**1,656.19**	**100.00%**
Purchases of Traded Goods	1,095.65	42.61%	824.55	49.79%
Changes in inventories	(18.16)	(0.71)%	(284.97)	(17.21)%
Employee benefits expense	383.91	14.93%	322.04	19.44%
Finance costs	150.06	5.84%	104.56	6.31%
Depreciation and amortisation expenses	26.66	1.04%	18.47	1.12%
Other expenses	724.12	28.16%	554.39	33.47%
Total Expenses	**2,362.24**	**91.88%**	**1,539.04**	**92.93%**
Profit / (Loss) before Tax	**208.86**	**8.12%**	**117.15**	**7.07%**
Tax Expenses	59.64	2.32%	(60.01)	(3.62)%
Net Profit after tax	**149.22**	**5.80%**	**177.16**	**10.70%**

RESULTS OF OPERATIONS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2024

Total Income:

Total income for the period starting from April 1, 2024, to September 30, 2024, stood at ₹3,052.04 Lakhs. The total income consists of revenue from the sale of traded goods and other income.

Revenue from Operations

During the half year ended September 30, 2024, the net revenue from operation of our Company was ₹3,050.10 Lakhs. The main contribution to the revenue from operations is the sale of traded goods.

Other Income:

During the half year ended September 30, 2024, the other income of our Company stood at ₹1.94 Lakhs. The main components of the other income are interest income.

Cost of goods sold:

During the half year ended September 30, 2024, the cost of goods sold by our Company stood at ₹1,354.99 Lakhs. The main components of the cost of goods sold are cost of purchase of traded goods of ₹2,349.92 Lakhs and change in inventories of traded goods of ₹994.93 Lakhs.

Employee benefits expense:

During the half year ended September 30, 2024, our employee benefits expense was ₹408.67 lakhs, which included salaries, wages and bonus of ₹375.51 lakhs, contribution to provident and other funds of ₹30.68 lakhs and staff welfare expenses of ₹2.48 lakhs.

Depreciation and Amortization Expenses:

During the half year ended September 30, 2024, the Depreciation and amortization charges of our Company stood at ₹75.60 Lakhs.

Finance costs:

Our finance costs were ₹208.58 lakhs for the half year ended September 30, 2024, primarily comprising interest on loans of ₹159.21 lakhs and other fees and charges (including bank charges) of ₹42.76 lakhs.

Other Expenses:

Our other expenses for the for the half year ended September 30, 2024 amounted to ₹575.23 lakhs, which primarily included (i) rent paid of ₹158.09 lakhs; (ii) commission of ₹105.60 lakhs (iii) license fees of ₹24.75 lakhs; (iv) freight, loading and unloading charges of ₹17.34 lakhs; (v) online fees of ₹58.87 lakhs; (vi) repairs and maintenance of ₹31.60 lakhs; (vii) legal and professional charges of ₹74.78 lakhs; (viii) travelling and conveyance of ₹22.12 lakhs; (ix) office expenses of ₹6.52 lakhs and (x) packing expenses of ₹13.98 lakhs

Restated profit after tax:

As a result of the above factors, our restated profit after tax for the half year ended September 30, 2024, was ₹329.28 Lakhs.

RESULTS OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2024

Total Income:

Total income for the period starting from April 1, 2023, to March 31, 2024, stood at ₹4,291.59 Lakhs. The total income consists of revenue from the sale of traded goods and other income.

Revenue from Operations

During the year ended March 31, 2024, the net revenue from operation of our Company was ₹4,277.44 Lakhs. The main contribution to the revenue from operations is the sale of traded goods.

Other Income:

During the year ended March 31, 2024, the other income of our Company stood at ₹14.15 Lakhs. The main components of the other income are interest income.

Cost of goods sold:

During the year ended March 31, 2024, the cost of goods sold by our Company stood at ₹1,583.60 Lakhs. The main components of the cost of goods sold are cost of purchase of traded goods of ₹1,818.59 Lakhs and change in inventories of traded goods of ₹234.98 Lakhs.

Employee benefits expense:

During the year ended March 31, 2024, our employee benefits expense was ₹667.31 lakhs, which included salaries, wages and bonus of ₹611.05 lakhs, contribution to provident and other funds of ₹48.53 lakhs and staff welfare expenses of ₹7.73 lakhs.

Depreciation and Amortization Expenses:

During the year ended March 31, 2024, the Depreciation and amortization charges of our Company stood at ₹155.94 Lakhs.

Finance costs:

Our finance costs were ₹234.80 lakhs for the year ended March 31, 2024, primarily comprising interest on loans of ₹190.62 lakhs and other fees and charges (including bank charges) of ₹40.29 lakhs.

Other Expenses:

Our other expenses for the for the year ended March 31, 2024 amounted to ₹1,053.48 lakhs, which primarily included (i) rent paid of ₹259.62 lakhs; (ii) commission of ₹207.00 lakhs (iii) license fees of ₹53.98 lakhs; (iv) freight, loading and unloading charges of ₹43.44 lakhs; (v) online fees of ₹61.96 lakhs; (vi) repairs and maintenance of ₹89.20 lakhs; (vii) legal and professional charges of ₹68.05 lakhs; (viii) travelling and conveyance of ₹62.31 lakhs; (ix) office expenses of ₹23.01 lakhs and (x) packing expenses of ₹25.56 lakhs

Restated profit after tax:

As a result of the above factors, our restated profit after tax for the year ended March 31, 2024, was ₹481.54 Lakhs.

FISCAL 2024 COMPARED WITH FISCAL 2023

Set forth below is a discussion of our results of operations for financial year ended March 31, 2024, over March 31, 2023

Revenue from operations:

Revenue from operations increased from ₹2,569.45 Lakhs in year ended March 31, 2023, to ₹4,277.44 Lakhs in year ended March 31, 2024 with a resultant increase of 66.47% in year ended March 31, 2024. This is mainly due to increase in number of stores from 12 stores as at year ended March 31, 2023 to 14 stores as at year ended March 31, 2024.

Other Income:

Other Income increased from ₹1.65 Lakhs in year ended March 31, 2023, to ₹14.15 Lakhs in year ended March 31, 2024, with a percentage change of 755.18%.

Cost of goods sold:

Cost of goods sold increased from ₹1,077.49 Lakhs (41.93% of revenue) in year ended March 31, 2023, to ₹1,583.60 Lakhs (37.02% of revenue) in year ended March 31, 2024, with a percentage change of 46.97%. The decrease of 4.91% in cost as a percentage of revenue generated reflects the Company's strong relationships with suppliers.

Employee benefits expense:

Employee Benefit Expenses increased from ₹383.91 Lakhs in year ended March 31, 2023, to ₹667.31 Lakhs in year ended March 31, 2024 with a resultant increase of 73.82% in year ended March 31, 2024. This is mainly due to increase in number of employees from 111 as at year ended March 31, 2023, to 161 as at March 31, 2024. The Company also onboarded some management level employees during the year which also contributed to such a steep increase.

Finance costs:

Finance cost increased from ₹150.06 Lakhs in year ended March 31, 2023, to ₹234.80 Lakhs in year ended March 31, 2024, with a resultant increase of 56.48% in year ended March 31, 2024, due to increase in total debt from ₹1,187.42 Lakhs in year ended March 31, 2023 to ₹2,562.80 Lakhs in year ended March 31, 2024.

Depreciation and Amortization Expenses:

Depreciation and amortization increased from ₹26.66 Lakhs in year ended March 31, 2023, to ₹155.94 Lakhs in year ended March 31, 2024, with a resultant increase of 485.02% in year ended March 31, 2024, due to net additions in the gross block of property, plant and equipment by ₹238.80 Lakhs.

Other Expenses:

Other expenses increased from ₹724.12 Lakhs (28.16% of revenue) in year ended March 31, 2023, to ₹1,053.48 Lakhs (24.55% of revenue) in year ended March 31, 2024, with a resultant increase of 46.72% in year ended March 31, 2024. This is majorly on account of an increase in commission expense by ₹95.55 Lakhs, provision for bad and doubtful debts by ₹62.64 Lakhs, online fee by ₹60.61 Lakhs, rent paid by ₹57.04 Lakhs and repairs by ₹49.67 Lakhs.

Restated profit after tax:

Net Profit after tax increased from ₹149.22 Lakhs in year ended March 31, 2023, to ₹481.54 Lakhs in year ended March 31, 2024, with a resultant increase of 222.72% in year ended March 31, 2024. PAT margin increased from 5.80% in the year ended March 31, 2023, to 11.22% in year ended March 31, 2024. This is directly in relation to the decrease in cost of goods sold (purchase of traded goods and changes in inventories) and other expenses as a percentage of revenue.

FISCAL 2023 COMPARED WITH FISCAL 2022

Set forth below is a discussion of our results of operations for financial year ended March 31, 2023, over March 31, 2022

Revenue from operations:

Revenue from operations increased from ₹1,656.19 Lakhs in year ended March 31, 2022, to ₹2,571.10 Lakhs in year ended March 31, 2023, with a resultant increase of 55.24% in year ended March 31, 2023. This is mainly due to increase in number of stores from 7 stores as at year ended March 31, 2022, to 12 stores as at year ended March 31, 2023.

Other Income:

Other Income decreased from ₹4.30 Lakhs in year ended March 31, 2022, to ₹1.65 Lakhs in year ended March 31, 2023 with a percentage change of 61.53%.

Cost of goods sold:

Cost of goods sold increased from ₹539.58 Lakhs (32.66% of revenue) in year ended March 31, 2022 to ₹1,077.49 Lakhs (41.93% of revenue) in year ended March 31, 2023 with a percentage change of 99.69%. The increase of 9.27% in cost as a percentage of revenue is due to post COVID effects. Further the we engaged in private labelling for third party brands which also resulted in increased costs.

Employee benefits expense:

Employee Benefit Expenses increased from ₹322.04 Lakhs in year ended March 31, 2022, to ₹383.91 Lakhs in year ended March 31, 2023 with a resultant increase of 19.21% in year ended March 31, 2023. This is mainly due to increase in number of employees from 75 as at year ended March 31, 2022 to 111 as at March 31, 2023.

Finance costs:

Finance cost increased from ₹104.56 Lakhs in year ended March 31, 2022, to ₹150.06 Lakhs in year ended March 31, 2023, with a resultant increase of 43.51% in year ended March 31, 2024 due to increase in total debt from ₹1,105.76 Lakhs in year ended March 31, 2022 to ₹1,187.42 Lakhs in year ended March 31, 2023.

Depreciation and Amortization Expenses:

Depreciation and amortization increased from ₹18.47 Lakhs in year ended March 31, 2022, to ₹26.66 Lakhs in year ended March 31, 2023, with a resultant increase of 44.31% in year ended March 31, 2023 due to net additions in the gross block of property, plant and equipment by ₹390.81 Lakhs.

Other Expenses:

Other expenses increased from ₹554.39 Lakhs (33.47% of revenue) in year ended March 31, 2022, to ₹724.12 Lakhs (28.16% of revenue) in year ended March 31, 2023 with a resultant increase of 30.62% in year ended March 31, 2023. This is majorly on account of increase in rent paid by ₹92.43 Lakhs, freight, loading and unloading charges by ₹80.84 Lakhs, commission charges by ₹50.97 Lakhs and repairs by ₹31.83 Lakhs. At the same time online fees declined by ₹104.03 Lakhs.

Restated profit after tax:

Net Profit after tax decreased from ₹177.16 Lakhs in year ended March 31, 2022, to ₹149.22 Lakhs in year ended March 31, 2023, with a resultant decrease of 15.77% in year ended March 31, 2023. The PAT margin decreased from 10.70% in year ended March 31, 2022, to 5.80% in year ended March 31, 2023. This is directly in relation to the increase in cost of goods sold (purchase of traded goods and changes in inventories).

Liquidity and Capital Resources

We operate in a capital-intensive industry and our principal liquidity requirements have been to finance our working capital needs, expenditure on account of opening new stores and our store operating expenses. Our business requires high levels of financing to develop, operate and maintain our stores. To fund these costs, we have historically relied on raising short term and long-term borrowings, including working capital financing, loans from related parties and others and cash generated from operating activities. Our short-term liquidity requirements relate to servicing our borrowings, operating and maintaining our stores and financing workingcapital requirements. Our long-term liquidity requirements include store security deposits and fit-out costs in stores.

Our primary liquidity requirements have been towards the capital expenditure incurred for opening new stores and our working capital requirements. We have met these requirements from cash flows from operations and borrowings. We expect to meet our working capital requirements for the next 12 months primarily from the cash flows of our business operations and other available financial means. As on March 31, 2024, March 31, 2023, March 31, 2022, we had cash and cash equivalents of ₹ 59.62 lakhs, ₹21.17 lakhs and ₹ 17.41 lakhs respectively. Cash and cash equivalents consist of cash on hand, balances with banks in current accounts.

Cashflows

The following table sets forth certain information relating to our cash flows in the periods indicated:

(in ₹ lakhs)

Particulars	Sept 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net cash generated from operating activities.	(37.21)	88.54	355.08	105.65
Net cash (used in) investing activities.	(88.56)	(238.80)	(390.81)	(9.09)
Net cash (used in)/ Generated from finance activities.	190.56	188.69	39.48	(89.10)
Net increase in cash and cash equivalents.	64.38	38.45	3.75	7.45
Cash and Cash Equivalents at the beginning of the period.	**59.62**	**21.17**	**17.41**	**9.96**
Cash and Cash Equivalents at the end.	**124.00**	**59.62**	**21.17**	**17.41**

Operating Activities

For Half Year Ended September 30, 2024

Net cash used in operating activities was ₹ 37.21 lakhs in September 30, 2024. Profit before tax was ₹ 428.98 lakhs in September 30, 2024. Adjustments primarily consisted of depreciation of ₹75.60 lakhs, finance costs of ₹208.5 lakhs and provision for gratuity of ₹5.91 lakhs.

Our operating cash flow before working capital adjustments was ₹719.07 lakhs in September 30, 2024. The working capital adjustments in September 30, 2024 included decrease in trade payables of ₹422.93 lakhs, decrease in other liabilities of ₹186.40 lakhs, decrease in provisions of ₹40.61 lakhs and increase in short term borrowings of ₹710.82 lakhs. This was offset by increase in trade receivables of ₹674.65 lakhs, increase in other non-current assets of ₹42.40 lakhs, increase in inventories of ₹994.93 Lakhs and increase in loans and advances of ₹5.35 lakhs.

