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Draft Prospectus

Dated: June 30, 2024

Fixed Price Issue

Please read Section 26 of the Companies Act, 2013

(This Draft Prospectus will be updated upon filing with ROC)



## KATEX EXIM LIMITED

Corporate Identity Number: U17309GJ2017PLC100133

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
55/Ashra Ind. Estate B/h. Mahalaxmi Fabrics, Narol, Ahmedabad – 382405, Gujarat	-	Ms. Shivani Mittal	Mobile No: +91 9484781647 Email Id: info@thekatex.com	www.thekatex.com
<b>PROMOTERS OF OUR COMPANY: MR. SAJAL RAKESH BANSAL, MR. NIRANJAN DWARKAPRASAD AGARWAL, MR. RAKESH KUMAR BANSAL, MRS. BABITA BANSAL, MRS. ANKITA SAJAL BANSAL AND RAKESH KUMAR BANSAL - HUF</b>				
<b>DETAILS OF THE ISSUE</b>				
TYPE	FRESH ISSUE SIZE (IN ₹ LAKHS)	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	6600000 Equity Shares aggregating to ₹ [●] Lakhs	Nil	6600000 Equity Shares aggregating to ₹ [●] Lakhs	THIS ISSUE IS BEING MADE IN TERMS OF REGULATION 229(2) OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED.
<b>DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION: NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES</b>				
<b>RISK IN RELATION TO THE FIRST ISSUE</b>				
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 Lead Manager as stated in chapter titled “Basis for Issue Price” beginning on Page No. 82 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.				
<b>GENERAL RISKS</b>				
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 Draft Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on Page No. 24 of this Draft Prospectus.				
<b>ISSUER’S ABSOLUTE RESPONSIBILITY</b>				
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.				
<b>LISTING</b>				
The Equity Shares Issued through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited (BSE SME) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited (“BSE”).				
<b>LEAD MANAGER TO THE ISSUE</b>				
NAME AND LOGO	CONTACT PERSON		EMAIL & TELEPHONE	
 Nirbhay Capital Services Private Limited	Mr. Kunjal Soni		Email: kunjal@nirbhaycapital.com Tel. No: +91 79 48970649 M. No: +91 9825052071	
<b>REGISTRAR TO THE ISSUE</b>				
NAME AND LOGO	CONTACT PERSON		EMAIL & TELEPHONE	
 Bigshare Services Private Limited	Mr. Sagar Pathare		Email: ipo@bigshareonline.com Tel. No: + 91 22-62638200	
<b>BID/ISSUE PERIOD</b>				
BID/ISSUE OPENS ON: [●]			BID/ISSUE CLOSES ON: [●]	



# KATEX EXIM LIMITED

Corporate Identity Number: U17309GJ2017PLC100133

Our Company was originally incorporated as “S.A.N.K. Creations Private Limited” as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated December 13, 2017, issued by Registrar of Companies, Central Registration Centre. Subsequently, the name of our company was changed from “S.A.N.K. Creations Private Limited” to “Katex Exim Private Limited”, pursuant to a special resolution passed by our Shareholders in the Extra-Ordinary General Meeting held on February 28, 2019, vide Certificate of Incorporation dated March 7, 2019, issued by Registrar of Companies, Ahmedabad. Thereafter, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated August 2, 2023 and consequently, the name of our Company was changed from “Katex Exim Private Limited” to “Katex Exim Limited” and a fresh certificate of incorporation dated August 10, 2023 was issued to our Company by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U17309GJ2017PLC100133. For details of change in name and registered office of our Company, please refer to chapter titled “History and Corporate Structure” beginning on page no. 136 of this Draft Prospectus.

**Registered Office:** 55/Ashra Ind. Estate B/h. Mahalaxmi Fabrics, Narol, Ahmedabad – 382405, Gujarat

**Website:** www.thekatex.com **E-Mail:** info@thekatex.com; **Telephone No:** +91 9484781647

**Company Secretary and Compliance Officer:** Ms. Shivani Mittal

**PROMOTERS OF OUR COMPANY:** MR. SAJAL RAKESH BANSAL, MR. NIRANJAN DWARKAPRASAD AGARWAL, MR. RAKESH KUMAR BANSAL, MRS. BABITA BANSAL, MRS. ANKITA SAJAL BANSAL AND RAKESH KUMAR BANSAL - HUF

## THE ISSUE

**PUBLIC ISSUE OF 6600000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF KATEX EXIM LIMITED (“KEL”) OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹ [●] LAKHS (“THE ISSUE”), OF WHICH 332000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. NET ISSUE OF 6268000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.85% AND 26.45 % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THIS ISSUE IS BEING IN TERMS OF CHAPTER IX OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIERMENTS) REGULATIONS, 2018, AS AMENDED FROM TIME TO TIME.** For further details, please refer chapter titled “Terms of The Issue” beginning on Page No. 203 of this Draft Prospectus.

In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, dated November 10, 2015 and the all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self-Certified Syndicate Banks (“SCSBs”) for the same. Further pursuant to SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, for implementation of Phased II for UPI facility, which is effective from July 01, 2019, all potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount (“ASBA”) process providing details of their respective ASBA accounts or UPI ID (in case of RIIs), in which the corresponding Application Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable. For details, please refer chapter titled “Issue Procedure” beginning on Page No. 211 of this Draft Prospectus.

**THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH AND THE ISSUE PRICE IS ₹ [●]. THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE.**

## RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the shares is ₹ 10/- per Equity Shares and the Issue price is [●] times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager) as stated in the chapter titled “Basis for Issue Price” beginning on Page No. 82 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our Company nor regarding the price at which the Equity Shares will be traded after listing.

## GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on Page No. 24 of this Draft Prospectus.

## ISSUER’S ABSOLUTE RESPONSIBILITY

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

## LISTING

The Equity Shares offered through this Draft Prospectus are proposed to be listed on SME Platform of BSE Limited (“BSE SME”), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In-Principle Approval letter dated [●] from BSE Limited (“BSE”) for using its name in this offer document for listing our shares on the SME Platform of BSE Limited (“BSE SME”). For the purpose of this Issue, the designated Stock Exchange is the BSE.

## LEAD MANAGER



## REGISTRAR TO THE ISSUE



### NIRBHAY CAPITAL SERVICES PRIVATE LIMITED

SEBI Registration Number: INM000011393

Address: 201, Maruti Crystal, Opp. Rajpath Club, S.G. Highway, Bodakdev, Ahmedabad - 380054, Gujarat, India

Tel No: +91 79 48970649;

M. No.: +91 9825052071

Email Id: kunjaj@nirbhaycapital.com

Investors Grievance Id: ipo@nirbhaycapital.com

Website: www.nirbhaycapital.com

Contact Person: Mr. Kunjal Soni

CIN: U67120GJ2006PTC047985

### BIGSHARE SERVICES PRIVATE LIMITED

SEBI Registration Number: INR000001385

Address: Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai- 400093

Tel. Number: + 91 22-62638200

Fax No: + 91 22-62638299

Email Id ipo@bigshareonline.com

Investors Grievance Id: investor@bigshareonline.com

Website: www.bigshareonline.com

Contact Person: Mr. Sagar Pathare

CIN: U99999MH1994PTC076534

## BID/ISSUE PERIOD

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

*The words and expressions used in this Draft Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under. Notwithstanding the foregoing, terms used in the chapters titled “Industry Overview”, “Key Industry Regulations”, “Statement of Possible Tax Benefits”, “Restated Financial Information”, “Basis for Issue Price”, “History and Corporate Structure”, “Other Regulatory and Statutory Disclosures”, “Outstanding Litigations and Material Developments” and “Description of Equity Shares and Terms of the Articles of Association” beginning on Page Nos. 91, 127, 90, 168, 82, 136, 192, 185 and 256, respectively, of this Draft Prospectus shall have the meaning ascribed to such terms in such sections.*

#### General Terms

Term	Description
“Katex Exim”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	Katex Exim Limited, a public limited company, registered under the Companies Act, 2013 and having its registered office at 55/Ashra Ind. Estate B/h. Mahalaxmi Fabrics, Narol, Ahmedabad – 382405, Gujarat.
Our Promoters	Mr. Sajal Rakesh Bansal, Mr. Niranjan Dwarkaprasad Agarwal, Mr. Rakesh Kumar Bansal, Mrs. Babita Bansal, Mrs. Ankita Sajal Bansal and Rakesh Kumar Bansal - HUF.
Promoters’ Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “Our Promoters and Promoter’s Group” beginning on Page No. 152 of this Draft Prospectus.
You or Your or Yours	Prospective Investors in the Issue

#### Company Related Terms

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company.
Audit Committee	The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details, please refer chapter titled “Our Management” beginning on Page No. 139 of this Draft Prospectus.
Auditors of our Company / Joint Statutory Auditor / Peer Review Auditor	The Statutory Auditors of our Company, being M/s. Piyush Kothari & Associates, Chartered Accountants holding a valid Peer Review certificate as mentioned in the section titled “General Information” beginning on Page No. 47 of this Draft Prospectus.
Bankers to the Company	To be updated on filing of Prospectus with ROC.
Board of Directors / Board / BOD	The Board of Directors of Katex Exim Limited unless otherwise specified.
Companies Act	The Companies Act, 1956/2013 as amended from time to time.
CIN	Corporate Identification Number of our Company i.e., U17309GJ2017PLC100133
CMD	Chairman and Managing Director, being Mr. Sajal Rakesh Bansal
Chief Financial Officer (CFO)	The Chief Financial officer of our Company, being Mr. Sajal Rakesh Bansal
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer of our Company, being Ms. Shivani Mittal
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
Equity Shares	Equity Shares of our Company of face value of ₹ 10/- each unless otherwise specified in the context thereof.