Taxes paid during the year amounted to ₹107.97 lakhs.

For Financial Year Ended March 31, 2024

Net cash generated from operating activities was ₹ 88.54 lakhs in March 31, 2024. Profit before tax was ₹ 596.45 lakhs in March 31, 2024. Adjustments primarily consisted of depreciation of ₹155.94 lakhs, finance costs of ₹234.80 lakhs and provision for gratuity of ₹19.81 lakhs.

Our operating cash flow before working capital adjustments was ₹939.40 lakhs in March 31, 2024. The working capital adjustments in March 31, 2024 included decrease in trade payables of ₹624.08 lakhs, increase in other liabilities of ₹135.80 lakhs, increase in provisions of ₹59.07 lakhs and increase in short term borrowings of ₹1,166.49 lakhs. This was offset by increase in trade receivables of ₹1,081.31 lakhs, increase in other non-current assets of ₹1.57 lakhs, increase in inventories of ₹234.98 Lakhs and decrease in loans and advances of ₹8.86 lakhs.

Taxes paid during the year amounted to ₹129.63 lakhs.

For Financial Year Ended March 31, 2023

Net cash generated from operating activities was ₹355.08 lakhs in March 31, 2023. Profit before tax was ₹208.86 lakhs in March 31, 2023. Adjustments primarily consisted of depreciation of ₹26.66 lakhs, finance costs of ₹150.06 lakhs and provision for gratuity of ₹ 2.83 lakhs.

Our operating cash flow before working capital adjustments was ₹322.10 lakhs in March 31, 2023. The working capital adjustments in March 31, 2023 included increase in trade payables of ₹394.21 lakhs, increase in other liabilities of ₹73.45 lakhs, increase in provisions of ₹0.82 lakhs and increase in short term borrowings of ₹161.90 lakhs. This was offset by increase in trade receivables of

₹620.12 lakhs, increase in other non-current assets of ₹25.83 lakhs, increase in inventories of ₹18.16 Lakhs and increase in loans and advances of ₹26.77 lakhs.

Taxes paid during the year amounted to ₹22.88 lakhs.

For Financial Year Ended March 31, 2022
Net cash generated from operating activities was ₹105.65 lakhs on March 31, 2022. Profit before tax was ₹117.15 lakhs in March 31, 2022. Adjustments primarily consisted of depreciation of ₹18.47 lakhs, finance costs of ₹ 104.56 lakhs, provision of gratuity of ₹16.81 lakhs.

Our operating cash flows before working capital adjustments was ₹184.72 lakhs in March 31, 2022. The working capital adjustments in March 31, 2022 included increase in trade payables of ₹209.93 lakhs, increase in other liabilities of ₹9.04 lakhs, increase in provisions of ₹3.80 lakhs and increase in short term borrowings of ₹56.12 lakhs. This was offset by increase in trade receivables of ₹149.17 lakhs, increase in other non-current assets of ₹58.62 lakhs, increase in inventories of ₹284.97 Lakhs and decrease in loans and advances of ₹32.30 lakhs.

Taxes paid during the year amounted to ₹8.61 lakhs.

Investing Activities

For Half Year Ended September 30, 2024
Net cash used for investing activities for the year ended September 30, 2024, was ₹88.56 lakhs. This was primarily due to the purchase of furniture and fixtures for new and existing EBOs, end user devices and motor vehicles.

For Financial Year Ended March 31, 2024
Net cash used for investing activities for the year ended March 31, 2024, was ₹238.80 lakhs. This was primarily due to the purchase of furniture and fixtures for new and existing EBOs, end user devices and motor vehicles.

For Financial Year Ended March 31, 2023
Net cash used for investing activities for the year ended March 31, 2023, was ₹390.81 lakhs. This was primarily due to purchase of furniture and fixtures for new and existing EBOs, end user devices and motor vehicles.

For Financial Year Ended March 31, 2022
Net cash used for investing activities for the year ended March 31, 2022, was ₹9.09 lakhs. This was primarily due to the purchase of furniture and fixtures for new and existing EBOs, end user devices and motor vehicles

Financing Activities

For Half Year Ended September 30, 2024
Net cash generated from financing activities in September 30, 2024 was ₹190.16 lakhs. This was on account of interest paid of ₹208.58 lakhs, proceeds from issue of share capital (including securities premium and reserve adjustment) ₹305.70 lakhs, repayment from borrowings other than cash credit and bank overdraft of ₹93.04 lakhs.

For Financial Year Ended March 31, 2024
Net cash generated from financing activities in March 31, 2024 was ₹188.69 lakhs. This was on account of interest paid of ₹234.80 lakhs, proceeds from issue of share capital (including securities premium and reserve adjustment) ₹214.60 lakhs, repayment from borrowings other than cash credit and bank overdraft of ₹208.89 lakhs.

For Financial Year Ended March 31, 2023
Net cash generated from financing activities in March 31, 2023 was ₹39.48 lakhs. This was on account of interest paid of ₹150.06 lakhs, proceeds from issue of share capital (including securities premium and reserve adjustment) of ₹269.78 lakhs, repayment from borrowings other than cash credit and bank overdraft of ₹80.24 lakhs.

For Financial Year Ended March 31, 2022
Net cash used in financing activities in March 31, 2022 was ₹89.10 lakhs. This was on account of interest paid of ₹104.56 lakhs, proceeds from issue of share capital (including securities premium and reserve adjustment) of ₹661.04 lakhs, repayment from borrowings other than cash credit and bank overdraft of ₹645.58 lakhs.

Capital Expenditure

For the financial year /period ended September 30, 2024, March 31, 2024, 2023, 2022, our capital expenditure was ₹ 88.56 lakhs, ₹238.80 lakhs, ₹390.81 lakhs and ₹9.09 lakhs respectively. This primarily consists of addition of furniture and fixtures for new and existing EBOs, end user devices and motor vehicles.

Indebtedness

As of September 30, 2024, we had long-term borrowings of ₹1,045.74 lakhs and short-term borrowings of ₹2,320.92 lakhs which includes secured and unsecured loans. The following table sets forth certain information relating to our outstanding indebtedness as of September 30, 2024, and our repayment obligations in the periods indicated:

(in ₹ Lakhs)

Total Borrowings	Short term (less than 1 year)	Long term (more than 1 year)
Secured (A)	1,767.67	322.86
Unsecured (B)	553.25	722.88
Total Borrowings (A + B)	**2,320.92**	**1,045.74**

**Short term borrowings include the maturities payable within 1 year.*

For further details regarding our indebtedness, see *"Financial Indebtedness"* and *"Financial Information"* on pages 201 and 183, respectively of this Red Herring Prospectus.

Contingent Liabilities and Commitments
The company has no pending litigations as on September 30, 2024.

Off Balance Sheet Commitments and Arrangements
We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with standalone entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Related Party Transactions
We enter into various transactions with related parties in the ordinary course of business. For further information relating to our related party transactions, see *"Financial Information"* on page 183 of this Red Herring Prospectus.

Changes in Accounting Policies
As on the date of this Red Herring Prospectus, there are no changes in our accounting policies in the last three financial years.

Unusual or Infrequent Events or Transactions
There have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent".

Significant Economic Changes
There are no significant economic changes that may materially affect or are likely to affect income from continuing operations.

Known Trends or Uncertainties
Apart from the risks as disclosed under Section "Risk Factors" beginning on page 27 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.

Future Relationships between Costs and Income
Other than as described "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 27, 122, and 185 respectively of this Red Herring Prospectus, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

New Products or New Business Segments
Except as set out in this Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or new business segments.

Seasonality of business
Our business is not seasonal in nature.

Significant Dependence on a Single or Few Customers
The revenue of our Company is not dependent on single or few customers.

Competitive Conditions
We expect competition in our industry from existing and potential competitors to intensify. For details, please refer to the discussions of our competition in *"Our Business"*, *"Industry Overview"* and *"Risk Factors – We operate in a competitive industry and our* failure *to successfully compete may adversely affect our business, financial condition and results of operations, and prospects"* on pages 122, 112, and 27 respectively of this Red Herring Prospectus.

Details of material developments after the date of last balance sheet i.e., September 30, 2024
There are no material developments after the date of last balance sheet i.e., September 30, 2024.

FINANCIAL INDEBTEDNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Banks / Financial Institution in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or up to such amount subject to members approval from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities wherever applicable. As on September 30, 2024 our Company has total outstanding borrowings aggregating to ₹3,366.66 lakhs. Details are mentioned hereunder:

(Amount in lakhs)

Particulars	Rate of interest	Sanctioned amount	Amount as on Sept 30, 2024	As per Financials		Purpose of loans
				Short-Term	Long-Term	
Bank CC A/C						
Deutsche Bank	10.25%	570.00	568.24	568.24	-	Cash credit (Working capital)
ICICI Bank Ltd	8.95%	411.00	174.08	174.08	-	Cash credit (Working capital)
BANK OF baroda	11.40%	2,000.00	930.77	930.77	-	Cash credit (Working capital)
Bank OD A/C						
INDUSIND Bank Ltd.	16.50%	30.00	40.09	40.09	-	Bank overdraft
Secured Loan						
Deutsche Bank Loan	8.26%	40.61	15.92	13.81	2.11	Working capital term loan
Deutsche Bank Loan	8.26%	20.30	13.82	13.82	-	Working capital term loan
HDFC Bank Ltd Car Loan	8.75%	34.00	31.27	3.93	27.35	Vehicle loan
HDFC Bank Ltd Car Loan	8.80%	15.53	10.85	3.02	7.83	Vehicle loan
Bank of Baroda	11.40%	350.57	345.57	60.00	285.57	Working capital term loan
Unsecured Loan from Banks						
Axis Bank Ltd	15.00%	60.00	45.54	19.43	26.11	Business loan
ICICI Bank Ltd	16.50%	40.00	31.85	12.72	19.13	Business loan
IDFC First Bank	16.00%	30.60	13.66	11.55	2.11	Business loan
IndusInd Bank Ltd	16.00%	35.00	27.75	11.12	16.64	Business loan
Kotak Mahindra Bank Ltd	16.11%	30.00	15.89	15.89	-	Business loan
Standard Chartered Bank	16.50%	18.00	7.99	6.83	1.16	Business loan
Yes Bank Ltd	16.00%	50.00	39.64	15.88	23.76	Business loan
Unity Small Finance Bank	18.00%	35.00	15.87	13.40	2.47	Business loan
Unsecured Loan from NBFC						
Aditya Birla Finance Limited	16.00%	65.00	51.53	20.65	30.88	Business loan
Bajaj Finance Ltd	16.00%	28.77	22.81	7.63	15.18	Business loan
Cholamandalam Investment and Finance Company Ltd	18.00%	20.00	9.07	7.66	1.41	Business loan
Clix Capital Services Private Limited	17.00%	47.50	37.90	15.09	22.82	Business loan
ECL Finance Limited	17.50%	35.00	27.88	11.06	16.82	Business loan
Fedbank Financial Services Ltd	16.00%	50.00	39.64	15.88	23.76	Business loan
Fullerton India Credit Company Ltd	17.50%	40.39	18.24	15.40	2.84	Business loan
Getgrowth capital pvt ltd	17.50%	50.00	48.81	48.81	-	Business loan
Hero Fincorp Limited	16.50%	40.12	31.86	12.72	19.13	Business loan
IIFL Finance Limited	16.50%	30.00	23.82	9.51	14.31	Business loan
Incread Getvantage	7.50%	30.00	42.73	33.26	11.58	Working Capital
India Infoline Finance Limited	14.00%	4.01	13.56	9.64	3.93	Business loan
Inditrade Fincorp Limited	19.00%	25.00	28.01	28.01	-	Business loan

Particulars	Rate of interest	Sanctioned amount	Amount as on Sept 30, 2024	As per Financials		Purpose of loans
				Short-Term	Long-Term	
Jayshree dealers pvt ltd	18.00%	30.00	39.64	15.88	23.76	Business loan
Kisetsu Saison Finance (India) Pvt Ltd	16.00%	50.00	28.64	11.12	17.51	Business loan
L&T Finance Limited	16.50%	35.00	17.09	13.97	3.12	Business loan
Moneywise Financial Services Pvt. Ltd.	18.00%	35.42	68.53	21.91	46.62	Business loan
Neogrowth Credit Private Limited	8.38%	62.49	11.36	11.36	-	Business loan
Poonawalla Fincorp Limited	16.00%	25.44	44.57	18.14	26.43	Business loan
protium finance limited	19.81%	50.00	48.26	48.26	-	Business loan
Tap capital	18.36%	50.00	39.67	15.96	23.71	Business loan
Tata Capital Limited	15.50%	50.15	46.80	14.42	32.37	Business loan
Ugro capital limited	18.00%	50.00	51.53	20.65	30.88	Business loan
Unsecured Loan - Others						
Innovation Mobile & Web Tech P. Ltd	10.00%	NA	108.96	-	108.96	General purpose
Unsecured Loan - Directors						
Bhawna Seth	10.00%	NA	38.37	-	38.37	General purpose
Jatinder Dev Seth	10.00%	NA	150.12	-	150.12	General purpose
TOTAL			**3,366.65**	**2,320.92**	**1,045.74**	

Notes:

1. All the loans are secured by personal guarantee(s) of promoters.
2. Bank CC A/C from Deutsche Bank, ICICI Bank and Bank of Baroda are secured against properties, stock and debtors.
3. Secured loans from Deutsche Bank and Bank of Baroda are secured against properties, stock and debtors.
4. HDFC Bank car/auto loans are secured against the vehicle financed through the loan.

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding :(i) criminal proceedings; (ii) actions taken by statutory or regulatory authorities including notices issued by such authorities; (iii) claims related to direct and indirect taxes (disclosed in a consolidated manner giving the total number of claims and the total amount involved); (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoter in the last five financial years, including outstanding action; and (v) any other outstanding litigation as determined to be material pursuant to the Materiality Policy in accordance with the SEBI ICDR Regulations in each case involving our Company, Promoters, Subsidiaries and Directors.

Our Board, in its meeting held on June 21, 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 5% of the Company' Profit After Tax, 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. Further, for outstanding dues to any party which is a micro, small or medium enterprise ("MSME"), the disclosure will be based on information available with the Company regarding the status of the creditor as defined under Micro, Small and Medium Enterprises Development Act, 2006, as amended read with the rules and notifications thereunder. All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated to the contrary, the information provided below is as of date of this Red Herring Prospectus

A. LITIGATION INVOLVING OUR COMPANY

(a) Criminal proceedings against the Company

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated 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 filed 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 filed 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 material actions initiated by statutory and regulatory authorities against the Company.

B. LITIGATIONS INVOLVING THE PROMOTERS & DIRECTORS OF THE COMPANY

(a) Criminal proceedings against the Promoters & Directors of the company

1. Atul Andhiwal vs Baldev Raj Seth, Manish Seth and Jatinder Seth vide complaint no. 0529/2016. The complainant has falsely filed the case against the Baldev Raj Seth, Manish Seth and Jatinder Seth u/s 420,467,468 & 471 of the Indian Penal Code,1860. The said Complaint has been dismissed by the Chief Judicial Magistrate, Hathras as per vide order date December 16,2017. The Complainant then filed the protest petition u/s 190(1)(a) of the Indian Penal Code, 1860 and the same was also dismissed by the Hon'ble Chief Judicial Magistrate. The Complainant then filed the criminal revision case which has been schedule for the hearing on December 06, 2024.

(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 filed 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 litigations initiated against the Promoters & Directors of the company.

(d) Other pending material litigations filed by the Promoters & Directors of the Company

1. Jatinder Dev Seth Proprietor of M/s Jaydee Enterprises v/s M/S Dangus RM India Company Through Its Proprietor Ms. Archana vide complaint no. CS (COMM)/937/2023. The Complaint has been filed by Mr. Jatinder Dev Seth as a Proprietor of M/s Jaydee Enterprises against its customer M/s Dangus RM India in the Commercial Court, TIS Hazari Courts Delhi towards recovery of Payment of Rs. 60,94,168/- towards Principal and Interest for goods and services provided from 2016 onwards and default in non-submitting Form C resulting into levy of differential tax and penalty. Apart from this to grant legal cost of Rs. 61,832/-, future and pendente-lite interest @ 18% p.a. and cost of litigation. The complaint is pending adjudication before the Hon'ble court.

(e) Actions by statutory and regulatory authorities against the Promoters & Directors of the company

1. Prerna Pandey v/s InnovtionM Mobile and Web Technologies Pvt. Ltd.("**Corporate Promoter**"). The Complainant Ms. Prerna Pandey has filed the case against the Corporate Promoter at National Commission for Women vide File no. 8/C230014574/2023/NCW/MEM/AM for the claim of maternity benefits, at Deputy Labour Commissioner (U.P.) vide complaint reference no. 22023-024/Go/Ma/Hi/Adhi-24 11/24 dated July 23, 2024 for maternity benefits and at Deputy Labour Commissioner (U.P.) as per vide letter reference no. 16097-98 C.P. Vaad no. 193/23 dated September 18, 2023. The complainant has filed the case against the Corporate Promoter towards for termination of her service without proper reason and also for the maternity benefits of Rs. 4,26,000 as she was pregnant before the termination of her service. The case is pending for adjudication before the applicable regulatory authorities.

(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 filed 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

There are no outstanding tax liabilities (direct and indirect) against the company, the promoters and directors. However, the Company has received the following notices as u/s.221(1) of the Income Tax Act, 1961 which are being contested by the Company. Therefore, the amount of liability, if any, as may be ascertained, to be payable by the Company is yet to be crystallized.

Nature of Proceedings	Number of cases	Amount involved* (₹ in lakhs)
Of the Company		
Direct Tax (Income Tax)	2	0.67
Direct Tax (TDS)	Nil	Nil
Indirect Tax (GST)	2	3.42*
Of the Promoters and Directors (Income Tax/Goods & Services Tax)	2	1.73

** The amount mentioned is pertaining to one pending matter with GST Department. The amount involved in another matter is not yet crystalized as the same was due to the delayed filing of the GSTR-3B return.*

E. AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:

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 September 30, 2024 were ₹674.64 Lakhs. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds ₹33.73 Lakhs. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on June 21, 2024. Based on these criteria, details of outstanding dues owed as on September 30, 2024 by our Company on are set out below:

(*₹ in Lakhs*)

Types of creditors	Number of creditors	Amount involved
A. Micro, small and medium enterprises	21	161.65
B. Other Creditors	115	512.99
Total (A+B)	**136**	**674.64**
C. Material Creditors	**13**	**579.07**

The details pertaining to net outstanding dues towards our material creditors as on September 30, 2024 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at www.purpleunited.in. It is clarified that such details available on our website do not form a part of this Red Herring Prospectus.

MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE:

Other than as stated in the section entitled "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on page 185 of this Red Herring Prospectus, there have not arisen, since the date of the last financial information disclosed in this Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months from the date of the filing of the RHP.

GOVERNMENT AND OTHER KEY APPROVALS

Except as mentioned below, our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Central and State Governments and other government agencies/ regulatory authorities/ certification bodies required to undertake the Offer or continue our business activities and no further approvals are required for carrying on our present or proposed business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Red Hearing Prospectus.

For details in connection with the regulatory and legal framework within which we operate, see the section titled **"Key Industrial Regulations and Policies"** at page 138 of this Red Hearing 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 ISSUE

The following approvals have been obtained or will be obtained in connection with the issue:

1. Our Board of Directors have, pursuant to a resolution passed in its meeting held on June 21, 2024, authorized the Issue subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013

2. The shareholders of our Company have, pursuant to a special resolution passed in the Extraordinary general meeting of our Company held on July 08, 2024, authorized the Issue under Section 62(1)(c) of the Companies Act, 2013;

3. Our Company shall obtain in-principle approval from the stock exchange for the listing of our Equity Shares pursuant to letter dated November 06, 2024 bearing reference no. NSE/LIST/4302.

II. APPROVALS OBTAINED BY OUR COMPANY

INCORPORATION RELATED APPROVALS					
SR. NO.	**NATURE OF LICENSE/APPROVAL**	**REGISTRATION/ LICENSE NO.**	**ISSUING AUTHORITY**	**DATE OF CERTIFICATE**	**VALIDITY**
1.	Certificate of Incorporation in the name of Purple United Sales Private Limited	U51909DL2014PTC271636	Registrar of Companies, Delhi	September 16, 2014	Perpetual
2.	Fresh Certificate of Incorporation Consequent upon Change of Name from Purple United Sales Private Limited to Purple United Sales Limited	U51909DL2014PLC271636	Registrar of Companies, Delhi	June 20, 2024	Perpetual
TAX RELATED APPROVALS					
SR. NO.	**NATURE OF LICENSE/APPROVAL#**	**REGISTRATION/ LICENSE NO.**	**ISSUING AUTHORITY**	**DATE OF GRANT**	**VALIDITY**
1.	Permanent Account Number ("PAN")	AAHCP8212F	Income Tax Department, Government of India	September 16, 2014	Perpetual
2.	Tax Deduction Account Number ("TAN")	DELP21639C	Income Tax Department, Government of India	November 7, 2014	Perpetual
3.	GST Registration Certificate (Delhi)	07AAHCP8212F1ZI	Government of India	July 01, 2017	Perpetual
4.	GST Registration Certificate (Haryana)	06AAHCP8212F1ZK	Government of India	August 10, 2019	Perpetual
5.	GST Registration Certificate (Karnataka)	29AAHCP8212F1ZC	Government of India	February 8,2024	Perpetual

6.	GST Registration Certificate (Maharashtra)	27AAHCP8212F1ZG	Government of India	February 23 ,2024	Perpetual
7.	GST Registration Certificate (Punjab)	03AAHCP8212F1ZQ	Government of India	February 14 ,2022	Perpetual
8.	GST Registration Certificate (Uttarakhand)	05AAHCP8212F1ZM	Government of India	February 10 ,2023	Perpetual
9.	GST Registration Certificate (Uttar Pradesh)	09AAHCP8212F1ZE	Government of India	September 24,2021	Perpetual
10.	Professional Tax Certificate of Enrolment for (Director)	99334784413P	Maharashtra Sales Tax Department	April 01,2023	Perpetual
11.	Professional Tax Certificate of Registration for (Director)	27912310230 P	Maharashtra Sales Tax Department	April 01,2023	Perpetual
12.	Professional Tax Certificate of Enrolment – Maharashtra	99334784413P	Maharashtra Sales Tax Department	March 07,2024	Perpetual
13.	Professional Tax Certificate of Registration – Punjab	E52ACDPS4101P	Department of Excise and Taxation	March 07, 2024	Perpetual
14.	GS 1	8905120	GS 1 India	March 27, 2024	June 27, 2027
[#] Our Company is in the process of making applications for the change of name of these licenses pursuant to change in the name of our company from "Purple United Sales Private Limited" to "Purple United Sales Limited"					
15.	Certificate of Registration for Profession Tax (Karnataka)	1016988671	Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976	July 21, 2024	Perpetual
16.	GST Registration Certificate (Bihar)	10AAHCP8212F1ZV	Government of India	October 04,2021	Perpetual
17.	GST Registration Certificate (Rajasthan)	08AAHCP8212F1ZG	Government of India	October 07,2021	Perpetual
18.	GST Registration Certificate (Madhya Pradesh)	23AAHCP8212F1ZO	Government of India	October 08,2021	Perpetual
19.	Certificate of Registration for Profession Tax (Karnataka)	1016988671	Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976	July 21, 2024	Perpetual

LABOUR RELATED APPROVALS

SR. NO.	NATURE OF LICENSE/APPROVAL[#]	REGISTRATION/ LICENSE NO.	ISSUING AUTHORITY	DATE OF GRANT	VALIDITY
1	Registration Certificate issued under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952	DLCPM1668960000	Employees Provident Fund Organisation Ministry of Labour	December 02, 2017	Perpetual
2	Registration Certificate issued under the Employees State Insurance Act, 1948	22001195030001002	Sub Regional Office, Employee's State Insurance Corporation, Delhi	July 29,2015	Perpetual
3	Registration Certificate issued under the Employees State Insurance Act, 1948	67221195030011002	Sub -Regional Office, Employee's State Insurance Corporation, Noida	September 8, 2021	Perpetual
4	Legal Entity Identifier (LEI)	894500BZFGXER44UWL52	EQS Group	December 01, 2023	December 01, 2024

[#] Our Company is in the process of making applications for the change of name of these license pursuant to change in the name of our company from "Purple United Sales Private Limited" to "Purple United Sales Limited"

CERTIFICATE OF REGISTRATION UNDER SHOPS AND ESTABLISHMENTS ACT

SR. NO.	NATURE OF LICENSE/APPROVAL[#]	REGISTRATION/ LICENSE NO.	ISSUING AUTHORITY	DATE OF GRANT	VALIDITY
1.	Shops and Establishment License (Gaur City-Gautam Buddh Nagar)	UPSA10731074	Labour Department, Uttar Pradesh Shops and Commercial	August 27, 2023	Perpetual

			Establishment Act,1962		
2.	Shops and Establishment License (Ghaziabad)	UPSA09728395	Labour Department, Uttar Pradesh Shops and Commercial Establishment Act,1962	August 27, 2023	Perpetual
3.	Shops and Establishment License (Smart Works Corporate Park-Gautam Buddh Nagar)	UPSA10731072	Labour Department, Uttar Pradesh Shops and Commercial Establishment Act,1962	August, 27, 2023	Perpetual
4.	Shops and Establishment License (Great India Place-Gautam Buddh Nagar)	UPSA10731073	Labour Department, Uttar Pradesh Shops and Commercial Establishment Act,1962	August, 27, 2023	Perpetual
5.	General Trade/Storage License-Rajouri Garden	SGTL0823102407	Municipal Corporate of Delhi	June 01, 2024	March 31, 2025
6.	General Trade/Storage License-Rohini	NGTL0823279508	Municipal Corporate of Delhi	May 30, 2024	March 31, 2025
# Our Company is in the process of making applications for the change of name of these license pursuant to change in the name of our company from "Purple United Sales Private Limited" to "Purple United Sales Limited"					
7.	General Trade/Storage License-Kamla Nagar	MGTL07241842486955	Municipal Corporate of Delhi	July 10, 2024	March 31, 2025
8.	General Trade/Storage License-Mundka	MGTL07241049599802	Municipal Corporate of Delhi	July 29, 2024	March 31, 2025
9.	Shops and Establishment License (Jawahar Nagar Retail Showroom)	2024144525	Labour Department, Government of National Capital Territory of Delhi	July 10, 2024	Perpetual
10.	Shops and Establishment License (Mundka-New Delhi)	2024144703	Labour Department, Government of National Capital Territory of Delhi	July 10, 2024	Perpetual
11.	Shops and Establishment License (Rajouri Garden)	2024144625	Labour Department, Government of National Capital Territory of Delhi	July 10, 2024	Perpetual
12.	Shops and Establishment License (City Centre)	2024144639	Labour Department, Government of National Capital Territory of Delhi	July 10, 2024	Perpetual
13.	Shops and Establishment License (Sarita Vihar)	2024144617	Labour Department, Government of National Capital Territory of Delhi	July 10, 2024	Perpetual
14.	Shops and Establishment License (Faridabad)	PSA/REG/FBD/LI-FBD-1/0340884	Punjab Shops & Commercial Establishment Act, 1958	July 14, 2024	Perpetual
15.	Shops and Establishment License (Gurgaon)	PSA/REG/GGN-11/0340886	Punjab Shops & Commercial Establishment Act, 1958	July 14, 2024	Perpetual

BUSINESS RELATED APPROVALS					
SR. NO.	**NATURE OF LICENSE/APPROVAL#**	**REGISTRATION/ LICENSE NO.**	**ISSUING AUTHORITY**	**DATE OF GRANT**	**VALIDITY**
1.	Udyam Registration as Small Unit	UDYAM-DL-11-0002915	Government of India, Ministry of Micro, Small and Medium Enterprises	September 18, 2020	One Time Registration
2.	Certificate of Importer-Exporter Code (IEC)	AAHCP8212F	Ministry of Commerce and Industry, Government of India	October 10, 2017	Perpetual
3.	Certificate of Registration as importer (Under Rule 27 of the Legal Metrology (Packaged commodities) Rules, 2011)	I20180113406	Legal Metrology Department, New Delhi	February 06, 2018	Perpetual
4.	Certificate of Registration as Packer (Under Rule 27 of the Legal Metrology (Packaged commodities) Rules, 2011)	P20180107708	Weights & Measurement Department, New Delhi	February 02, 2018	Perpetual
# Our Company is in the process of making applications for the change of name of these license pursuant to change in the name of our company from "Purple United Sales Private Limited" to "Purple United Sales Limited"					