Term	Description
Equity Shareholders	Persons / Entities holding Equity Shares of Our Company.
Executive Director(s)/ED	“Executive Director” means a Whole Time Director as defined in clause (94) of section 2 of the Act”
Group Companies	Group Companies as defined under Regulation 2(1)(t) of the SEBI (ICDR) Regulations, 2018, Group companies shall include such companies (other than our Promoters and Subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed under section titled “ <i>Information with respect to Group Companies/Entities</i> ” beginning on Page No. <b>Error! Bookmark not defined.</b> of this Draft Prospectus.
Independent Director	A Non-executive & Independent Director as per the Companies Act, 2013.
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	INEORGH01016
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the chapter titled “ <i>Our Management</i> ” beginning on Page No. 139 of this Draft Prospectus.
Materiality Policy Resolution	Resolution of Board of Directors dated June 28, 2024 for identification of group companies, material creditors and material litigation, in accordance with the requirements of the SEBI ICDR Regulations.
MD/Managing Director	Managing Director
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Non-Residents	A person resident outside India, as defined under FEMA
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details, please refer chapter titled “ <i>Our Management</i> ” beginning on Page No. 139 of this Draft Prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director.
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000.
Registered Office	55/Ashra Ind. Estate B/h. Mahalaxmi Fabrics, Narol, Ahmedabad – 382405, Gujarat
Restated Financial Statements	The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and Liabilities, the Restated Statement of Profit and Loss, the Restated Statement of Cash Flows, for the period ended December 31, 2023 and year ended on March 31, 2023, 2022 and 2021 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
ROC / Registrar of Companies	Registrar of Companies, Ahmedabad.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details, please refer chapter titled “ <i>Our Management</i> ” beginning on Page No. 139 of this Draft Prospectus.
Whole Time Director (WTD)	“Whole-time director” includes a director in the whole-time employment of the company.

### Issue Related Terms

Terms	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company

Terms	Description
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
ASBA Applicant	Any prospective investor who makes an application pursuant to the terms of the Draft Prospectus and the Application Form including through UPI mode (as applicable).
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder	Any prospective investor(s) / Bidder (s) in this Issue who apply(ies) through the ASBA process.
ASBA Form(s)	An application form, whether physical or electronic, used by ASBA Bidders Bidding through the ASBA process, which will be considered as the application for Allotment in terms of the Prospectus and the Prospectus.
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Allotment/Allot/Allotted	Issue of the Equity Shares pursuant to the Issue to the successful applicants.
Allottee	The successful applicant to whom the Equity Shares are being / have been issued.
Basis of Allotment	The basis on which Equity Shares will be allotted to successful applicants under the Issue and which is described in 'Basis of allotment' under chapter titled "Issue Procedure" beginning on Page No. 211 of this Draft Prospectus.
Bankers to the Issue and Refund Banker	[●]
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid cum Application Form	The form in terms of which the Bidder shall make a Bid, including an ASBA Form, and which shall be considered as the application for the Allotment of Equity Shares pursuant to the terms of the Prospectus.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bidder/ Applicants	Any prospective investor who makes a Bid pursuant to the terms of the Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Business Day	Monday to Friday (except public holidays).
Broker Centers	Broker Centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
BSE SME	SME Platform of BSE Limited.
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI and as per the list available on the websites of BSE and NSE.
Collection Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms.

Terms	Description
Circular on Streamlining of Public Issues/ UPI Circular	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI Master circular, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022, SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI or any other governmental authority in this regard.
Controlling Branches	Such branches of SCSBs which coordinate Applications under the Issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, occupation and Bank Account details.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, occupation and Bank Account details.
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of this Draft Prospectus, after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer.
Designated Intermediaries	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> ), as updated from time to time.
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 <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	SME Platform of BSE Limited.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
DP ID	Depository Participant's Identity Number
Draft Prospectus	This Draft Prospectus dated June 30, 2024 issued in accordance with Section 26 of the Companies Act filed with the SME Platform of BSE under SEBI (ICDR) Regulations.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Eligible FPI(s)	FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Issue and in relation to whom the Application Form and the Prospectus constitutes an invitation to subscribe to the Equity Shares.

Terms	Description
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Equity Shares	Equity Shares of our Company of face value Rs. 10/- each
Equity Listing Agreements	The listing agreements to be entered into by our Company with the Stock Exchange in relation to our Equity Shares.
Escrow and Sponsor Bank Agreement	Agreement dated [●] entered into amongst our Company, the Registrar to the Issue, the Lead Manager and Banker to the Issue and Sponsor Bank, to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Escrow Account(s)	Account(s) opened with the Bank(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement.
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account(s) will be opened, in this case being [●].
Engagement Letter	The engagement letter dated October 10, 2023 between our Company and the LM.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Fresh Issue	Fresh issue of 6600000 Equity Shares by our Company aggregating up to ₹ [●] Lakhs to be issued by our Company as part of the Issue, in terms of the Prospectus.
First Applicant	Applicant whose name appears first in the Application Form in case of a joint application form and whose name shall also appear as the first holder of the beneficiary account held in joint names or in any revisions thereof.
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under SEBI FPI Regulations.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
Fresh Issue	Fresh issue of 6600000 Equity Shares by our Company aggregating up to ₹ [●] Lakhs to be issued by our Company as part of the Issue, in terms of the Prospectus.
“General Information Document” or “GID	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 circular no. SEBI / HO / CFD / DIL2 / CIR / P / 2020 / 50 dated March 30, 2020, as amended by SEBI from time to time.
General Information Document/ GID	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, notified by SEBI, suitably modified and included in the chapter titled “Issue Procedure” beginning on page 211 of this Prospectus.
Issue Opening Date	The date on which the Issue opens for subscription.
Issue Closing date	The date on which the Issue closes for subscription.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their application.
IPO	Initial Public Offering
Issue / Issue Size / Public Issue	The Public Issue of 6600000 Equity Shares of ₹ 10/- each at ₹ [●] per Equity Shares including Share Premium of ₹ [●] per Equity Share aggregating to ₹ [●] Lakhs by Katex Exim Limited.
Issue Price	The price at which the Equity Shares are being issued by our Company through this Draft Prospectus, being ₹ [●] (including share premium of ₹ [●] per Equity Share).
Issue Agreement / MoU	The agreement dated June 27, 2024 amongst our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
LM / Lead Manager	Lead Manager to the Issue, in this case being Nirbhay Capital Services Private Limited.

Terms	Description
Lot Size	Lot Size for the Issue being [●]
Listing Agreement	Unless the context specifies otherwise, this means the SME Equity Listing Agreement to be signed between our company and the SME Platform of BSE Limited (“BSE SME”).
Market Maker	The Market Maker to the Issue, in this case being [●].
Market Making Agreement	The Agreement entered into between the Market Maker and our Company dated [●].
Market Maker Reservation Portion	The Reserved portion of up to 3,32,000 Equity shares of ₹ 10 each at an Issue Price of ₹ [●] aggregating to ₹ [●] for Designated Market Maker in the Public Issue of our Company.
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Bids using the UPI Mechanism.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended.
Net Proceeds	Proceeds of the Offer that will be available to our Company, i.e., gross proceeds of the Fresh Issue, less Offer expenses to the extent applicable to the Fresh Issue.
NCLT	National Company Law Tribunal
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 6268000 Equity Shares of ₹ 10/- each at ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share aggregating to ₹ [●] Lakhs by Katex Exim Limited.
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Non-Retail Portion including Qualified Institution Buyers (NRII)	The remaining portion of the Net Issue, after retails portion, being not more than 50% of the Net issue which shall be available for allocation to NRIIs in accordance with the SEBI ICDR Regulations.
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please refer to the chapter titled “Objects of the Issue” beginning on page [●] of this Draft Prospectus.
Prospectus	The Prospectus, to be filed with the ROC containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Qualified Institutional Buyers / QIBs	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Registrar / Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Retail Individual Investors /(RII)	Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who applies or bids for the Equity Shares of a value of not more than ₹ 2,00,000/-

Terms	Description
Retail Portion	The portion of the Net Issue being not less than 50% of the Net Equity Shares which shall be available for allocation to RIIs in accordance with the SEBI ICDR Regulations.
Revision Form	The form used by the Applicant, to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s) QIB Applicant and Non-Institutional Applicant are not allowed to lower their Application Forms (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Bidders can revise their Application Forms during the Issue Period and withdraw their Application Forms until Issue Closing Date.
Self-Certified Syndicate Bank(s)/ SCSBs	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>
Sponsor Bank	The Banker to the Offer registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.
TRS / Transaction Registration Slip	The slip or document issued by the Designated Intermediary (only on demand), to the Applicant, as proof of registration of the Application Form.
Underwriter	The Underwriter to the Issue, in this case being [●].
Underwriting Agreement	The Agreement entered into between the Underwriter and our Company dated [●]
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022 and any subsequent circulars or notifications issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Retail Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Retail Individual Bidder to such Mobile App) to the Retail Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a RII to make a Bid in the Offer in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Willful Defaulter	Willful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Days	Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018.