III. APPROVALS OBTAINED/APPLIED IN RELATION TO INTELLECTUAL PROPERTY RIGHTS:

SR. NO.	WORD/ LABEL/ MARK/DESIGN	APPLICATION NO.	CLASS	APPLICATION DATE	STATUS
1.		2893308	25	February 05,2015	Registered
2.		3682449	25	November 20,2017	Registered
3.	PURPLE UNITED KIDS	4652541	25	March 22,2021	Registered
4.	PURPLE UNITED	4698819	25	April 09,2021	Registered
5.	toothless	4652499	25	September 12, 2020	Registered
6.	toothless15	4652529	25	September 12, 2020	Registered
7.	Toothless kids	4652537	25	September 12, 2020	Registered
8.	Shop Happiness	5754395	25	January 7,2023	Accepted & Advertised
9.	ths	5754418	25	January 7,2023	Objected
10.	Fun Fashion & Functionality	5754433	25	January 7,2023	Objected
11.	THS Boys	5754459	25	January 7,2023	Objected
12.	THS Girls	5754469	25	January 7,2023	Objected
13.	Shop Happiness	5754496	25	January 7,2023	Objected
14.	Shop Happiness	6473664	35	June 11,2024	Formalities Chk Pass
15.	Fun, Fashion & Functionality	6473836	35	June 11,2024	Formalities Chk Pass
16.	PURPLE UNITED	6477129	35	June 12,2024	Formalities Chk Pass
17.	That's His Style	6034954	25	July 24, 2024	Objected
18.	That's Her Style Girls	6034947	25	July 24, 2024	Formalities Chk Pass
19.	Purple Kids	6036397	25	July 25, 2024	Formalities Chk Pass
20.	Purple Sports	6034934	25	July 24, 2024	Formalities Chk Pass
21.	Go Purple	6552557	35	July 31, 2024	Formalities Chk Pass
22.	Striders	6552556	25	July 31, 2024	Formalities Chk Pass

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IV. KEY APPROVALS THAT HAVE EXPIRED AND FOR WHICH RENEWAL APPLICATIONS HAVE BEEN MADE:

SR. No.	Nature of Registration	Applicable Law	Authority
1.	Shops and Establishment License (Faridkot)	The Punjab Shops and Establishment Act,1958	Municipal Corporation of Punjab

V. KEY APPROVALS REQUIRED BUT NOT OBTAINED OR APPLIED BY OUR COMPANY:

SR. No.	Nature of Registration	Applicable Law	Authority
1.	General Trade/Storage License- Sarita Vihar	Delhi Shops and Establishment Act, 1964	Municipal Corporation of Delhi
2.	Shops and Establishment License (Bucho Mandi)	The Punjab Shops and Establishment Act,1958	Municipal Corporation of Punjab
3.	Shops and Establishment License (G.T.Road)	The Punjab Shops and Establishment Act,1958	Municipal Corporation of Punjab
4.	Shops and Establishment License (Bhatinda)	The Punjab Shops and Establishment Act,1958	Municipal Corporation of Punjab
5.	Delhi Labour Welfare Fund Registration	Delhi Labour Welfare Fund Rules of 1977	Delhi Labour Welfare Board
6.	Punjab Labour Welfare Fund Registration	Punjab Labour Welfare Fund Act, 1965	Punjab Labour Welfare Board
7.	Shops and Establishment License (Pipliyahana)	The Madhya Pradesh Shops and Establishment Act,1958	Municipal Corporation of Indore, Madhya Pradesh
8.	Shops and Establishment License (Sri Ganga Nagar)	The Rajasthan Shops and Establishment Act,1958	Municipal Corporation of Sri Ganga Nagar, Rajasthan
9.	Shops and Establishment License (Raxaul)	The Bihar Shops and Establishment Act,1958	Municipal Corporation of Purbi Champaran, Bihar

SECTION VIII-OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Corporate Approvals

The Issue has been authorized by our Board of Directors pursuant to the resolution passed at its meeting dated *June 21, 2024* and the Issue has been authorised by our Shareholders pursuant to a special resolution passed at their AGM dated July 08, 2024 authorised the Issue under Section 62(1)(c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary. This RHP has been approved by our Board for filing with the Stock Exchanges pursuant to the resolution passed at its meeting held on November 30, 2024. For further details, see *"The Issue"* on page 45 of this Red Herring Prospectus.

In-principle Listing Approval

We have received in principle approval from National Stock Exchange of India Limited vide their letter dated November 06, 2024 to use the name of National Stock Exchange of India Limited in the Red Herring Prospectus for listing of our Equity Shares on EMERGE Platform of National Stock Exchange of India Limited. National Stock Exchange of India Limited is the Designated Stock Exchange for the purpose of this Issue.

Prohibition by SEBI or Other Governmental Authorities

Our Company, Promoter, members of the Promoter Group, Directors or persons in control of the Promoter or the Company are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court on the date of this Red Herring Prospectus.

Prohibition by RBI

None of our Company, Promoters, relatives of Promoters nor directors have been identified as a wilful defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.

None of our Company, Promoters, relatives of Promoters or directors have been declared as a fraudulent borrower by any bank, financial institution or lending consortium, in accordance with the 'Master Directions on Fraud-Classification and Reporting by commercial banks and select FIs' dated July 01, 2016, as updated, issued by the RBI.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, Promoter and members of the Promoter Group, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable, as on the date of this Red Herring Prospectus. Further, in view of the General Circular No. 07/2018 dated September 06, 2018 and General Circular No. 08/2018 dated September 10, 2018 issued by the Ministry of Corporate of Affairs, Government of India ("MCA"), our Company, our Promoters, our Promoter Group will ensure compliance with the SBO Rules, upon notification of the relevant forms, as may be applicable to them.

Association with Securities Market

We confirm that none of our directors or the entities that our directors are associated with as promoters or directors are in any manner are associated with the Securities Market in any manner and no action has been initiated against our directors or any entity in which our Directors are associated with as promoter or directors.

Eligibility for this Issue

Our Company is an "Unlisted Company" in terms of the SEBI (ICDR) Regulation; and this Issue is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

This Issue is being made in terms of Regulation 229 (1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company whose post issue face value capital will be more than ten crores rupees and up to twenty-five 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 SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE.

As per Regulation 229(3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of SME platform of the NSE in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

a) The Issuer should be a company incorporated under the Companies Act 2013:

Our Company was incorporated on September 16, 2014, under the Companies Act, 2013.

b) The post issue paid up capital of the company (face value) shall not be more than ₹25.00 Crores.

The present paid-up capital of our Company is ₹ 7.01 Crores and we are proposing Issue up to 26,04,000 equity shares of face value of ₹ 10/- each ("equity shares") of the Company for cash aggregating up to ₹ 2.60 crores. Hence, our Post Issue Paid up Capital will be approximately ₹ 9.61 crores which will be less than ₹ 25 Crore.

c) Track Record

Our Company has a track record of three years as on date of filing of this Red Herring Prospectus.

d) Operating Profits from Operations and Net-worth

The Company has operating profit (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net worth is positive.

Our Company's net worth and Operating profits from operations (earnings before depreciation and tax), based on the Restated Financial Statements included in this Red Herring Prospectus for the financials year March 31, 2024, 2023 and 2022 are set forth below:

(₹ in Lakhs)

Particulars	*As at 31.03.2024*	*As at 31.03.2023*	*As at 31.03.2022*
Operating Profit (operating earnings before interest, depreciation and tax)	973.05	383.92	235.88
Share Capital	663.30	608.08	553.82
Add: Reserves & Surplus	1,070.34	428.49	63.77
Net Worth	1,733.64	1,036.58	617.59

e) The Company has not been referred to the Board for Industrial and Financial Reconstruction.
f) No petition for winding up is admitted by the court or a liquidator has not been appointed of competent jurisdiction against the Company.
g) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the company.
h) Our Company has a website: www.purpleunited.in

Other Disclosures:

a) We have disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting Company(ies), group Company(ies), subsidiaries companies promoted by the promoter/promoting Company(ies) of the applicant Company in the Red Herring Prospectus.

b) There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting Company(ies), Company(ies), companies promoted by the promoters/promoting Company(ies) during the past three years. A certificate from Independent Chartered Accountant shall be provided by the Issuer to the Exchange, in this regard.

c) We have disclosed the details of the applicant, Promoters/Promoting Company(ies), Group Company(ies), subsidiaries, companies promoted by the promoters/promoting Company(ies) litigation record, the nature of litigation, and status of litigation. For details, please refer the chapter *"Outstanding Litigation & Material Developments"* on page 198 of this Red Herring Prospectus.

d) We have disclosed all details of the track record of the directors. For Details, refer the chapter *"Outstanding Litigation & Material Developments"* on page 198 of this Red Herring Prospectus.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Red Herring Prospectus has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the NSE EMERGE platform. NSE is the Designated Stock Exchange.

- To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

  a. Tripartite agreement dated March 16, 2023, with NSDL, our Company and Registrar to the Issue;
  b. Tripartite agreement dated April 05, 2024, with CDSL, our Company and Registrar to the Issue;
  c. The Company's shares bear an ISIN: INE0P5R01014

- The entire pre-issue capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.

- The entire Equity Shares held by the Promoters have been in dematerialised form.

- The entire fund requirement is to be funded from the proceeds of the issue, there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance excluding the amounts to be raised through the proposed issue. The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. For details, please refer the chapter *"Objects of the Issue"* on 72 of this Red Herring Prospectus.

- We further confirm that we shall be complying with all the other requirements as laid down for such issue under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

- In accordance with regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within four 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 four days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE RED HERRING PROSPECTUS, PROMOTER SELLING SHAREHOLDER WILL BE RESPONSIBLE FOR THE STATEMENTS SPECICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER HAVE FURNISHEDTO SEBI A DUE DILIGENCE CERTIFICATE DATED AUGUST 10, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANYPOINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE RED HERRING PROSPECTUS.

Note:

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus with the Registrar of Companies, Mumbai in terms of Section 26 of the Companies Act, 2013.

Disclaimer from our Company, Directors and the Book Running Lead Manager

Our Company, the Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Red Herring Prospectus or, in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at their own risk.

None amongst our Company is liable for any failure in (i) uploading the Applications due to faults in any software/ hardware system or otherwise; or (ii) the blocking of Applications Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

All information shall be made available by our Company, and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or any affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with or become customers to our Company, our Promoter Group, affiliates or associates or third parties for which they have received and may in the future receive compensation.

Disclaimer in Respect of Jurisdiction

This issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under 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 Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 2,500 Lakhs, pension funds with minimum corpus of ₹ 2,500 lakhs and the National Investment Fund, and permitted non- residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Red Herring Prospectus does not, however, constitute an invitation to purchase shares issued hereby in any jurisdiction other than India to any person to whom it is unlawful to make an issue 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 Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required forthat purpose, except that this Red Herring Prospectus has been filed with National Stock Exchange of India Limited for its observations and National Stock Exchange of India Limited shall give its observations in due course. 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 since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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, legislations and Red Herring Prospectus in each jurisdiction, including India.

Disclaimer Clause of the Emerge Platform of NSE

National Stock Exchange of India Limited ("NSE") has given vide its letter dated November 06, 2024 permission to this Company to use its name in this Issue document as one of the stock exchanges on which this company's securities are proposed to be listed on the EMERGE Platform. NSE has scrutinized this issue document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. NSE Ltd `does not in any manner:

"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/4302 DATED NOVEMBER 06, 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, 1993

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in 205 Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in relianceon Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing

This Red Herring Prospectus is being filed with NSE of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai- 400051, Maharashtra.

Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018, the copy of the Issue Document shall also be furnished to the SEBI in a soft copy. However, SEBI will not issue any observation on the Issue Document in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI Circular No. *SEBI/HO/CFD/DIL1/CIR/P/2018/011* dated *January 19, 2018*, a copy of the Issue Document will be filed online through SEBI Intermediary portal at https://siportal.sebi.gov.in

A copy of the Red Herring Prospectus along with the documents required to be filed under Section 32 of the Companies Act, 2013 and copy of the Red Herring Prospectus to be filed under 26 of the Companies Act, 2013 would be filed with the RoC and through the electric portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do

Listing

Application will be made to the "National Stock Exchange of India Limited" for obtaining permission to deal in and for an official quotation of our Equity Shares. National Stock Exchange of India Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The National Stock Exchange of India Limited has given its in-principle approval for using its name in the Issue Document vide its letter no. NSE/LIST/4302 dated November 06, 2024.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Red Herring Prospectus. If such money is not repaid within 4 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 4 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of National Stock Exchange of India Limited mentioned above are taken within six Working Days from the Issue Closing Date.

Disposal of Investor Grievances by our Company

Our Company has constituted a Stakeholders' Relationship Committee to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For details, please refer to the chapter titled *"Our Management"* beginning on page 156 of this Red Herring Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be Ten (10) 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 Mr. Vishnu Kumar as the Company Secretary and Compliance Officer to redress complaints, if any, of the investors participating in the Issue.

Contact details for our Company Secretary and Compliance Officer are as follows:

Mr. Vishnu Kumar
Company Secretary and Compliance Officer
Khasra No. 55/14 & 55/15, Near Rani Khera Road,
Mundka, West Delhi, New Delhi, Delhi, India, 110041.
Tel: +91 9667792635 / 36
Email Id: cs@purpleunited.in

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post- Issue related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode. 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. As on the date of this Red Herring Prospectus there are no pending investor complaints. Our Company has not received any investor complaint in the three years prior to the filing of this Red Herring Prospectus.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

"Any person who –

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447."

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹ 1.00 million or one per cent of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years). Further, where the fraud involves an amount less than ₹1.00 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5.00 million or with both.

Consents

Consents in writing of: (a) Directors, the Promoters, Promoter Selling Shareholder, the Company Secretary and Compliance Officer, Chief Financial Officer, Statutory & Peer Review Auditor, Banker to the Company and (b) Book Running Lead Manager, Registrar to the Issue, Chartered Engineer, the Syndicate Members*, Bankers to the Issue/Escrow Bank*, Public Offer Account Bank(s)*, Sponsor Bank(s) and Refund Bank(s)*, Underwriter*, Market Maker*, Banker to the Issue*, and Legal Advisor to the Issue, to act in their respective capacities have been obtained and shall be filed along with a copy of the Red Herring Prospectus with the RoC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Red Herring Prospectus and Red Herring Prospectus and Prospectus for filing with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, NGMKS & Associates, Chartered Accountants, have provided their written consent to the inclusion of their (1) Examination Report on Restated Financial Statements, (2) Restated Financial Statements and (3) Report on Statement of Tax Benefits, which may be available to the Company and its shareholders, included in this Red Herring Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Red Herring Prospectus.

Expert Opinion

Except as stated below, our Company has not obtained any expert opinions, our Company has received written consent from the Statutory & Peer review Auditor namely, NGMKS & Associates**,** Chartered Accountants, to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Red Herring Prospectus and as "Expert" as defined under section 2(38) of the Companies Act, 2013 in respect to their (1) Report on Restated Financial Statements and (2) Report on Statement of Possible Tax Benefits and issued by them, included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

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

Stock Market data for our Equity Shares of our Company

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.

Price Information and track record of past issues handled by the Book Running Lead Manager

Expert Global Consultants Private Limited

For details regarding the track record of the BRLM, as specified in Circular reference

Sr. No.	Issuer Company Name	Issue Size (₹ in Lakhs)	Issue price	Listing date	Opening price on listing date	+/-% change in closing price, [+/-% change in closing benchmark]- 30th calendar days from listing	+/-% change in closing price, [+/- % change inclosing benchmark]- 90th calendar days from listing	+/-% change inclosing price, [+/-% change in closing benchmark]- 180th calendar days from listing
SME - IPOs								
1.	Rite Zone Chemcon India Limited	896.40	75.00	November 11, 2022	82.85	-7.99%; [0.80%]	-11.56%; [-2.60%]	-19.21%; [-0.46%]
2.	Dollex Agrotech Limited	2,438.80	35.00	December 28, 2022	30.00	15.24%; [-1.27%]	-12.70%; [-6.27%]	18.10%; [3.00%]
3.	Sonalis Consumer Products Limited	283.20	30.00	June 19, 2023	38.00	85.59%; [5.30%]	69.65% [7.66%]	-17.29%; [14.40%]
4.	Zeal Global Services Limited	3,646.20	103.00	August 09, 2023	147.00	57.11%; [0.48%]	32.52%,]; [-1.12%]	16.29%; [10.90%]
5.	Mangalam Alloys Limited	5491.20	80.00	October 04, 2023	80.00	-34.54%; [-1.56%]	-32.70%; [11.86%]	-55.46%; [14.87%]
6.	Royal Sense Limited	986.00	68.00	March 19, 2024	129.20	16.10%: [1.51%]	2.65% [7.55%]	15.37%; [16.22%]
7.	Jay Kailash Namkeen Limited	1,192.53	73.00	April 08, 2024	85.00	-12.59%; [-1.61%]	-17.83%; [7.31%]	-11.46%; [10.36%]
8.	K2 Infragen Limited	4,054.09	119.00	April 08, 2024	167.00	-18.96%; [-1.61%]	77.00%; [7.31%]	40.40%; [10.36%]
9.	Durlax Top Surface Limited	2,856.00	68.00	June 26, 2024	109.00	-25.54%; [2.25%]	-36.60%; [8.67%]	NA
10.	Mason Infratech limited	3,046.40	64.00	July 01, 2024	88.00	73.11%: [2.96%]	61.26%; [8.44%]	NA
11.	Trom Industries Limited	3,136.74	115.00	August 01, 2024	235.00	20.20%; [0.90%]	NA	NA
12.	Innomet Advanced Materials Limited	3,423.60	100.00	September 18, 2024	190.00	1.88%: [-2.47%]	NA	NA
13.	Neelam Linens And Garments (India) Limited	1300.32	24.00	November 18, 2024	40.05	NA	NA	NA
Main Board IPOs								
Nil								

CIR/MIRSD/1/2012 dated *January 10, 2012*, issued by SEBI, please see the website www.expertglobal.in

Notes:

(a) Source: www.screener.com for the price information

(b) Wherever 30th/90th/180th calendar day from the listing day is a holiday, the closing data of the next trading day has been considered.

(c) The Nifty 50 index is considered as the benchmark index.

Summary statement of price information of past public issues handled by BRLM:

Expert Global Consultants Private Limited

Financial year	Total no. of IPO	Total funds Raised (₹ Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30th Calendar day from listing date			Nos of IPOs trading at discount on 180th Calendar day from listing date			Nos of IPOs trading at premium on 180th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less Than 25%
FY 2022-23	2	3,335.20	-	-	1	-	-	1	-	-	1	-	-	1
FY 2023-24	4	10,406.60	-	1	-	2	-	1	1	-	1	-	-	2
FY 2024-25	7	18,946.36	-	1	2	1	-	1	-	-	-	-	-	-

**The information is as on the date of the document. The information for each of the financial years is based on issues listed during such financial year.*

Track record of past issues handled by the Book Running Lead Manager

For details regarding the track record of the BRLM, as specified in Circular reference *CIR/MIRSD/1/2012* dated *January 10, 2012* issued by SEBI, please see the website www.expertglobal.in

Previous Rights and Public Offers

Except as stated in the section titled *"Capital Structure"* beginning on page 60 of this Red Herring Prospectus, we have not made any previous rights and/or public offers during last five years, and are an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations and this Offer is first "Initial Public Offering" in terms of the SEBI (ICDR) Regulations.

Commission and Brokerage on previous offers

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the last five years.

Capital Issue during the previous three years by Issuer Company and Listed Group Companies / Subsidiaries / Associates

Our Company has not made any capital issues during the three years preceding the date of this Red Herring Prospectus. Further, our Company does not have any listed group companies, subsidiaries or associates.

Performance vis-à-vis Objects for our Company and/or Listed Subsidiary Company and/or listed Promoter Company

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations and this Offer is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Therefore, data regarding performance vis-à-vis objects is not applicable to us. Further, as on date of this Red Herring Prospectus our Company has no any listed corporate promoters and no listed subsidiary company.

Outstanding Debentures, Bonds, Redeemable Preference Shares and other instruments issued by the Company

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

SECTION IX – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "General Information Document") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013, 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 Exchange(s) and the BRLM. Please refer to the relevant provisions of the General Information Document, which are applicable to the Issue.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of Confirmation of Allocation Note ("CAN") and Allotment in the Issue; (vi) price discovery and allocation (vii) general instructions (limited to instructions for completing the Bid cum Application Form); (viii) designated date; (ix) disposal of applications;(x) submission of Bid cum Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable of Companies Act 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI vide 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, 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 Retail Individual Bidders applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by Retail Individual Bidders through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later("UPI Phase II"). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 had extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("UPI Phase III"), and modalities of the implementation of UPI Phase III has been notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, and circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021 except as set out in circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the provision of this circular are deemed to form part of this Red Herring Prospectus. Furthermore, pursuant to circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 5,00,000 shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or after May 1, 2022 and the provisions of this circular are deemed to form part of this Red Herring Prospectus. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/ 2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

The BRLM shall be the nodal entity for any issues arising out of public issuance process. In terms of regulation 23(4), 23(5) and regulation 271 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, in SEBI Circular. No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, the timelines, processes and compensation policy shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and book running lead manager shall continue to coordinate with intermediaries involved in the said process.

Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this Section and is not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids

are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus.

Further, Our Company and the Book Running Lead Manager are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for Bid in this Issue.

The Issue

The Issue comprises of a Fresh Issue by our Company.

Ranking of Equity Shares

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association of our company and shall rank pari - passu with the existing Equity Shares of our Company in all respects including dividend. The Allottees upon receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 2013 and the Articles. For more information, please see *"Main Provisions of the Articles of Association"* on page 248 of this Red Herring Prospectus.

Authority for the Issue

This Issue has been authorized by a resolution of the Board passed at their meeting held on *June 21 2024*, subject to the approval of shareholders through a special resolution to be passed pursuant to section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the AGM of the Company held on *July 08,2024*.

Mode of payment of dividend

Our Company shall pay dividends, if declared, to the Shareholders, as per the provisions of the Companies Act 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articlesof Association, and any guidelines or directives that may be issued by the Government of India in this respect. Any dividends declared, after the date of Allotment in this Issue, will be payable to the Allottees who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable laws. For more information, please see *"Dividend Policy*" on page 181 and *"Main Provisions of the Articles of Association"* on page 248 of this Red Herring Prospectus.

Face Value, Issue Price, Floor Price and Price Band

The face value of each Equity Share is ₹10 and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the Book Running Lead Managers (BRLMs), and shall be published by our Company in all editions of the English national newspaper i.e. Financial Express, all editions of the Hindi national newspaper i.e. Jansatta and regional newspaper i.e. Gurgaon Mail, each with wide circulation at the place where registered office of the issuer is situated at least two (2) Working Days prior to the Bid/Issue Opening Date, and shall be made available to the Stock Exchanges for the purpose of uploading the same on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filledin the Bid-cum-Application Forms available at the respective websites of the Stock Exchanges. The Issue Price shall be determined by our Company in consultation with the BRLMs, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process.

At any given point in time there will be only one denomination for the Equity Shares.

Compliance with SEBI ICDR Regulations, 2018

Our Company shall comply with all requirements of the SEBI ICDR Regulations 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 shareholder

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Shareholders will have the following rights:

(i) right to receive dividends, if declared;
(ii) right to receive Annual Reports and notices to members;
(iii) right to attend general meetings and exercise voting powers, unless prohibited by law;
(iv) right to vote on a poll either in person or by proxy or e-voting in accordance with the provisionsof the Companies Act, 2013;
(v) right to receive offers for rights shares and be allotted bonus shares, if announced;
(vi) right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
(vii) right of free transferability of their Equity Shares, subject to applicable regulations and other applicable law; and
(viii) such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, our Memorandum of Association, Articles of Association and other applicable laws.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, please see *"Main Provisions of the Articles of Association"* on page 248 of this Red Herring Prospectus.

Allotment only in dematerialised form

Pursuant to section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges.

In this context, two agreements have been entered into amongst our Company, the respective Depositories and the Registrar to the Issue:

(i) Tripartite agreement dated March 16, 2023 among NSDL, our Company and the Registrar to the Issue; and
(ii) Tripartite agreement dated April 05, 2024 among CDSL, our Company and Registrar to the Issue.

Our Company's Equity Shares bear ISIN no INE0P5R01014

Market lot and trading lot

Trading of the Equity Shares will happen in dematerialised form, the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by NSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Delhi, 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 will be offered and sold outside the United States in compliance with Regulation 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.

Joint holders

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Nomination Facility to investors

In accordance with section 72 of the Companies Act 2013, read with Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest, to the exclusion of all other persons, unless the nomination is verified or cancelled in the prescribed manner. 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 theEquity 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, transfer or alienation of Equity Share(s) by the holder of such Equity Share(s). A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form. Fresh nomination can be made only on the prescribed form available on request atthe Registered Office or Corporate Office or at the registrar and transfer agents of our Company.

Further, any person who becomes a nominee by virtue of section 72 of the Companies Act 2013 will, on the production of such evidence as may be required by our Board, elect either:

(i) to register himself or herself as holder of Equity Shares; or
(ii) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to beregistered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividend, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participants.

Bid / Issue Period

BID/ISSUE OPENS ON*	Wednesday, December 11, 2024
BID/ISSUE CLOSES ON**	Friday, December 13, 2024

**Our Company in consultation with the BRLMs, may consider participation by Anchor Investors. The Anchor Investor Bid / Issue Period shall be one (1) Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.*
*** Our Company, in consultation with the BRLMs, may consider closing the Bid/Issue Period for QIBs one (1) Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. UPI mandate end time and date shall be 5.00PM on Bid/ Issue Closing Date.*

The Anchor Investor Bid/ Issue Period will be one Working Day prior to the Bid/ Issue Opening Date i.e., Tuesday, December 10, 2024 , in accordance with the SEBI ICDR Regulations:

1) *In terms of regulation 265 of SEBI (ICDR) Regulation, 2018, the Issue shall be open after at least three working days from the date of filing the Red Herring Prospectus with the Registrar of Companies.*
2) *In terms of regulation 266(1) of SEBI (ICDR) Regulation, 2018, Except as otherwise provided in these regulations, the public Issue shall be kept open for at least three working days and not more than ten working days.*
3) *In terms of regulation 266(2) of SEBI (ICDR) Regulation, 2018, In case of a revision in the price band, the issuer shall extend the bidding (Issue) period disclosed in the red herring prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation (1) is applicable to our company as this is Book Building issue.*
4) *In terms of regulation 266(3) of SEBI (ICDR) Regulation, 2018, In case of force majeure, banking strike or similar circumstances, our company may, for reasons to be recorded in writing, extend the Issue period disclosed in the Red Herring Prospectus, for a minimum period of three working days, subject to the provisions of sub- regulation 266(1).*

An indicative timetable in respect of the Issue is set out below:

Anchor Investor Bidding Date	Tuesday, December 10, 2024
Bid / Issue Opened Date	On or about Wednesday, December 11, 2024
Bid / Issue Closed Date* (1)	On or about Friday, December 13, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange**	On or about Monday, December 16, 2024

Initiation of refunds (if any, for Anchor Investors) / unblocking of funds	On or about Monday, December 16, 2024
Credit of the Equity Shares to depository accounts of Allottees	On or about Tuesday, December 17, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Wednesday, December 18, 2024

**UPI mandate end time and date shall be at 5.00 pm on Bid/ Issue Closing Date.*

*** In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through theUPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the bidders shall be compensated at a uniformrate of ₹ 100/- per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the requestfor cancellation/ withdrawal/ deletion is placed in the Stock Exchange Applying platform until the date on whichthe amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the bidder shall be compensated at a uniform rate ₹ 100/- per day or 15% per annumof the total cumulative blocked amount except the original bid amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more thanthe Bid Amount, the bidder shall be compensated at a uniform rate of ₹ 100/- per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the dateof actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bid , exceeding two Working Days from the Issue Closing Date, the bidder shall be compensated at a uniform rate of ₹ 100/- per day or 15% perannum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days fromthe Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue BRLM shallbe liable for compensating the bidder at a uniform rate of ₹ 100/- per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and the bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.*

(1) Our Company in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

The above timetable is indicative and does not constitute any obligation or liability on our Companyor the members of the Syndicate.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three (3) Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by SEBI, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. Our Company shall within two days from the closure of the Issue, refund the subscription amount received in case of non-receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

In terms of the UPI Circulars, in relation to the Issue, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three (3) Working Days from the Bid/Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI **after the date of this Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the issue procedure is subject to change basis any revised SEBI circulars to this effect.**

Submission of Bids (other than Bids from Anchor Investors)

Bid / Issue Period (except the Bid/Issue Closing Date)	
Submission and revision in Bids	Only between 10.00 am and 5:00 pm Indian Standard Time ("**IST**")
Bid / Issue Closing Date	
Submission and revision in Bids	Only between 10.00 am and 3:00 pm IST

**UPI mandate end time shall be 5:00 pm on the Bid / Issue Closing Date.*

Standardization of cut-off time for uploading of applications on the Issue closing date:

(i) A standard cut-off time of 3.00 p.m. for acceptance of applications.