## Technical and Industry Related Terms

Term	Description
AEPC	Apparel Export Promotion Council
AIF	Alternative Investment Funds
ATUFS	Amended Technology Upgradation Fund Scheme
ASEAN	Association of Southeast Asian Nations
BOT	Build-Operate-Transfer
BTRA	The Bombay Textile Research Association
BG	Bank Guarantee
CAI	Cotton Association of India
CAD	Current Account Deficit
CAZRI	Central Arid Zone Research Institute
CCEA	Cabinet Committee on Economic Affairs
CAGR	Compounded Annual Growth Rate
CGST	Central Goods and Services Tax
CoE	Centers of Excellence
CoEK	Center of Excellence for Khadi
CPI	Consumer Price Index
CVC	Chief value Cotton
DII	Domestic Institutional Investors
DGFT	Directorate General of Foreign Trade
DPA	Deendayal Port Authority
DRDO	Defence Research and Development Organization
EAP	East, Asia & Pacific
ECA	Europe and Central Asia
ECGLS	Emergency Credit Line Guarantee Scheme
EMDE	Emerging Market & Developing Economies
FRE	First Revised Estimates
FII	Foreign Institutional Investors
FDI	Foreign Direct Investments
FPI	Foreign Portfolio Investors
FTA	Free Trade Agreements
GDP	Gross Domestic Product
GCC	Gulf Cooperation Council
GST	Goods and Services Tax
HEPC	Handloom Export Promotion Council
HMA	Handloom Marketing Assistance
ICAR	Indian Council of Agricultural Research
IIP	Index of industrial Production
KVIC	Khadi and Village Industries Commission
LAC	Latin America and the Caribbean
LIC	Low-Income Country
LMT	Lakh metric tonnes
MEIS	Merchandise Exports from India Scheme
MHHDCL	Manipur Handloom & Handicrafts Development Corporation Limited
MITRA	Mega Integrated Textile Region and Apparel
MMF	Man-Made Fibre
MNA	Middle East and North Africa

Term	Description
MoSPI	Ministry of Statistics & Programme Implementation
Mtrs	Meters
NABARD	National Bank for Agriculture and Rural Development
NHDP	National Handloom Development Programme
NIFT	National Institute of Fashion Technology
NITRA	Northern India Textile Research Association
NTTM	National Technical Textile Mission
PLI	Production Linked Incentive Scheme
PPE	Personal Protective Equipments
PPP	Public-Private Partnership
RMG	Ready-made Garments
RoSCTL	Rebate of State and Central Taxes and Levies
SAR	South
SASMIRA	Synthetic and Art Silk Mills Research Association
SCBTS	Scheme for Capacity Building in Textile Sector
SIPCOT	State Industries Promotion Corporation of Tamil Nadu Ltd
SSA	Sub-Saharan Africa
TEXPROCIL	The Cotton Textiles Export Promotion Council
TTC	Tennants Textile Colours

#### Conventional and General Terms/ Abbreviations

Term	Description
A/c	Account
AS/ Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
AGM	Annual General Meeting
AO	Assessing Officer
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
BG	Bank Guarantee
CAGR	Compounded Annual Growth Rate
Calendar Year	Unless context otherwise requires, shall refer to the twelve month period ending December 31
CAN	Confirmation Allocation Note
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
CRR	Cash Reserve Ratio
CGST	Central Goods & Services Tax
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time
DIN	Director identification number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry,

Term	Description
	GoI
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
DP/ Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
DP ID	Depository Participant's Identification
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
EOGM/EGM	Extra-ordinary General Meeting
EPS	Earnings Per Share i.e. profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FDI	Foreign Direct Investment
FDR	Fixed Deposit Receipt
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/ Government/GoI	Government of India
GST	Goods and Services Tax
GSTIN	GST Identification Number
HUF	Hindu Undivided Family
IGST	Integrated GST
IFRS	International Financial Reporting Standard
ICSI	Institute of Company Secretaries of India
ICAI	Institute of Chartered Accountants of India
IBEF	India Brand Equity Foundation
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
ITAT	Income Tax Appellate Tribunal
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority of India
Ltd.	Limited
Pvt. Ltd.	Private Limited
MCA	Ministry of Corporate Affairs

Term	Description
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
Mn	Million
MOF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
MSME	Micro, Small, and Medium Enterprises
NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
No	Number
NR/ Non-Residents	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
ROE	Return on Equity
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SAT	Securities Appellate Tribunal
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SCSBs	Self-Certified Syndicate Banks
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI Rules and Regulations	SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other

Term	Description
	relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended
S&P BSE SENSEX	S&P Bombay Stock Exchange Sensitive Index
SEZ	Special Economic Zones
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, the BSE
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
TIN	Taxpayer Identification Number
TRS	Transaction Registration Slip
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America
VAT	Value Added Tax
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.
WCTL	Working Capital Term Loan
w.e.f.	With effect from
WEO	World Economic Outlook

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## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Financial Data

Unless stated otherwise, the financial data in this Draft Prospectus is derived from our Restated Financial Statements which includes Restated Financial information for the period ended December 31, 2023 and the financial year ended on March 31, 2023, 2022 and 2021 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP which are included in this Draft Prospectus, and set out in the section titled “*Restated Financial Information*” beginning on Page No. 168 of this Draft Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Years are to the twelve-month period ended March 31 of that year. In this Draft Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

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

Any percentage amounts, as set forth in the sections / chapters titled “*Risk Factors*”, “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on Page Nos. 24, 107 and 170, respectively of this Draft Prospectus and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our Restated Financial Statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP.

### Industry and Market Data

Unless stated otherwise, industry data used throughout this Draft Prospectus has been obtained or derived from industry and government publications, publicly available information, and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although our Company believes that industry data used in this Draft Prospectus is reliable, it has not been independently verified.

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

### Currency and units of presentation

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

- i. ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India.
- ii. ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America, EURO or “€” are Euro currency,

All references to the word ‘Lakh’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten Lakhs’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One thousand Million’.

In accordance with the SEBI (ICDR) Regulations, the chapter titled “*Basis for Issue Price*” beginning on Page No. 82 of this Draft Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the LM, have independently verified such information.

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## FORWARD LOOKING STATEMENTS

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

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Competition from existing and new entities may adversely affect our revenues and profitability;
- Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- Our business and financial performance is particularly based on market demand and supply of our products/services;
- The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian national, state and local Governments;
- Any downgrading of India’s debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns;
- Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company;
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

For further discussion of factors that could cause the actual results to differ from the expectations, please refer to the sections / chapters titled “*Risk Factors*”, “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on Page Nos. 24, 107 and 170, respectively of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward looking statements reflect the current views as of the date of this Draft Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although our Company believes the assumptions upon which these forward looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward looking statements based on these assumptions could be incorrect. None of our Company, the Directors, the LM, or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

## SECTION II - SUMMARY OF DRAFT PROSPECTUS

### PRIMARY BUSINESS OF THE COMPANY

Our Company was originally incorporated as “S.A.N.K. Creations Private Limited” as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated December 13, 2017, issued by Registrar of Companies, Central Registration Centre. Subsequently, the name of our company was changed from “S.A.N.K. Creations Private Limited” to “Katex Exim Private Limited”, pursuant to a special resolution passed by our Shareholders in the Extra-Ordinary General Meeting held on February 28, 2019, vide Certificate of Incorporation dated March 7, 2019, issued by Registrar of Companies, Ahmedabad. Thereafter, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated August 2, 2023 and consequently, the name of our Company was changed from “Katex Exim Private Limited” to “Katex Exim Limited” and a fresh certificate of incorporation dated August 10, 2023 was issued to our Company by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U17309GJ2017PLC100133.

Our Company was originally incorporated by Mr. Niranjana Agarwal, being existing promoter, Mr. Aditya Agarwal and Mrs. Sunitadevi Agarwal, being subscribers to Memorandum of Association. The remaining current promoters Mr. Sajal Rakesh Bansal, Mr. Rakesh Kumar Bansal, Mrs. Babita Rakesh Bansal, Mrs. Ankita Sajal Bansal and Rakesh Kumar Bansal - HUF acquired control of our Company in FY 2020-21. Our promoters have a combined experience of more than 10 years in the field of textile industry.

Incorporated in 2017 and based in Ahmedabad, Gujarat, our Company is engaged in the business of manufacturing and sale of Bedsheet Sets, Duvet Bedding and Pillow Pairs. We sale our products in domestic as well as international markets. Our Company is one of the exporters of Bedding Textile. Bedding Textile refers to the textile materials used in making products such as bedsheets, pillow cases, duvet covers and comforters. These textile play a crucial role in determining the comfort, quality and durability of bedding items. Our Company’s manufacturing facility is equipped with necessary technology and machinery to meet international standards. Our manufacturing process adheres to stringent quality standards. Our Manufacturing unit is located at Shree Shyam Industrial Park, Saijpur-Gopalpur-Shahwadi, New Vatva Taluka, Narol, Ahmedabad, Gujarat, India.

We offer a diverse range of bedsheets to cater to different tastes and preferences. This includes different sizes (King, Queen, Twin, Full and Cal King), materials (cotton, poly, Tencel, Modal, Microfiber, Bamboo, etc), thread counts, patterns and colours. Since each fabric has its unique characteristics, while selecting fabric for bedsheets, we consider factors such as customer’s preference, climate, budget and quality to ensure a comfortable and restful sleep experience. Fabric selection is crucial when it comes to making bedsheets, as it directly impacts the comfort, durability and overall quality of the bedding.

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

#### GLOBAL ECONOMY

Global growth is projected to stabilize at 2.6 percent this year, holding steady for the first time in three years despite flaring geopolitical tensions and high interest rates. It is then expected to edge up to 2.7 percent in 2025-26 amid modest growth in trade and investment. Global inflation is projected to moderate, but at a slower clip than previously assumed, averaging 3.5 percent this year. Given continued inflationary pressures, central banks in both advanced economies and emerging market and developing economies (EMDEs) will likely remain cautious in easing monetary policy. As such, average benchmark policy interest rates over the next few years are expected to remain about double the 2000-19 average.

Despite an improvement in near-term growth prospects, the outlook remains subdued by historical standards in advanced economies and EMDEs alike. Global growth over the forecast horizon is expected to be nearly half a percentage point below its 2010-19 average pace. In 2024-25, growth is set to underperform its 2010s average in nearly 60 percent of economies, representing more than 80 percent of global population and world output. EMDE growth is forecast to moderate from 4.2 percent in 2023 to 4 percent in both 2024 and 2025. Prospects remain especially lack luster in many vulnerable economies over half of economies facing fragile- and conflict-affected situations will still be poorer by the end of this year than on the eve of the pandemic.

Domestic demand is projected to improve in many EMDEs this year, in line with a moderate cyclical recovery from the effects of high inflation, tight financial conditions, and anemic industrial activity. Aggregate EMDE growth is nonetheless poised to decelerate slightly mainly because of idiosyncratic factors in some large economies. Moreover, significant challenges persist in vulnerable economies—including in low-income countries (LICs) and those facing elevated levels of conflict and violence—where growth prospects have deteriorated markedly since January.

## INDIAN ECONOMY

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodities. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

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

India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

## TEXTILE – INDUSTRY SCENARIO

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector at the other end. The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibres like cotton, jute, silk, and wool, to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.

The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world.

India is the world's 3rd largest exporter of Textiles and Apparel. India ranks among the top five global exporters in several textile categories, with exports expected to reach US\$ 100 billion. The market for Indian textiles and apparel is projected to grow at a 10% CAGR to reach US\$ 350 billion by 2030. The textiles and apparel industry contributes 2.3% to the country's GDP, 13% to industrial production and 12% to exports. The textile industry in India is predicted to double its contribution to the GDP, rising from 2.3% to approximately 5% by the end of this decade. Global apparel market is expected to grow at a CAGR of around 8% to reach US\$ 2.37 trillion by 2030 and the Global Textile & Apparel trade is expected to grow at a CAGR of 4% to reach US\$ 1.2 trillion by 2030. The Indian Technical Textile market has a huge potential of a 10% growth rate, increased penetration level of 9-10% and is the 5th largest technical textiles market in the world. India's sportech industry is estimated around US\$ 1.17 billion in 2022-23.

India is the world's largest producer of cotton. In the first advances, the agriculture ministry projected cotton output for 2023-24 at 31.6 million bales. According to the Cotton Association of India (CAI), the total availability of cotton in the 2023-24 season has been pegged at 34.6 million bales, against 31.1 million bales of domestic demand, including 28 million bales for mills, 1.5 million for small-scale industries, and 1.6 million bales for non-mills. Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers. It is expected to surpass US\$ 30 billion by 2027, with an estimated 4.6-4.9% share globally. In 2022-23, the production of fibre in India stood at 2.15 million tonnes. While for yarn, the production stood at 5,185 million kgs during the same period. Natural fibres are regarded as the backbone of the Indian textile industry, which is expected to grow from US\$ 138 billion to US\$ 195 billion by 2025.

## NAME OF PROMOTERS

Promoters of our company are Mr. Sajal Rakesh Bansal, Mr. Niranjana Dwarkaprasad Agarwal, Mr. Rakesh Kumar Bansal, Mrs. Babita Bansal, Mrs. Ankita Sajal Bansal and Rakesh Kumar Bansal - HUF. For detailed information on our Promoters and Promoters' Group, please refer to chapter titled "Our Promoters and Promoters' Group" beginning on Page No. 152 of this Draft Prospectus.

## SIZE OF THE ISSUE

Initial Public issue of 6600000 equity shares of face value of ₹ 10/- each of Katex Exim Limited ("KEL") or the "Company" or the "Issuer") for cash at a price of ₹ [●] per equity share including a share premium of ₹ [●] per equity share (the "issue price") aggregating to ₹ [●] lakhs ("the issue"), of which 332000 equity shares of face value of ₹ 10/- each for cash at a price of ₹ [●] per equity share including a share premium of ₹ [●] per equity share aggregating to ₹ [●] lakhs will be reserved for subscription by Market Maker to the issue (the "Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e. Net Issue of 6268000 equity shares of face value of ₹ 10/- each at a price of ₹ [●] per equity share including a share premium of ₹ [●] per equity share aggregating to ₹ [●] lakhs is herein after referred to as the "Net Issue". The Issue and the Net Issue will constitute 27.85% and 26.45 % respectively of the post issue paid up equity share capital of our Company.

## OBJECT OF THE ISSUE

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

\*Subject to finalization of Basis of Allotment.

## UTILIZATION OF NET ISSUE PROCEEDS

The Gross Issue Proceeds will be utilized for following purpose:

Sr. No.	Particulars	Amount (₹ in) Lakhs	% of Net Issue Proceeds
1.	Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company	300.00	[●]
2.	To Meet Working Capital Requirements	2625.00	[●]
3.	General Corporate Purpose	[●]	[●]
<b>Net Issue Proceeds</b>		<b>[●]</b>	<b>[●]</b>

## MEANS OF FINANCE

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

Sr. No.	Particulars	Amount Required	From IPO Proceeds	Internal Accruals/Equity/Reserves	Balance from Long/Short Term Borrowing
1.	Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company	300.00	300.00	0.00	0.00
2.	Working Capital Requirements	11,208.53	2,625.00	3,693.53	4,890.00

Sr. No.	Particulars	Amount Required	From IPO Proceeds	Internal Accruals/Equity/Reserves	Balance from Long/Short Term Borrowing
3.	General Corporate Purpose	[•]	[•]	0.00	0.00
4.	Public Issue Expenses	[•]	[•]	0.00	0.00
<b>Total</b>		<b>[•]</b>	<b>[•]</b>	<b>3,693.53</b>	<b>4,890.00</b>

## SHAREHOLDING

The shareholding pattern of our Promoters and Promoters' Group and Public before and after the Issue:

Sr. No.	Name of shareholders	Pre issue		Post issue	
		No. of equity shares	As a % of Issued Capital*	No. of equity shares	As a % of Issued Capital*
<b>Promoters</b>					
1.	Niranjan Dwarkaprasad Agarwal	3156001	18.46	3156001	13.32
2.	Sajal Rakesh Bansal	979200	5.73	979200	4.13
3.	Rakesh Kumar Bansal	2251800	13.17	2251800	9.50
4.	Babita Rakesh Bansal	2251800	13.17	2251800	9.50
5.	Ankita Sajal Bansal	4309799	25.20	4309799	18.18
6.	Rakesh Kumar Bansal - HUF	1621800	9.48	1621800	6.84
<b>Total - A</b>		<b>14570400</b>	<b>85.21</b>	<b>14570400</b>	<b>61.47</b>
<b>Promoters' Group</b>					
1.	Sunitadevi Niranjan Agarwal	1535819	8.98	1535819	6.48
2.	Rhythm Rakesh Bansal	811800	4.75	811800	3.43
3.	Shiwani Rhythm Bansal	181800	1.06	181800	0.77
<b>Total-B</b>		<b>2529419</b>	<b>14.79</b>	<b>2529419</b>	<b>10.68</b>
<b>Public</b>					
1.	Gunvant Kumar Salecha	180	Negligible	180	Negligible
2.	Others-Public**	0	0.00	6600000**	27.85
<b>Total-C</b>		<b>180</b>	<b>Negligible</b>	<b>6600180</b>	<b>27.85</b>
<b>Total Promoters and Promoters' Group and Public (A+B+C)</b>		<b>17099999</b>	<b>100.00</b>	<b>23699999</b>	<b>100.00</b>

\* Rounded off

\*\* 6600000 to be allotted to Public Shareholders under Initial Public Offer.