(ii) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individualapplicants.

(iii) 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 considering the total numberof bids received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

(iv) A standard Cut off time of upto 1:00 PM on T Day for Physical application (Bank ASBA) submission by investors.

(v) A standard Cut off time of upto 12:00 PM on T Day for Physical application (Syndicate Non-Retail, Non-Individual Applications of QIBs and NIIs) submission by investors. Syndicate members shall transfer such applications to banks before 1pm on T Day.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue Closing Date (T day). All times mentioned in this Red Herring Prospectus are Indian Standard Times.

Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public issue, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Red Herring Prospectus is Indian Standard Time.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted bids to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/Issue Opening Date till the Bid/Issue Closing Date (T) by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such bids by the closing hours of the Working Day.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/ Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e., the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Member.

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the bidding (issue) period disclosed in the red herring prospectus (in case of a book built issue) or the issue period disclosed in the Red Herring prospectus (in case of a fixed price issue), for a minimum period of three working days, subject to the Bid/ Issue Period not exceeding 10 working days.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Bid / Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100/- per day for the entire duration of delay exceeding four Working Days from the Bid / Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Separately, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted bids	₹100/- per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	Instantly revoke the blocked fundsother than the original bid amount and ₹100/- per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multipleamounts were blocked till the date of actual unblock
Blocking more amount than the Bid	Instantly revoke the difference amount, i.e., the	From the date on which the funds to the excess

Amount	blocked amount less the Bid Amount and	of the Bid Amount were blocked till the date of actual unblock
	₹100/- per day or 15% per annum of the difference amount, whichever is higher	
Delayed unblock for non – Allotted /partially Allotted bids	₹100/- per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the post-issue BRLM shall be liable to compensate the investor ₹100/- per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable forthe period ranging from the day on which the investor grievance is received till the date of actual unblock.

Due to limitation of time available for uploading the bids on the issue Closing Date, the bidder advised to submittheir bids one day prior to the issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the issue Closing Date. All times mentioned in this Red Herring Prospectus are Indian Standard Times at the Bidding Centres as mentioned on the Bid cum Application form except that:

(a) in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST); and

(b) in case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. (IST), which may be extended up tosuch time as deemed fit by the Stock Exchanges after considering the total number of bids received up to the closure of timings and reported by the BRLM to the Stock Exchanges.

(c) A standard Cut off time of upto 1:00 PM on T day for Physical application (Bank ASBA) submission by investors.

(d) A standard Cut off time of upto 12:00 PM on T day for Physical application (Syndicate Non-Retail, Non-Individual Applications of QIBs and NIIs) submission by investors. Syndicate members shall transfer such applications to banks before 1pm on T day.

For the avoidance of doubt**, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs will be rejected.**

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 the Stock Exchange may be taken as the final data for the purpose of Allotment.

Minimum Subscription

This issue is not restricted to any minimum subscription level. This issue is 100% underwritten per Regulation 260(1) of SEBI ICDR Regulations. If the Issuer does not receive the subscription of 100% of the Issue through this Issue document including devolvement of Underwriter within sixty days from the date of closure of the Issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after the issuer becomes liable to pay the amount, the issuer shall pay interest as prescribed under law.

Further, in accordance with Regulation 268 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).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000/- (Rupees One Lakhs) per application.

If our Company does not receive the minimum subscription in the Issue as specified under Rule 19(2)(b) of the SCRR or the minimum subscription of 90% of the Fresh Issue on the Bid/Issue Closing Date; or subscription level falls below aforesaid minimum subscription after the Bid/Issue Closing Date due to withdrawal of Bids or technical rejections or any other reason; or in case of devolvement of Underwriter, aforesaid minimum subscription is not received or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares in the Issue, our Company shall forthwith refund the entire subscription amount received.

In terms of the SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, our Company shall within four days from the closure of the Issue, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under applicable law.

In the event of under-subscription, Subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule

19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, the Allotment of Equity Shares shall be made towards subscription of the Fresh Issue.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders.

Arrangements for Disposal of Odd Lots

Since the Equity Shares will be traded in dematerialised form only, and the market lot for the Equity Shares will be one Equity Share, there are no 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 of the Issuer in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on EMERGE Platform of National Stock Exchange of India Ltd.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Issue.

Allotment of Equity Shares in Dematerialized Form

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

Application by Eligible NRI's, FPI's Registered with SEBI, VCF's, AIF's Registered with SEBI and QFI's

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 60 of this Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details, please refer to the section titled *"Main Provisions of Articles of Association"* beginning on page 248 of this Red Herring Prospectus.

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 is not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

Withdrawal of the Issue

Our Company, in consultation with the BRLMs, reserves the right not to proceed with the Issue after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The BRLMs, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Bank(s), in case of UPI Bidders using the UPI Mechanism, to unblock thebank accounts of the ASBA Bidders and the BRLMs shall notify the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed simultaneously.

Notwithstanding the foregoing, the Issue 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 (3) Working Days of the Bid/ Issue Closing Date or such other time period as prescribed under Applicable Law and also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be. If our Company withdraws the Issue at any stage including after the Bid/ Issue Closing Date and thereafter

determines that it will proceed with an issue or offer for sale of the EquityShares, our Company shall file a fresh Red Herring Prospectus with SEBI and the Stock Exchanges. The notice of withdrawal of the Issue after the Bid/Issue Closing Date will be issued inthe same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchanges will also be informed promptly.

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 National Stock Exchange of India Limited from SME Exchange platform on a later date subject to the following:

If the Paid up Capital of our Company is likely to increase above ₹2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall mandatorily apply to National Stock Exchange of India Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

If the Paid up Capital of our company is more than ₹1,000 lakhs but below ₹2,500 lakhs, our Company may still apply for Voluntary migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market making

The shares issued through this Issue are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on EMERGE Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled "*General Information*" on page 50 of this Red Herring Prospectus.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Red Herring Prospectus with the RoC, Delhi, publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

Compliance with SEBI ICDR Regulations

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.

As per the extent guidelines of the government of India, OCBs cannot participate in this Issue

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non- resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this

Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid cum Application form, the OCB shall be eligible to be considered for share allocation.

The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the 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.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of the Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our post Issue capital is less than ten crores rupees. The Company shall Issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of NSE). For further details regarding the salient features and terms of such this Issue, please see the chapters titled *"Terms of the Issue"* and *"Issue Procedure"* beginning on pages 216 and 228 respectively, of this Red Herring Prospectus.

Initial Public Issue of up to 26,04,000 equity shares of face value of ₹ 10/- each ("equity shares") for cash at a price of ₹ [●] per equity share (including a share premium of ₹ [●] per equity share) ("issue price") aggregating up to ₹ [●] lakhs of which up to 1,31,000 equity shares of face value of ₹ 10/- each for cash at a price of ₹ [●] per equity share including a share premium of [●] per equity share aggregating to ₹ [●] will be reserved for subscription by market maker to the issue (the "market maker reservation portion"). the issue less the market maker reservation portion i.e. net issue of 24,73,000 equity shares of face value of ₹10/- each at a price of ₹ [●] per equity share aggregating to ₹ [●] is herein after referred to as the "net issue".

The Face value of the Equity Shares is ₹ 10/- each.

In terms of Rule 19(2)(b) of the` SCRR, the Issue is being made through the Book Building Process, incompliance with Regulation 6(1) and 31 of the SEBI ICDR Regulations.

Particulars	QIB's [(1)]	Non–Institutional Bidders	Retail Individual Bidders	Market Maker
Number of Equity Shares*	12,36,000 Equity Shares	3,71,000 Equity Shares	8,66,000 Equity Shares	1,31,000 Equity Shares
Percentage of Issue Size Available for allocation	Not more than 50% of the Net Issue size shall be available for allocation to QIBs. However, up to 5% of net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Fund only. Up to 60% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only	Not less than 15% of the Issue or the Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation	Not less than 35% of the Offer or the Offer less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.	5.03% of the Issue Size
Basis of Allotment / Allocation if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion: (a) up to 24,000 Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds only; and; (b) 4,71,000 Equity shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above 7,41,000 Equity Shares may be allocated on a discretionary basis to Anchor Investors For further details please refer to the section titled "Issue Procedure" beginning on page 228 of this Red Herring Prospectus.	Allotment to each Non- Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and The remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, "*Issue Procedure*" on page 228 of this Red Herring Prospectus.	Firm Allotment
Mode of Application	ASBA Process only (excluding Anchor Investors)	ASBA Process Only	ASBA only (including the UPI Mechanism)	ASBA Process Only
Minimum Bid Size	Such number of Equity shares in multiple of [●] Equity shares such that Application size exceeds ₹ 2,00,000	Such number of Equity shares in multiple of [●] Equity shares such that	[●] Equity Shares of Face Value of ₹10.00 each	1,31,000 Equity Shares

Particulars	QIB's [1]	Non–Institutional Bidders	Retail Individual Bidders	Market Maker
		Application size exceeds ₹ 2,00,000		
Maximum Bid Size	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the Anchor Portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB Portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000	1,31,000 Equity Shares
Trading Lot		`[●] Equity Shares		[●] Equity Shares. However, the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Mode of Allotment	Compulsorily in Dematerialised Mode			
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples [●] Equity Share			
Terms of Payment	In case of Bidders: 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 (for RIIs), that is specified in the ASBA Form at the time of submission of the ASBA Form.			

** Subject to finalization of allotment.*

*** Assuming full subscription in the Issue*

(1) Our Company, in consultation with the BRLMs, may 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.In the event of under -subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For details please see "Issue Structure" on page 225 of this Red Herring Prospectus.

(2) Subject to valid Bids being received at or above the Issue Price. This is an Issue in terms of Rule 19(2)(b) of the SCRR in compliance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to validBids being received from them at or above the Issue 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 all QIBs. Further, not less than 15% of the Net Issue shall be available forallocation to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 200,000 and up to ₹ 1,000,000, and (ii) two third ofthe portion available to Non Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 1,000,000 provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders.

(3) 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. The signature of only such first Bidder would be required in the Bid cum Application Formand such first Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids, except as otherwise permitted, in any or all categories.

(4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay -In Date as indicated in the CAN. Bidders will be required to confirm and will be deemed to have represented to our

Company,, the Underwriter, 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.

The Bids by FPIs with certain structures as described under the section entitled "*Issue Procedure – Bids by FPIs*" on page 228 of this Red Herring Prospectus and having same PAN may be collated and identified as a single Bid in theBidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriter, 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.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriter, 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.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs, and theDesignated Stock Exchange, on a proportionate basis. For further details, please see "*Terms of the Issue*" on page 216 of this Red Herring Prospectus.

Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 ("Circular") standardized the lot size for Initial Public Issue proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price (in ₹)	Lot Size (No. of shares)
Up to 14	10,000
More than 14 up to 18	8,000
More than 18 up to 25	6,000
More than 25 up to 35	4,000
More than 35 up to 50	3,000
More than 50 up to 70	2,000
More than 70 up to 90	1,600
More than 90 up to 120	1,200
More than 120 up to 150	1,000
More than 150 up to 180	800
More than 180 up to 250	600
More than 250 up to 350	400
More than 350 up to 500	300
More than 500 up to 600	240
More than 600 up to 750	200
More than 750 up to 1,000	160
Above 1,000	100

Further to the circular, at the Initial Public Offer stage the Registrar to Issue in consultation with Book Running Lead Manager, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.

ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issue prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI ("General Information Document") and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section "PART B – General Information Document", which highlights the key rules, processes andprocedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013,the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public Issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 as amended from timeto time, including pursuant to circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 ("**UPI Circular**") has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in Phase I, was effective along with the prior process and existing timeline of T+6 days ("**UPI Phase I**"), until 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 discontinuedand only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**") with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-2019 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. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular has come into force for initial public offers opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Red Herring Prospectus

Thereafter, the final reduced timeline may be made effective using the UPI Mechanism for applications by RetailIndividual Investors ("**UPI Phase III**"), as may be prescribed by SEBI. Accordingly, the Issue will be made underUPI Phase II, unless UPI Phase III becomes effective and applicable on or prior to the Bid / Issue Opening Date.If the Issue is made under UPI Phase III, the same will be advertised in all editions of the English national newspaper i.e. Financial Express, all editions of the Hindi national newspaper i.e. Jansatta and regional newspaper i.e. Gurgaon Mail, each with wide circulation at the place where registered office of the issuer is situated on or prior to the Bid / Issue Opening Date and suchadvertisement shall also be made available to the Stock Exchange for the purpose of uploading on their websites.Further SEBI vide circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 have brought the implementation of the aforesaid circular dated March 16, 2021 in accordance with the revised timelines for certain of its provisions based on representations received from the stakeholders due to Covid-19 pandemic. Therevisions of the circular dated June 02, 2021 are elaborated as under: -

- SCSB's shall continue to send SMS alerts during the actual block/debit/unblock of UPI mandate in the prescribed format, the details of total number of shares applied/allotted/non-allotted etc shall be included in SMS for Public Issues opening on/after January 01, 2022.
- The automated web portal shall be live and operational after due testing and mock trials with the CUGentities for Public Issues opening on or after October 01, 2021. The requisite information on this automated portal shall be updated periodically in intervals not exceeding two hours.