## FINANCIAL DETAILS

(₹ In Lakhs unless mentioned otherwise)

Sr. No.	Particulars	For the period ended	For the year ended on		
		December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1.	Share Capital	950.00	900.00	900.00	900.00
2.	Net worth	2584.76	1587.40	1213.64	1008.73
3.	Revenue from operations	13615.66	12096.41	14102.87	9335.78
4.	Profit After Tax	795.29	370.99	202.37	85.83
5.	Earnings Per Share (Pre-Bonus)	8.37	4.12	2.25	2.15
6.	Earnings Per Share (Post Bonus)	4.65	2.23	1.22	0.74
7.	NAV per Equity Shares (Pre-Bonus)	27.21	17.64	13.48	11.21
8.	NAV per Equity Shares (Post-Bonus)	15.12	9.56	7.31	6.08
9.	Total Borrowings	5323.77	5534.42	5342.87	2867.69

## AUDITORS' QUALIFICATIONS

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

## OUTSTANDING LITIGATIONS

Nature of Cases	Number of Cases	Total Amount Involved (in Rs. Lakhs) <sup>^</sup>
<b>Proceedings against our Company</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	6	48.11
<b>Proceedings by our Company</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
<b>Proceedings against our Director</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	Nil	Nil
<b>Proceedings by our Director</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
<b>Proceedings against our Promoter</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	8	293.05
<b>Proceedings by our Promoter</b>		
Criminal	Nil	Nil
Civil	Nil	Nil

## RISK FACTORS

Any investment in equity securities involves a high degree of risk. Investors should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with Sections titled, "Business Overview", "The Issue", "Industry Overview", "Restated Financial Information", "Outstanding Litigation and Other Material Developments", and "Management's Discussion and Analysis of Financial Position and Results of Operations" beginning on page no. 107, 45, 91, 168, 185 and 170 respectively, as well as the other financial and statistical information contained in this Draft Prospectus.

Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have an adverse effect on our business, financial condition, results of operations and prospects and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or a part of your investment. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial conditions and Draft Prospectus.

**CONTINGENT LIABILITIES**

(₹ in Lakhs)

Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Related to Direct Tax Matters	4.38	1.18	1.16	0.23
TDS 2023-2024	3.20	-	-	-
TDS 2022-2023	0.02	0.02	-	-
TDS 2021-2022	0.93	0.93	0.93	-
TDS 2020-2021	0.23	0.23	0.23	0.23
Related to Indirect Tax Matters	-	-	-	-

Note:

- In April 2024, our Company has provided corporate guarantee to SBI for CC facility of Kalahridhaan Trendz Ltd., one of our Group Companies/entities amounting to ₹ 3500 Lakhs.
- In May 2024, our Company has been issued GST notice for ITC mismatch demanding ₹ 43.73 Lakhs.

**RELATED PARTY TRANSACTIONS**

List of Related Parties where Control exists and Relationships:

Sr. No	Name of the Related Party	Relationship
1	Aditya Exim	Entities in which Key Management Personnel (KMP)/relative of KMP exercise significant influence/ or is trustee
2	Manish Garments	
3	Kalahridhaan Trendz Limited	
4	KPG Enterprise Recyclers LLP	
5	RSK Industries Pvt. Ltd	
1	Niranjan Agarwal	Key Managerial Personnel
2	Aditya Agarwal	Key Managerial Personnel
3	Rakesh Bansal	Relative of Key Managerial Personnel
4	Sajal Bansal	Key Managerial Personnel

(₹ in Lakhs)

Transactions during the year:	For the Period / Year Ended on			
	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Sales</b>				
Aditya Exim	0.00	130.98	3.95	0.00
Kalahridhaan Trendz Limited	0.00	0.00	0.00	0.99
KPG Enterprise Recyclers LLP	0.00	105.64	0.00	0.00
RSK Industries Pvt. Ltd	0.00	0.47	0.00	0.00
Manish Garment	11.43	0.00	0.00	0.00
<b>Purchase</b>				
Aditya Exim	0.00	120.84	147.19	48.22
Kalahridhaan Trendz Limited	0.00	137.04	0.00	542.50
Manish Garment	147.17	65.58	0.00	234.75

Transactions during the year:	For the Period / Year Ended on			
	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Rent Expenses</b>				
Kalahridhaan Trendz Limited	0.00	0.00	0.00	0.00
<b>Interest Expense</b>				
KPG Enterprise Recyclers LLP	0.00	0.00	0.00	17.27
Niranjan Agarwal	0.00	0.00	0.00	0.00
Aditya Agarwal	0.00	0.00	0.00	0.00
Rakesh Bansal	0.00	0.00	0.00	0.00
Manish Garments	0.00	0.00	0.00	0.00
RSK Industries Pvt. Ltd	0.00	0.00	5.18	0.00
<b>Remuneration</b>				
Niranjan Agarwal	0.00	12.00	12.00	12.00
Aditya Agarwal	0.00	0.00	0.00	0.00
Rakesh Bansal	0.00	0.00	0.00	0.00
Sajal Bansal	1.20	0.00	0.00	0.00
<b>Loan Taken</b>				
Niranjan Agarwal	36.29	270.25	29.75	0.00
Rakesh Bansal	0.00	0.00	0.00	0.00
Sajal Bansal	0.00	0.00	0.00	0.00
KPG Enterprise Recyclers LLP	0.00	0.00	0.00	0.00
RSK Industries Pvt. Ltd	0.00	0.00	200.00	0.00
<b>Loan Repaid</b>				
Manish Garments	0.00	0.00	0.00	0.00
Niranjan Agarwal	0.00	0.00	0.00	0.00
Rakesh Bansal	0.00	0.00	0.00	0.00
Sajal Bansal	0.00	0.00	0.00	0.00
KPG Enterprise Recyclers LLP	0.00	0.00	0.00	327.90
RSK Industries Pvt. Ltd	0.00	0.00	200.00	0.00

(₹ in Lakhs)

Outstanding Balance (Receivables)/Payable	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Loan</b>				
Niranjan Agarwal	336.29	300.00	29.75	-
Rakesh Bansal	-	-	-	-
Sajal Bansal	-	-	-	-
KPG Enterprise Recyclers LLP	-	-	-	-

Outstanding Balance (Receivables)/Payable	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
RSK Industries Pvt. Ltd	-	-	-	-
<b>Remuneration Payable</b>				
Niranjan Agarwal	-	-	-	-
Aditya Agarwal	-	-	-	-
Rakesh Bansal	-	-	-	-
<b>Trade Receivable</b>				
Aditya Exim	-	-	-	-
Kalahridhaan Trendz Limited	-	-	-	-
KPG Enterprise Recyclers LLP	-	-	-	-
RSK Industries Pvt. Ltd	-	-	-	-
<b>Trade Payable</b>				
Aditya Exim	-	-	0.71	-
Kalahridhaan Trendz Limited	-	-	-	-
Manish Garment	-	-	-	-

#### FINANCING ARRANGEMENTS

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

#### AVERAGE COST OF ACQUISITIONS OF SHARES FOR PROMOTERS:

Average price at which the Equity Shares were acquired by our Promoters in last one year:

Sr. No.	Name of Promoters	No. of Equity Shares Acquired	Average Cost of Acquisition per equity share (in ₹)*
1.	Niranjan Dwarkaprasad Agarwal	1402667	NIL^
2.	Sajal Rakesh Bansal	435200	NIL^
3.	Rakesh Kumar Bansal	1000800	NIL^
4.	Babita Rakesh Bansal	1000800	NIL^
5.	Ankita Sajal Bansal	4308799	NIL^
6.	Rakesh Kumar Bansal - HUF	720800	NIL^

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

^ Being Bonus shares.

#### Average Cost of Acquisition of Promoters:

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹)*#
1.	Niranjan Dwarkaprasad Agarwal	3156001	11.10
2.	Sajal Rakesh Bansal	979200	5.56
3.	Rakesh Kumar Bansal	2251800	5.56
4.	Babita Rakesh Bansal	2251800	5.56

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹)*#
5.	Ankita Sajal Bansal	4309799	0.00
6.	Rakesh Kumar Bansal - HUF	1621800	5.56

#### **PRE-IPO PLACEMENT**

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

#### **ISSUE OF SHARES FOR CONSIDERATION OTHER THAN CASH**

Except as disclosed in chapter titled as “*Capital Structure*”, our company has not issued any equity shares for consideration other than cash. For further details regarding issuance of shares, please refer section titled “*Capital Structure*” beginning on Page No. 54 of this Draft Prospectus.

#### **SPLIT / CONSOLIDATION**

No Split or Consolidation has been done during the last one year.

### SECTION III – RISK FACTORS

*Any investment in equity securities involves a high degree of risk. Investors should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with Sections titled, “Business Overview”, “The Issue”, “Industry Overview”, “Restated Financial Information”, “Outstanding Litigation and Other Material Developments”, and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on page no. 107, 45, 91, 168, 185 and 170 respectively, as well as the other financial and statistical information contained in this Draft Prospectus.*

*Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have an adverse effect on our business, financial condition, results of operations and prospects and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or a part of your investment. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial conditions and Draft Prospectus.*

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

*The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this Issuing unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the consequences to you of an investment in the Equity Shares.*

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

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

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

#### **INTERNAL RISK FACTORS:**

1. ***The top ten Buyers of our product and top ten suppliers for raw material contribute majority of revenue and source of Raw Material. We do not have long term agreement with the customer or supplier. The loss of any Customer or a decrease in the volume of order by any customer or any disruption in supply of raw material by any supplier may adversely affect our revenues and profitability.***

The revenue from top ten customers in the period ended December 31, 2023 and in the FY 2022-23, FY 2021-22 and FY 2020-21 was 95.01%, 93.47%, 92.22% and 82.53% of the total turnover. The loss of any customer or a decrease in the volume of orders may severely affect our revenues and profitability, if we are unable to develop and maintain a continuing relationship with our key customer or develop and maintain relationships with other new customers. The loss of a significant customer or a number of significant customers due to any reason whether internal or external related to their business may have a material adverse effect on our business and results of operations. Any decline in our quality standards, growing competition and any change in the demand for our services by these customers may adversely affect our ability to retain them. The top ten customers are not related to the promoters or promoter group.

Our top ten suppliers contribute 79.11%, 57.89%, 79.10% and 65.14% of our total purchase for the period ended December 31, 2023 and the financial year ended on March 31, 2023, 2022 and 2021, respectively based on restated financial statement. We cannot assure that we will be able to get the same quantum and quality of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases of stock and ultimately our revenue and results of operations. However, the composition and amount of purchase from these suppliers might change as we continue seek new suppliers for our product for better quality and price in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new suppliers, there can be no assurance that we will be able to maintain long term relationships with such suppliers or find new suppliers in time.

2. ***Our Company, its Directors and its Promoters are party to certain litigation and claims. These legal proceedings are pending at different levels of adjudication before various forums and regulatory authorities. Any adverse decision may make us liable to liabilities/penalties and may adversely affect our reputation, business and financial status.***

There are outstanding legal proceedings involving the Company, its Promoters and its Directors. These proceedings are pending at different levels of adjudication before various courts. The details of such outstanding litigations as at the date of this Draft Prospectus are as follows:

Nature of Cases	Number of Cases	Total Amount Involved (in Rs. Lakhs) <sup>^</sup>
<b>Proceedings against our Company</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	6	48.11
<b>Proceedings by our Company</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
<b>Proceedings against our Director</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	Nil	Nil
<b>Proceedings by our Director</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
<b>Proceedings against our Promoter</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	8	293.05
<b>Proceedings by our Promoter</b>		
Criminal	Nil	Nil
Civil	Nil	Nil

<sup>^</sup> Rounded off to closest decimal

We may be required to devote management and financial resources in the defence or prosecution of such legal proceedings. Should any new developments arise, including a change in Indian laws or rulings against us by the appellate courts or tribunals, we may face losses and we may have to make further provisions in our financial statements, which could increase our expenses and our liabilities. Decisions in such proceedings, adverse to our interests, may have a material adverse effect on our business, cash flows, financial condition, and results of operations. Failure to successfully defend these or other claims, or if our current provisions prove to be inadequate, our business and results of operations could be adversely affected. Even if we are successful in defending such cases, we will be subject to legal and other costs relating to defending such litigation, and such costs could be substantial. In addition, we cannot assure you that similar proceedings will not be initiated in the future. Any adverse order or direction in these cases by the concerned authorities, even though not quantifiable, may have an adverse effect on our reputation, brand, business, results of operations and financial condition. For further details, please refer to "Outstanding Litigation and Material Developments" on page 185.

3. ***We have given corporate guarantee in relation to certain debt facilities to our group company which if claimed, may require us to pay the guaranteed amount.***

We have provided corporate guarantee to our group Company. As on March 03, 2024, we have given the corporate guarantee for the debt facilities of our group company viz. Kalahridhaan Trendz Limited amounting to ₹ 3,500 Lakhs which is more than the networth of our Company. Networth of our Company as on December 31, 2024 is ₹ 2,584.76 Lakhs. In the event that these guarantees are claimed, we have to pay the guaranteed amount which will adversely affect the financial position and profitability of our Company.

**4. Our work premises from where we operate are not owned by us.**

Our Registered Office and warehouses as disclosed under the chapter titled as “Business Overview” on page no. 107 are not owned by our Company. We cannot assure you that we will be able to continue the above arrangement on commercially acceptable / favourable terms in future. If we are required to vacate the current premises, we would be required to make alternative arrangements for new office and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

**5. Our Business is dependent and will continue to depend on our manufacturing and processing unit and we are subject to certain risk in our manufacturing process such as breakdown or failure of equipment, industrial accidents, severe weather conditions and natural disasters.**

We have manufacturing and processing unit situated at Shree Shyam Industrial Park, Saijpur-Gopalpur-Shahwadi, New Vatva Taluka, Narol, Ahmedabad. We are engaged in manufacturing and processing of bedsheets. Our business is dependent upon our ability to manage our operations which involves manufacturing, storage and transportation, which are subject to various operating risks, including planned shutdowns of our manufacturing unit for maintenance, statutory inspections and testing and those beyond our control, such as the breakdown or failure of equipment, industrial accidents, severe weather conditions, and natural disasters. Any significant malfunction or breakdown or occurrence of any accident involving any of our machinery, our equipment, our automation systems, our IT systems or any other part of our manufacturing operations or systems (together, our “Manufacturing Assets”) may entail significant repair and maintenance costs, cause delays, suspension or full or partial shutdown of our operations. If we are unable to repair or rectify our Manufacturing Assets in a timely manner or at all which could have an adverse effect on our business, financial condition and results of operations.

We may also experience loss of, or a decrease in, revenue due to lower manufacturing levels. Our installed capacity at our manufacturing facility for the period ended December 31, 2023 and Financial Year ended March 2023, March 2022 and March 2021, was as follows;

Sr. No.	Particulars	For the Period Ended			
		March 31, 2024*	March 31, 2023	March 31, 2022	March 31, 2021
1	Installed Capacity in Nos (Per Day)	10000	8500	8500	5500
2	Actual Production in Nos. (Per Day)	9000	6715	8008	4888
3	Capacity Utilization in %	90	79	94.21	88.80

\*Annualised

As certified by chartered engineer Mr. Dinesh P. Jani vide his certificate dated April 9, 2024

For further details, see heading “Capacity and Capacity Utilization” under chapter titled as “Business Overview” starting from on page 107 of this Draft Prospectus.

**6. Any failure on our part to effectively manage our inventory may result in an adverse effect on our business, revenue from manufacturing operations and financial condition.**

We are a manufacturing company, and, at all points of time, a certain portion of our assets comprises of an inventory of raw materials, work in progress and finished goods. Maintaining sufficient inventory of raw materials is critical for our operations including as a buffer against any supply disruptions. Any failure on our part to effectively manage our inventory of raw materials and finished products in response to changing market scenario may have an adverse effect on our financial condition and may even lead to loss of business and increase the costs of our operations. In the event we overestimate our requirements for raw materials as compared to the demand for our products, it may lead to situations that require us to block more capital and increase our operating costs in connection with inventories and further expose us to variations in raw materials risk. Equally, if we underestimate our requirements for raw materials, it may adversely affect our ability to manufacture the required quantity of products for our customers’ requirements in a timely and cost-efficient manner which may lead to loss of business and / or the opportunity to service customers which could adversely affect our business, results of operations and financial condition. Further, we may also lose opportunities to acquire raw materials in a cost-effective manner, thereby increasing costs of operations and adversely affecting our working capital requirements. Additionally, if our inventory of finished products is not dispatched on time or if there is any unanticipated delay in the delivery of our finished products or if

the finished products are not properly maintained or are damaged or destroyed, we could lose such inventory which could have an adverse impact on our production cycle, results of operation and financial condition.

**7. Any failure in our quality control processes may have an adverse effect on our business, results of operations and financial condition.**

Our products may contain quality issues or undetected errors or defects. We experience sales returns and quality compensation in our normal course of business. We have implemented quality checks & tests and regularly conduct inspections of raw materials sourced from suppliers and finished products manufactured by us on the basis of our internal quality standards. However, we cannot assure you that our quality control processes will not fail or the quality tests and inspections conducted by us will be accurate at all times. Any shortcoming in the raw materials procured by us or in the production of our products due to failure of our quality assurance procedures, negligence, human error or otherwise, may damage our products and result in deficient products. We also face the risk of legal proceedings and product liability claims being brought against us by our customers for defective products sold. We cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims. A product liability claim may adversely affect our reputation and brand image, as well as entail significant costs in defending such claims.

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

Our operations are subject to risks inherent in manufacturing facilities such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. Our significant insurance policies consist of, among others, property insurance (building, stock, furniture & fixture and plant & machinery), burglary insurance of stock, windmill property insurance and vehicle insurance. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks such as cash in transit, goods in transit, machinery breakdown, keyman insurance, workmen compensation, group personal accident or mediclaim policy. Failure to effectively cover ourselves against the associated risks may potentially lead to material losses. There can be no assurance that our insurance policies will be adequate to cover the losses/ damages suffered or that such insurance coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. 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.