- In the interim, for the Public Issues opening from the date of this circular and till the automated web portal is live and operational, the Sponsor Banks shall send the details to the e-mail address of CUG entities periodically in intervals not exceeding three hours. In case of exceptional events viz., technical issues with UPI handles/PSPs/TPAPS/SCSB's etc, the same shall be intimated immediately to the CUGentities so as to facilitate the flow of information in the Public Issue process.
- The Stock Exchanges and Book Running Lead Manager shall facilitate providing the requisite data of CUG entities to Sponsor Bank for the development of automated web portal. Such information shall be provided to the Sponsor Bank before opening of the Public Issue.
- The Registrar to the Issue shall provide the allotment files to the Sponsor Bank by 09:00 PM on T+1 i.e.,the day when the Basis of Allotment (BOA) has to be finalized.
- The Sponsor Bank shall execute the online mandate revoke file for Non-Allottees/ Partial Allottees and provide pending applications for unblock, if any, to the Registrar to the Issue, not later than 09:30A.M.on BOA+1.
- Subsequent to the receipt of the pending applications for unblock from the Sponsor Bank, the Registrar to the Issue shall submit the bank-wise pending UPI applications for unblock to the SCSBs, not later than04:00 PM on BOA+1 and ensure that the unblocking is completed on T+2.

Our Company and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

Further, our Company and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

SEBI vide Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, which came into force for public issue opening on or after May 01, 2022 has decided that all Individual Investors applying in Public Issueswhere the application amount is upto ₹ 5 Lakhs shall use UPI.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding 4 (four) Working Days from the Issue Closing Date, the bidder shall be compensatedat a uniform rate of ₹100/- per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their solediscretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Bid cum Application money to four days.

Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their applications are submitted in accordancewith applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus. Further, our Company and the BRLM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for bid cum application in this Issue.

Our Company and the BRLM are not liable for any amendments, modifications or change in applicable laws or regulations**, which may occur after the date of this Red Herring Prospectus.**

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

Book Building Procedure

The Issue is being made in terms of Rule 19(2)(b) of the SCRR through Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLMs, 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 QIBPortion. Further, 5% of the net 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 Issue Price. Further, not less than 15% of the Issue shall be available for allocation to Non-Institutional Bidders, of which one- third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 2,00,000 up to ₹ 10,00,000 and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10,00,000 and under- subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non- Institutional Portion. Further, not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws.

Subject to valid Bids being received at or above the Issue 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. In accordance with Rule 19(2)(b) of the SCRR, the Issue will constitute at least 10% of the post-Issue paid-up Equity Share capital of our Company. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the IPO.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders 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 and PAN and UPI ID (for RIBs using the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.**

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 Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

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 / Final Certificate 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 Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allotees as per process mentioned below:

Process for generating list of allotees: -

- 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 drawal of lots provided by Designated Stock Exchange (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 applications 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 allotees, partial allotees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia*, equity shares. 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 issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blockingof funds will be discontinued and will be replaced by the UPI Mechanism. However, the time durationfrom public issue closure to listing would continue to be six Working Days during this phase. Further,SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice.

Phase III: This phase has become applicable on 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 issue closure to listing has been reduced to three Working Days. The issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Issue Opening Date. If the Issue is made under UPI Phase III of the UPI Circular, the same will be advertised in all editions of the English national newspaper i.e. Financial Express, all editions of the Hindi national newspaper i.e. Jansatta and regional newspaper i.e. Gurgaon Mail, each with wide circulation at the place where registered office of the issuer is situated, each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.

All SCSBs offering the facility of making applications in public offers shall also provide the facilityto make application using UPI. Our Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the Retail Individual Bidders using the UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Electronic registration of Bids

(a) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into theonline facilities for Book Building on a regular basis before the closure of the Issue.

(b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such timeas may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period till 5.00 pm on the Bid/Issue Closing Date after whichthe Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing

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 Book Running Lead Manager, 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 website of the NSE (www.nseindia.com), 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 Book Running Lead Manager. UPI Bidders

Bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection

All Bidders (other than Anchor Investors) shall mandatorily participate in the issue only through the ASBA process, ASBA Bidders (other than UPI Bidders using the UPI Mechanism) must provide the bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details will be rejected. Anchor Investors are not permitted to participate in the issue through the ASBA process.

The ASBA Bidders, including UPI Bidders, shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, which shall be effective from September 1, 2022.

ASBA Bidders (not using the UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected. The ASBA Bidders shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, which shall be effective from September 1, 2022. All ASBA Bidders are required to provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that did not contain such details will be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable to be rejected. The UPI Bidders must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Banks, as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

Since the Issue is made under Phase III, ASBA Bidders may submit the ASBA Form in the manner below:

(a) Retail Individual Bidders (other than the UPI Bidders 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.
(b) UPI Bidders 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.
(c) QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.
(d) 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 or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.

In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cumApplication Form*
Resident Indians including resident QIBs, Non-Institutional Bidders,Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including FPIs and Eligible NRIs, FVCIs and registered bilateral and multilateral development financial institutions applying ona repatriation basis	Blue
Anchor Investors	White

** Excluding electronic Bid cum Application Forms Notes:*

(a) Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com.)

(b) Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLM.

In case of ASBA forms, the relevant Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. The Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on application monies blocked. For UPI Bidders, the Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded. The Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds.

For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate the UPI Bidders in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the Bankers to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Issue shall provide the audit trail to the Book Running Lead Managers for analysing the same and fixing liability.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis andshare reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm IST on the Bid/Offer Closing Date ("Cut-Off Time"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification/cancellation of Bids (if any) shall be allowed in parallel during the Bid/Offer Period until the Cut-Off Time.

Pursuant to NSE circular dated August 3, 2022 with reference no. 25/2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

(a) Cut-off time for acceptance of UPI mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the issue and Depository Participants shall continue till further notice;

(b) There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued;

(c) Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5 pm on the initial public offer closure day;

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/ Offer Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in accordance 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 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with applicable state **securities laws in the United States.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India **and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

Electronic registration of Bids

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Issue.
b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

Participation by the Promoter, Promoter Group, the BRLMs, associates and affiliates of the BRLMs and the Syndicate Members and the persons related to Promoter, Promoter Group, BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may bid for Equity Shares in the Issue, eitherin the Net QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, and such Bid subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLMs nor any associates of the BRLMs can apply in the Issue under the Anchor Investor Portion:

(a) mutual funds sponsored by entities which are associate of the BRLMs

(b) insurance companies promoted by entities which are associate of the BRLMs

(c) AIFs sponsored by the entities which are associate of the BRLMs; or

(d) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entitieswhich are associate of the BRLMs.

Further, an Anchor Investor shall be deemed to be an "associate of the Book Running Lead Manager" if:

(a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or
(b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or
(c) there is a common director, excluding nominee director, amongst the Anchor Investors, the Book Running Lead Manager.

Further, persons related to our Promoter and Promoter Group shall not apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "*person related to the Promoter or Promoter Group*": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoter or members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

(i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at theoffices of the BRLMs.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount's atleast ₹200 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 lakhs.

(iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid/Issue Opening Date,i.e., the Anchor Investor Bidding Date, and will be completed on the same day.

(v) Our Company in consultation with the BRLMs will finalise 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 ₹2,500.00 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 ₹2,500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation up to ₹2,500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹2,500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor.

(vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. 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 BRLMs before the Bid/Issue Opening Date, through intimation to the Stock Exchanges.

(vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submissionof the Bid.

(viii) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Issue 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 Allocation Price shall still be the Anchor Investor Issue Price.

(ix) The Equity Shares Allotted in the Anchor Investor Portion will be locked in, in accordance with the SEBI ICDR Regulations. 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.

(x) Neither the BRLMs or any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies or family offices sponsored by the entities which are associate of the BRLMs) nor any "person related to the Promoter or Promoter Group" shall apply in the Issue under the Anchor Investor Portion.

(xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

Bids by Eligible Non-Resident Indians

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).

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB to block their NRE accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders Bidding on a non repatriation basis by using Resident Forms should authorise their respective SCSB to block their NRO accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs applying on a non-repatriation basis in the Offer through the UPI Mechanism are advised to enquire with their relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or

preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the members of the Indian company in a general meeting.

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 247 of this Red Herring Prospectus.

Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will notbe treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any company, provided that the limit of 10% shall not be applicable for investments in case of index fund or sector or industry specific scheme. No Mutual Fund under all its schemes shouldown more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Issue. Eligible NRI Bidders bidding ona repatriation basis by using the Non-Resident Forms should authorize their respective SCSB or confirm or accept the UPI Mandate Request (in case of Retail Individual Investors Bidding throughthe UPI Mechanism) to block their Non- Resident External ("**NRE**") accounts (including UPI ID, if activated), or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders biddingon a non-repatriation basis by using Resident Forms should authorize their respective SCSB to block their Non-Resident Ordinary ("**NRO**") accounts or confirm or accept the UPI mandate request (incase of Retail Individual Bidders using the UPI Mechanism) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue colour). For further, please see "*Restrictions on Foreign Ownership of Indian Securities*" on page 247 of this Red Herring Prospectus.

Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the *karta*. The Bidder/applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

Bids by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI or an investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control) shall be below 10% of our post-issue

Equity Share capital on a fully diluted basis. In case, the total holding of an FPI, or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to theconditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in whichour Company operates (i.e., up to 100%). In terms of the FEMA, for calculating the aggregate holdingof FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents (Blue colour).

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

As specified in 4.1.4.2 (b)(i) and 4.1.4.2 (c)(iv) of the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations ("MIM Structure"), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids are liable to be rejected. Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments ("ODI") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

With effect from the April 1, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24%, 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 100%.
FPIs are permitted to participate in the issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii)obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, is permitted to issue, subscribe to or otherwise deal in offshore derivative instruments directly or indirectly, if it complies with the following conditions: (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with the 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

a. such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and
b. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

(1) FPIs which utilise the multi investment manager structure;

(2) Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;

(3) Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;

(4) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;

(5) Multiple branches in different jurisdictions of foreign bank registered as FPIs;

(6) Government and Government related investors registered as Category 1 FPIs; and

(7) Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation.

In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation ofSEBI FPI Regulations, such multiple Bids shall be rejected

For details of investment by FPIs in the Issue, please see "*Restrictions on Foreign Ownership of Indian Securities*" on page 247 of this Red Herring Prospectus. Participation of FPIs shall be subject to the FEMA Non-debt Instruments Rules.

The FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for non-residents.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations, inter alia, prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, subject to FEMA Rules, VCFs and FVCIs can invest only up to 33.33% of their investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least six months period from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor. However, if such VCFs, Category I AIFs or Category II AIFs and FVCIs hold individually or with persons acting in concert, more than 20% of the pre-issue shareholding of such company, this exemption from lock-in requirements will not be applicable.

There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other

categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "Banking Regulation Act"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company, provided that the bank is required to submit a time- bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applicationson their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificateof registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the in consultation with the BRLMs reserve the right to reject any Bid withoutassigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Systemically Important NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserves the right to reject any Bid without assigning

any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million, in each case, subject to applicablelaw and in accordance with their respective constitutional documents a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws as applicable must be lodged along with the 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 reason thereof.

Our Company in consultation with the BRLM, in their absolute discretion, reserve 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, in consultation with the BRLMs, may deem fit, without assigning any reasons thereof.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2500 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid, without assigning any reason therefor.

The above information is given for the benefit of the Bidders. Our Company, and the members of Syndicate are not liable for any amendments or modification or changes in applicable laws orregulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Red Herring Prospectus, the Red Herring Prospectus and Prospectus.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Issue.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding 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 theBRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify orendorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the managementor 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 the Red Herring Prospectus or 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.

General Instructions

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bid(s) during the Bid/ Issue Period and withdraw or lower the size of their Bid(s) until Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after theAnchor Investor Bid/ Issue Period.

Do's:

1. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with CentralBoard of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021;

2. 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.
3. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
4. Ensure that you have Bid within the Price Band;
5. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Retail Individual Investors Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. Retail Individual Investors using the UPIMechanism must mention their correct UPI ID and shall use only his/her own bank account whichis linked to such UPI ID;
6. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
7. Retail Individual Investors Bidding using the UPI Mechanism shall make Bids only through the SCSBs, Mobile Applications and UPI handles whose name appears in the list of SCSBs which arelive on UPI, as displayed on the SEBI website. An application made using incorrect UPI handle orusing a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
8. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
9. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized formonly;
10. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Retail Individual Bidders using UPI Mechanism,may submit their ASBA Forms with Syndicate Members, sub-Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
11. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
12. In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linkedbank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;
13. 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. Ensurethat the signature of the First Bidder is included in the Bid cum Application Forms. PAN of the First Bidder is required to be specified in case of joint Bids;
14. Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;
15. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;
16. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
17. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residingin 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;
18. Ensure that the Demographic Details are updated, true and correct in all respects;
19. 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;
20. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
21. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents, including a copy of the power of attorney, are submitted;
22. Ensure that Bids submitted by any person resident outside India should be in compliance with applicable foreign and Indian laws;
23. Retail Individual Investors Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
24. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in theirBid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;
25. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
26. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank priorto 12:00 p.m. of the Working Day

immediately after the Bid/Issue Closing Date;

27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, were required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall besubmitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids are liable to be rejected;
28. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLM; bb) The ASBA bidders shall ensure that bids above ₹ 500,000, are uploaded only by the SCSBs;
29. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and Retail Individual Bidders bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI (at www.sebi.gov.in) or such other websites as updated from time to time;
30. Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank,as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
31. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the Retail Individual Investor shall be deemed to have verified the attachment containing the application details of the Retail Individual Investor Biddingusing the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his/her ASBA Account;
32. Retail Individual Investors Bidding using the UPI Mechanism should mention valid UPI ID ofonly the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;
33. Retail Individual Investors Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in his/her account and subsequent debit of funds in case of allotment in a timely manner and;
34. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Issue.
35. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.
36. Bids by eligible NRIs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional category for allocation in the Issue.