**9. Our operations are subject to high working capital requirements. Our inability to maintain an optimal level of working capital required for our business may impact our operations adversely.**

Our business requires significant amount of working capital and major portion of our working capital is utilized towards inventories and trade receivables. Considering our growing scale, it may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. Further, we have significant outstanding amount due from our debtors which may result in a high risk in case of non-payment by these debtors. In case of any such defaults from our debtors, may affect our business operations and financials. Following are the details of our working capital requirements in past:

Particulars	As per Restated financial statement			
	December 31, 2023	31-Mar-23	31-Mar-22	31-Mar-21
<b>Current Assets</b>				
<b>Inventories</b>				
➤ Raw Material	993.11	1,436.86	1,033.72	1,628.84
➤ Finished Goods & Others	3,443.95	941.97	264.40	306.43
Trade receivables	3,218.62	3,536.78	2,169.53	2,261.07
Cash and cash equivalents	223.20	477.97	462.25	9.11
Loans and advances	295.31	1,163.88	2,790.63	78.72
Other Assets	461.24	590.08	473.53	647.06
<b>Total Assets</b>	<b>8,635.43</b>	<b>8,147.53</b>	<b>7,194.06</b>	<b>4,931.22</b>

Particulars	As per Restated financial statement			
	December 31, 2023	31-Mar-23	31-Mar-22	31-Mar-21
<b>Current Liabilities</b>				
Trade payables	406.74	745.90	452.41	637.20
Other liabilities	126.86	303.94	303.98	501.56
Short-term provisions	503.77	221.03	126.28	46.71
<b>Total Liabilities</b>	<b>1,037.37</b>	<b>1,270.88</b>	<b>882.67</b>	<b>1,185.47</b>
<b>Net Working Capital</b>	<b>7,598.06</b>	<b>6,876.65</b>	<b>6,311.39</b>	<b>3,745.75</b>
<b>Sources of Funds</b>				
Borrowing	4,898.16	5,172.29	5,233.19	2,839.22
Internal Accruals/Existing Net worth	2,699.90	1,704.37	1,078.20	906.53
Proceeds from IPO	-	-	-	-
<b>Total</b>	<b>7,598.06</b>	<b>6,876.65</b>	<b>6,311.39</b>	<b>3,745.75</b>

For further details regarding working capital requirement, please refer to the section “*Objects of the Issue*” on page 73 of this Draft Prospectus.

10. *In addition to regular remuneration, other benefits and expense reimbursement our Promoters and Directors hold a vested interest in our Company; to the extent of their shareholding and associated dividend entitlements They also have a stake in transactions involving our company, whether with themselves individually or with our group companies/entities. Our Company in future may enter in related party transactions subject to necessary compliances.*

Our Promoters – Directors are interested in our Company to the extent of their shareholding and associated dividend entitlements thereon in our Company, in addition to regular remuneration or benefits and expenses reimbursement. Our Promoters and Directors are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Company/Entity. All transactions with related parties entered into by the company in past were at arm’s length basis, in compliance with applicable provisions of Companies Act, 2013 and other applicable provisions. Our company, promoters and group companies may enter into such related party transaction in future as well which may be or may not be at Arms’ Length Price and in Ordinary Course of Business.

If such future transactions are not on Arms’ Length Price and in Ordinary Course of Business, our financial position may get affected to that extent. Additionally, our Company may enter in related party transactions in future subject to necessary compliances in accordance with relevant acts, rules and regulations. For details of transactions already executed by our Company with our Promoters, Directors and Group Companies/Entities during last three years, please refer to the “*Annexure titled Statement of Related Party & Transactions*” under the Chapter titled “*Restated Financial Information*” beginning on Page No. 168 of this Draft Prospectus.

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

11. *Our global operations expose us to numerous and sometimes conflicting legal and regulatory requirements, and violation of these regulations could harm our business.*

Since, we have business operations in countries namely Australia, Canada, China, Saudi Arabia, United Kingdom, USA and Israel we are subject to numerous, and sometimes conflicting legal requirements on matters as diverse as import/export controls, content requirements, trade restrictions, the environment tariffs, taxation, sanctions, government affairs, anti-corruption, whistle blowing, internal and disclosure control obligations, data protection and privacy and labour relations and certain regulatory requirements that are specific to our clients’ industries. Non-Compliance with these regulations in the conduct of our business could result in fines, penalties, criminal sanctions against us or our officers, disgorgement of profits, prohibitions on doing business and have an adverse impact on our reputation. Gaps in compliance with these regulations in connection with the performance of our obligations to our clients could also result in exposure to monetary damages, fines and/or criminal prosecution, unfavourable publicity,

restrictions on our ability to process information and allegations by our clients that we have not performed our contractual obligations. Due to the varying degree of development of the legal systems of the countries in which we operate, local laws might be insufficient to defend us and preserve our rights.

We could also be subject to risks to our reputation and regulatory action on account of any unethical acts by any of our employees or other related individuals. We are subject to risks relating to compliance with a variety of national and local laws, including multiple tax regimes, and employee health, safety, wages and benefits laws. Our failure to comply with applicable regulatory requirements could have a material adverse effect on our business, financial condition and result of operations.

**12. *If we are unable to collect our receivables from our clients, our results of operations and cash flows could be adversely affected.***

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

As of December 31, 2023, we had trade receivables of Rs. 3218.62 Lakhs which were outstanding for a period less than one year. Actual losses on client balances could differ from those that we currently anticipate and as a result we might need to adjust our provisions. We might experience delays in collection of and/or be unable to collect our client balances, and if this occurs, our results of operations and cash flows could be adversely affected.

**13. *Our Company has not entered into any agreements/contracts with the Suppliers and Customers.***

Related to shortfall or non-availability of raw material and other utilities may adversely affect our manufacturing processes and have an adverse impact on our operations and financial condition. We do not have long term arrangements with our vendors/suppliers and we operate on a purchase order basis. There are no long-term supply agreements for our raw material and other utilities. Our inability to obtain high quality raw materials in a timely and cost-effective manner would cause delays in our production and delivery schedules besides increasing cost of production, which may result in us losing some customers and hence could lead to reduction in revenues. Hence, we also face market risks for each of these products.

we typically do not have firm commitment in the form of long-term supply agreements with most of our key customers and instead rely on purchase orders including through the tender route to govern the volume and other terms of our sales of products. We do not typically have exclusivity arrangements with most of our customers. While we have developed long-term relationships with certain of our customers, there is no commitment on the part of our key customers to continue to place new purchase orders with us and as a result, our cash flow and consequent revenue may fluctuate significantly from time to time. Further, we may not find any other customers for the surplus or excess capacity, in which case we may be forced to incur a loss. The loss of one or more of these significant customers or a significant decrease in business from any such key customer may materially and adversely affect our business, results of operations and financial condition.

**14. *Our Company is engaged in the business of Single product being bedsheets and pillow covers***

Our company relies heavily on a single product as the cornerstone of our business. We are primarily engaged in the business of manufacturing and sale of Bedsheet Sets, Duvet Bedding and Pillow Pairs. This flagship product not only drives the majority of our revenue but also defines our brand identity in the market. While this focus allows us to channel our resources and expertise to continually enhance and innovate this product, it also presents a significant risk. Market fluctuations, changes in consumer preferences, or unforeseen disruptions can severely impact our overall business stability. Therefore, while our single-product strategy has been a strength, it also necessitates a careful and strategic approach to risk management and future growth planning.

**15. *Our company has not complied with certain statutory provisions of the Companies Act. Such non-compliance may attract penalties and prosecution against our Company and its Directors which could impact the financial position of us to that extent.***

Our Company in past, has allotted shares pursuant to statutory provisions of Section 62 of the Companies Act, 2013, but has not complied with certain provisions of Section 62 of the Companies Act, 2013, for instance, our Company has inadvertently passed an ordinary resolution under Section 62(1)(C) of the Companies Act, 2013, which was approved by members of the Company with respect to issue of shares to persons on private placement basis and accordingly the same was filed with Registrar of Companies, Gujarat. However, pursuant to Section 62(1)(C), a special resolution needs to be passed.

Further, our Company is required to make filings under various rules and regulations as applicable under the Companies Act, 2013 and under the applicable provisions of the Companies Act, 1956, few of which have not been done within the stipulated time period. Due to such delays in filings, our Company has on those occasions paid the requisite additional fees and made the filings with the ROC in compliance with the Companies Act.

Although no show cause notice have been issued against the Company till date in respect of above, such delay, non-compliance may in the future render us liable to statutory penalties and could have serious consequences on our operations. While this could be attributed to technical lapses and human errors, our Company is in process of setting up a system to ensure that the requisite filings are done appropriately and within the timelines.

**16. There are certain instances of delays in payment of statutory dues. Any delay in payment of statutory dues or non-payment of statutory dues in dispute may attract financial penalties from the respective government authorities, which may have an adverse impact on our financial condition and cash flows**

There have been certain instances on delay in payment of statutory dues during months ended on December 31, 2023 and in last three FYs fiscals, which inter-alia include, goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, which as on the date of this Draft Prospectus has been deposited with relevant authorities. For instance, please see below instances of delay/ irregularity in payment of provident fund dues, ESIC and GST for the periods indicated:

The following table depicts the delays in filing of GSTR – 3B returns by the Company:

For the Financial year/Period	Return Type	Total number of returns filed	Delayed filings
Fiscal 2021	GSTR-3B	13	2
Fiscal 2022	GSTR-3B	12	7
Fiscal 2023	GSTR-3B	12	2
For the nine months period ended December 31, 2023	GSTR-3B	9	1

Details of payment of provident fund due:

(₹ in Lakhs)

For the Financial year/Period	Total Amount Paid	Total number of establishments	Establishments with delayed filings
Fiscal 2021	6.22	1	1
Fiscal 2022	9.35	1	1
Fiscal 2023	9.50	1	1
For the nine months period ended December 31, 2023	10.73	1	1

There can be no assurance that such delays may not arise in future. This may lead to financial penalties from respective government authorities which may have a material adverse impact on our financial condition and cash flows.