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 Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
4. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
5. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;
6. Anchor Investors should not Bid through the ASBA process;
7. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;
8. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms;
9. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
10. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue/Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
12. Do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date
13. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Issue Closing Date;
14. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
15. If you are a Retail Individual Bidders and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID
16. Do not submit the General Index Register (GIR) number instead of the PAN;
17. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Investors)
18. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
19. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of Retail Individual Investors Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;

20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors revise or withdraw their Bids until the Bid/Issue Closing Date;
21. 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 Bidder;
22. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by Retail Individual Investors using the UPI Mechanism;
23. 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;
24. 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);
25. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a Retail Individual Investor Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or Mobile Applications and/or UPI handle that is not listed on the website of SEBI;
26. Do not submit a Bid using UPI ID, if you are not a Retail Individual Investor;
27. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹ 500,000;
28. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
29. RIIs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a banks which is not mentioned in the list provided in the SEBI website is liable to be rejected;
30. Do not submit a Bid cum Application Form with third party UPI ID or using a third-party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism); and
31. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/dematcredit/refund orders/unblocking etc., investors shall reach out to our Company Secretary and Compliance Officer. For further details of Company Secretary and Compliance Officer, please see "*General Information- Company Secretary and Compliance Officer*" on page 50 of this Red Herring Prospectus.

For helpline details of the Book Running Lead Managers pursuant to the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see "*General Information –Book Running Lead Managers*" on page 50 of this Red Herring Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manners specified in the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIIs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIIs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form by the RIIs using third party bank accounts or using third party linked bank account UPI IDs;
7. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the DesignatedIntermediary;
8. Bids submitted without the signature of the First Bidder or sole Bidder;
9. The ASBA Form not being signed by the account holders, if the account holder is different fromthe Bidder;
10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are"suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
11. GIR number furnished instead of PAN;
12. Bids by RIIs with Bid Amount of a value of more than ₹200,000;
13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws,rules, regulations,
14. guidelines and approvals;

15. Bids accompanied by stock invest, money order, postal order or cash; and
16. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-InstitutionalInvestors uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIIs uploaded after 5.00 p.m. onthe Bid/ Issue Closing Date, unless extended by the Stock Exchanges.

Further, in case of any pre-issue or post issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please see "*General Information*" on page 50 of this Red Herring Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

The processing fees for applications made by Retail Individual Investors 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/P/2021/750 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/P/2021/2480/1/M dated March 16, 2021.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares through the Issue Document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than one per cent. of the Issue may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to applicants other than to the Retail Individual Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The Allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis. The Allotment to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

Payment into Escrow Account for Anchor Investors

Our Company in consultation with the BRLM, in their 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. Anchor Investors are not permitted to Bid in the Issue through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favor of:

(1) In case of resident Anchor Investors: "Purple United Sales Ltd Anchor R Account"
(2) In case of non-resident Anchor Investors: "Purple United Sales Ltd Anchor NR Account "

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Bank and the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections of Bid amounts from Anchor Investors.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will, after registering this Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of the English national

newspaper i.e. Financial Express, all editions of the Hindi national newspaper i.e. Jansatta and regional newspaper i.e. Gurgaon Mail, each with wide circulation at the place where registered office of the issuer is situated.

Our Company shall, in the pre- Issue advertisement state the Bid/Issue Opening Date, the Bid/Issue Closing Date and the QIB Bid/Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of under the SEBI ICDR Regulations.

Allotment Advertisement

Our Company, the BRLMs and the Registrar shall publish an advertisement in relation to Allotment before commencement of trading, disclosing the date of commencement of trading of the Equity Shares, in all editions of the English national newspaper i.e. Financial Express, all editions of the Hindi national newspaper i.e. Jansatta and regional newspaper i.e. Gurgaon Mail, each with wide circulation at the place where registered office of the issuer is situated.

The above information is given for the benefit of the Bidders/applicants. Our Company and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensurethat the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of Underwriting Agreement and filing of Red Herring Prospectus with the RoC

Our company has entered into an Underwriting Agreement dated October 21, 2024.

After signing the Underwriting Agreement, our Company will file the Red Herring Prospectus with the RoC, in accordance with applicable law. The Red Herring Prospectus will contain details of the Issue Price, Anchor Investor Issue Price, Issue size and underwriting arrangements and will be complete in all material respects.

Depository Arrangements

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

1. Tripartite Agreement dated March 16, 2023 among NSDL, our Company and the Registrar to theIssue.
2. Tripartite Agreement dated April 05, 2024 among CDSL, our Company and Registrar to the Issue.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 ofthe Companies Act, which is reproduced below:

"*Any person who—*

A. makes or abets making of an application in a fictitious name to a company for acquiring, orsubscribing for, its securities; or

B. makes or abets making of multiple applications to a company in different names or in differentcombinations 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, securitiesto him, or to any other person in a fictitious name shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment fora term which shall not be less than six months period extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided thatwhere the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10 lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50 lakhs or with both.

Undertakings by our Company

Our Company undertakes the following:

- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily
- that if the 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, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period
- that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/Issue Closing Date or such other time as may be prescribed
- that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitablecommunication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund
- that if our Company does not proceed with the Issue after the Bid/Issue Closing Date but priorto Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly
- that if our Company, in consultation with the BRLMs, withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh draft Issue document with the SEBI,in the event our Company subsequently decides to proceed with the Issue thereafter
- Promoter's contribution, if any, shall be brought in advance before the Bid / Issue Opening Date
- that adequate arrangements shall be made to collect all Bid cum Application Forms submittedby Bidders and Anchor Investor Application Form from Anchor Investors; and
- no further issue of Equity Shares shall be made until the Equity Shares Issued through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.

Utilisation of Issue Proceeds

Our Company, specifically confirm and declare:

1. that all monies received from the Issue shall be credited / transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilised out of the proceeds from the Issue shall be disclosed, and continue to bedisclosed till all the time any part of the proceeds from the Issue remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monieshave been utilised, or the form in which such unutilised monies have been invested; and
3. details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.
4. Our Company shall comply with the requirements of SEBI (Listing Obligations and Disclosure Requirements) 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 utilize 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. Our Company undertakes that the complaints or comments received in respect of the Offer shall be attended by our Company expeditiously and satisfactorily.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment issought to be made.

The Government of India makes policy announcements on FDI through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India ("**DPIIT**") issued the FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 ("**FDI Circular**"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020.

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 FDI Circular and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Circular;and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI. The RBI and the concerned ministry / department are responsible for granting the approval for foreign investment under the FDI Circular and FEMA.

Up to 100% foreign investment under the automatic route is currently permitted for our Company.

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 cameinto effect from April 22, 2020, all investments, subscriptions, purchases 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 Investor**") will require prior approval of the GoI as prescribed in the 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 GoI. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment)Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as thebeneficial owner of the investments of such bank of fund in India.

Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has beenobtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.For further details, please see *"Issue Procedure"* on page 228 of this Red Herring Prospectus.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with applicable state securities laws in the United States.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the BRLM's are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the Bids are not in violation of laws or regulations applicable to them.

SECTION X-MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

TABLE F

THE COMPANIES ACT, 2013

COMPANY LIMITED BY

SHARES ARTICLES OF

ASSOCIATION

OF

PURPLE UNITED SALES LIMITED
(Formerly known as Purple United Sales Private Limited)

Interpretation

I. (1) In these regulations

(a) "the Act" means the Companies Act, 2013,

(b) "the seal" means the common seal of the Company

(2) 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.

Share capital and variation of rights

II.1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, -

(a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (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 to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

Lien

9. (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 dividends payable and bonuses declared from time to time in respect of such shares.

10. 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.

11. (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 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.

12. (i) 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.

(ii) 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.

Calls on shares

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(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) A call may be revoked or postponed at the discretion of the Board.

14. 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 instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (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.

17. (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.

18. The Board-

(a) 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

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register -

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

21. The Board may decline to recognise 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.

22. 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.

Transmission of shares

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

(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.

24. (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.

25. (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 applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Forfeiture of shares

27. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

28. 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.

29. 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.

30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

(iii) 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.

(iv) 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.

31. (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.

32. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment 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.

Alteration of capital

33. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

34. 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.

35. 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.

36. 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.

Capitalisation of profits

37. (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.

38. (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

39. 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.

General meetings

40. All general meetings other than annual general meeting shall be called extraordinary general meeting.

41. (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.

Proceedings at general meetings

42. (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) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

43. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

44. 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.

45. 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.

Adjournment of meeting

46. (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.

Voting rights

47. 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.

48. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

49. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

50. 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.

51. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

52. 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.

53. (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

54. 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.

55. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

56. 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

57. (i) The number of Directors shall not be less than three and not more than fifteen.

(ii) The Following are the first Directors of the Company:

1. JATINDER DEV SETH
2. SUMAN KOHLI
3. PAYAL

58. (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.

59. The Board may pay all expenses incurred in getting up and registering the company.

60. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.

61. 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.

62. 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.

63. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(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.

Proceedings of the Board

64. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(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.

65. (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.

66. 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.

67. (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.

68. (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.

69. (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.

70. (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.

71. 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.

72. 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.

Borrowing Powers

73. Subject to section 73-76 and 179 of the Companies Act 2013, and Regulations made thereunder, the directors may, from time to time, raise or borrow any sums of money for and on behalf of the Company from the members, companies or banks or they may themselves advance money to the company on such interest or no interest as may be approved by the Directors, without security or on security.

74. The Directors may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respects as they deem fit and in particular by the issue of bonds or debentures or by pledge, mortgage, charge or any other security on all or any properties of the Company (both present and future) including its uncalled capital for the time being.

75. Any debenture, bonds, or other securities may be issued at premium or otherwise and with special privileges as to redemption, surrender, drawing and allotment of shares of the Company and otherwise.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

76. 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 thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

77. 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.

The Seal

78. (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

79. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

80. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

81. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

82. (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.

83. 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.

84. (i) 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.

85. (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

86. 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.

87. 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.

88. No dividend shall bear interest against the company.

Accounts

89. (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

90. Subject to the provisions of Chapter XX of the Act and rules made thereunder

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

91. 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.

SECTION XI – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts, not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus, which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company from date of filing the Red Herring Prospectus with RoC to Offer Closing Date on Working Days from 10.00 a.m. to 5.00 p.m.

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, subjectto compliance of the provisions contained in the Companies Act and other applicable laws.

Material Contracts:

1) Issue Agreement dated July 29, 2024, between our Company and BRLM.
2) Registrar Agreement dated July 29, 2024 between our Company and the Registrar to the Issue.
3) Banker to the Issue Agreement / Sponsor Bank Agreement dated November 19, 2024 amongst our Company, Book Running Lead Manager, the Registrar, Market Maker and the Banker to the Issue.
4) Syndicate Agreement dated October 21, 2024 entered into amongst our Company, BRLM, Registrar and the Syndicate Member.
5) Underwriting Agreement dated October 21, 2024 between our Company the BRLM, Underwriter, and our Company.
6) Market Making Agreement dated October 21, 2024, between our Company, BRLM and Market Maker.
7) Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated March 16, 2023.
8) Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated April 05, 2024.

Material Documents

1) Certified true copy of Certificate of Incorporation, Memorandum and Articles of Association of our Company as amended from time to time;
2) Certified true copy of fresh Certificate of Incorporation consequent upon conversion into public limited company dated June 20, 2024;
3) Board resolution and special resolution passed pursuant to Section 62 (1)(c) of the Companies Act, 2013 by the Board and shareholders of our Company approving the Issue, at their meetings held on *June 21,2024* and *July 08,2024* respectively;
4) Resolution of the Board of Directors of our Company dated *August 10, 2024, November 30, 2024* approving the Draft Red Herring Prospectus, Red Herring Prospectus and dated [●], approving the Prospectus respectively.
5) Copies of annual reports of our Company for the financials year March 31, 2024, Fiscal 2023, Fiscal 2022, Fiscal 2021 and Fiscal 2020;
6) Statutory Peer Auditors Report dated November 23, 2024, on the Restated Financial Information for the six months ended on September 30, 2024, and for the financial years ended March 31, 2024, 2023 and 2022.
7) Certificate on KPIs issued by M/s. NGMKS & Associates Chartered Accountant, dated November 23, 2024.
8) Copy of the Statement of Special Tax Benefits dated November 23, 2024, issued by M/s. NGMKS & Associates Chartered Accountant.
9) Consent dated July 15, 2024, from the Statutory peer review auditor, M/s. NGMKS & Associates, Chartered Accountants, to include their name as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the Statutory Auditors and in respect of the: (i) Restated Financial Statements and their examination report, and (ii) the statement of Possible tax benefits included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.
10) Consent of M/s. NGMKS & Associates Chartered Accountant, to include their name in this Red Herring Prospectus and as an "Expert" defined under Section 2(38) of the Companies Act, 2013 in respect of the certificate and such consent has not been withdrawn as on the date of this Red Herring Prospectus.
11) Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Banker to the Company, Banker to the Issue, Legal Advisor to the Issue, Book Running Lead Manager, Registrar to the Issue, the Escrow Collection Bank, Market Maker, Syndicate Member, Underwriter and Bankers to the Issue / Public Issue Bank/Refund Banker and Sponsor Banker to act in their respective capacities;
12) Due Diligence Certificate from Book Running Lead Manager dated August 10, 2024 addressed to SEBI from the BRLM.
13) Addendum to Draft Red Herring Prospectus dated August 10, 2024.
14) Copy of In- Principle Approval from NSE by way of letter dated November 06, 2024, to use the name of NSE in this Issue document for listing of Equity Shares on NSE EMERGE (SME Platform of The National Stock Exchange of India Limited).

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.

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DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, 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 SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS, AND KMPs OF THE COMPANY

Name & Designation	Signature
Mr. Jatinder Dev Seth Managing Director	Sd/-
Mrs. Bhawna Seth Whole Time Director	Sd/-
Mr. Niraj Rajpal Non-Executive Director	Sd/-
Mr. Pankaj Lal Gupta Independent Director	Sd/-
Mr. Vishal Sharma Independent Director	Sd/-
Mr. Tarun Anand Independent Director	Sd/-
Mr. Naresh Kumar Chief Financial Officer	Sd/-
Mr. Vishnu Kumar Company Secretary and Compliance Officer	Sd/-

Place: Delhi
Date: November 30, 2024