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

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions, some of which could be onerous. Our Company is yet to apply for certain licenses, approvals, registrations and permits required for conducting our business operations. For instance: (i) our Company is yet to apply for shops and establishment registration certificate for our registered office premises and warehouse located at Ahmedabad, Gujarat; (ii) our Company is yet to make an intimation to Gujarat Pollution Control Board for the classification of our factory situated at Shed No. 63 to 78, Shyam Industrial Park, Opp. Aakash Fashion, Shahwadi, Narol, Ahmedabad – 382 405, Gujarat, India under the white category; and (iii) our Company is yet to make an application for professional tax enrolment certificate of our establishments situated at Ahmedabad, Gujarat. Additionally, our Company has obtained professional tax registration certificate. However, our Company is unable to trace the original copy of the certificate. Our Company is yet to apply for duplicate certificate. Additionally, we have applied and are in the process of applying for certain approvals, licenses, registrations and permits, which are necessary for us to continue our business and need to be updated pursuant to conversion from private to public Company. These laws

and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavour to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations.

For further details regarding, see “Government and Other Statutory Approvals” on page 189 of this Draft Prospectus.

**18. Our Company has applied for registration of the trademarks in its name. Until such registration is granted, we may not be able to prevent unauthorised use of such trademarks by third parties, which may lead to the dilution of our goodwill**

Our Company has made application dated August 25, 2022 for registration its logo , under class 24 under the Trademark Act, 1999 which is which is opposed as on date. We cannot assure you that we will be able to obtain registration against the application made or remove objection raised for the logo of the Company. If we are unable to renew or register our trademarks for various reasons including our inability to remove objections to any trademark application, or if any of our unregistered trademark are registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark and consequently, we may not be able to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities, causing damage to our business prospects, reputation and goodwill in India and abroad. Apart from this, any failure to register or renew registration of our registered trademark may affect our right to use such trademark in future. Further, our efforts to protect our intellectual property in India and abroad may not be adequate and any third-party claim on any of our unprotected intellectual property may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered brand name in India and abroad which has been registered by us in India. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks in India and abroad. Further, if do not maintain our brand name and identity, which we believe is one of the factors that differentiates us from our competitors, we may not be able to maintain our competitive edge in India and abroad. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand name is subject to risks, including general litigation risks. Furthermore, we cannot assure you that such brand name will not be adversely affected in the future by actions that are beyond our control, including customer complaints or adverse publicity from any other source in India and abroad. Any damage to our brand name, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position in India and abroad.

For further details see “Business Overview” and “Government and Other Statutory Approvals” on pages 107 and 189, respectively of this Draft Prospectus.

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

Our Company had reported certain negative cash flows in previous years as per the Restated Financial Statement, as stated below:

(₹ in Lakhs)

Particular	For the period ended			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Cash flow from/ (used in) Operating Activities	410.79	306.48	(1,647.14)	(2,098.61)
Cash flow from (used in) Investing Activities	(84.50)	(21.11)	(130.49)	(69.94)
Cash flow from / (used in) Financing Activities	(581.06)	(269.65)	2,230.77	2,095.64

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. Since our Company is in a growth phase, our working capital requirement has increased in tandem and this has resulted in negative cash flow from operations in the FYs 2022-23, 2021-22, 2020-21 and the month period ended

December 31, 2023. We may continue to have negative operating cash flows in future. If our Company is not able to generate sufficient operating cash flows, it may adversely affect our business and financial operations. For further details, see “*Restated Financial Information*” on page 168.

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

Our operations are dependent on the timely transport of raw materials to our manufacturing facilities and of our products to our customers. We typically rely on third party transportation providers for transportation of Raw Material to our manufacturing facility and finished products from our manufacturing facility to our customers, which are subject to various bottlenecks, including roadblocks, weather, strikes or civil disruptions. We may experience disruption in the transportation of raw materials by road and delivery of the products to our customers due to bad weather conditions. Any failure to deliver our products to our customers in an efficient, reliable and timely manner could have an adverse effect on our business, results of operations, cash flows and financial conditions.

**21. *If we are not able to successfully manage our growth, our business and results of operations may be adversely affected.***

Continued growth of our business and customer base requires us to expand our product portfolio, strengthen our product quality, expand and enhance our sales channels, better manage our supply chain, upgrade our information systems and technologies and devote other resources to our business expansions, among others. As we continue to grow, managing our business will become more complicated as we develop a wider product mix, some of which we may have less experience in. In addition, as we increase our product offerings, we will need to work with a larger number of business partners and maintain and expand mutually beneficial relationships with our existing and new business partners. Our inability to manage the expansion of our products range, customer base and manufacturing capacities, and execute our growth strategy in a timely manner or within budget estimates, or our inability to meet the expectations to track the changing preferences of our customers or other stakeholders could have an adverse effect on our business, results of operations and financial condition.

We cannot assure you that we will be able to effectively manage our growth, that our current personnel, infrastructure, systems, procedures and controls or any measures to enhance them will be adequate and successful to support our expanding operations or that our strategies and new business initiatives will be executed successfully. Our failure to manage our anticipated growth effectively could reduce our ability to execute our business strategies, recruit and retain personnel, innovate, and manage costs all of which could adversely affect our business, results of operations, cash flows and financial condition. In addition, the availability of funds plays a crucial role for growth and expansion of the business. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. Any downgrade in our credit ratings could increase our borrowing costs and adversely affect our access to capital. Further, in case we decide to raise additional funds through the issuance of equity or equity linked instruments, the interests of our shareholders may be diluted. Further, if we decide to meet our capital requirements through debt financing, our interest obligations shall increase and we may be subject to additional restrictive covenants under our respective financing arrangements. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business, results of operations and financial condition could be adversely affected.

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

We have business operations in countries namely Australia, Canada, China, Saudi Arabia, United Kingdom, USA and Israel. We are exposed to foreign currency fluctuation risk. Although, we closely follow our exposure to foreign currencies. We do not hedge our exposure to foreign currency as a result, our operations, cash flows and financial performance could be adversely affected in case these currencies fluctuate significantly. We may from time to time be required to make provisions for foreign exchange differences in accordance with accounting standards. For further details please refer to chapter titled as “*Restated Financial Information*” on Page No. 168 of this Draft Prospectus. In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our results of operations and cash flows. Any such losses on account of foreign exchange fluctuations may adversely affect our results of operations and cash flows. Certain markets in which we sell our products may be subject to foreign exchange repatriation and exchange control risks, which may result in either delayed recovery or even non-realization of revenue.

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

As of December 31, 2023 our Company had total indebtedness in the form of short term and long-term borrowings of ₹ 5,323.77 lakhs on restated basis. Our indebtedness could have several important consequences, including but not limited to the following:

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

Many of our financing agreements also include various conditions and covenants that require us to obtain consent of the lenders prior to carrying out certain activities or entering into certain transactions. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain conditions. In the event of default or the breach of certain covenants, our lender has the option to make the entire outstanding amount payable immediately. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business. For further details in this regard, please refer chapter titled “*Restated Financial Information*” beginning on page 168 of this Draft Prospectus.

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

As on December 31, 2023, our Company has unsecured loans amounting to ₹ 336.29 lakhs from Directors that are repayable on demand to them. Such loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lenders at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition. For further details of unsecured loans of our Company, please refer chapter titled “*Restated Financial Information*” beginning on page 168 of this Draft Prospectus.

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

We have secured outstanding debt of ₹ 5,031.05 lakhs as on December 31, 2023 and we have secured our lenders by creating charge over our movable and immovable properties. In the event we default in repayment of the loans availed by us and any interest thereof, our properties may be forfeited by lenders. For further information on the financing and loan agreements along with the total amounts outstanding, please refer to section titled “*Restated Financial Information*” on page 168 of this Draft Prospectus.

**26. *Our Promoters / Directors / Promoter Group entities / Promoter Group members have provided personal guarantees for loan facilities obtained by our Company, and any failure or default by our Company to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations on them, which may impact their ability to effectively service their obligations as our Promoters/ Directors and thereby, impact our business and operations.***

Our Promoters / Directors / Promoter Group entities / Promoter Group members, namely Niranjana Dwarkaprasad Agarwal, Aditya Niranjana Agarwal, Babita Rakesh Bansal, Rakesh Kumar Bansal, Sajal Rakesh Bansal, Sunitadevi Niranjana Agarwal along with Shri Goverdhan Minerals LLP have extended personally guarantee towards loan facilities taken by our Company. Any default or failure by us to repay the loans in a timely manner, or at all could trigger repayment obligations of our guarantors in respect of such loans, which in turn, could have an impact on their ability to effectively service their obligations as Promoters/Directors of our Company, thereby having an effect on our business, results of operation and financial condition. Furthermore, in the event that these individuals withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer “*Business Overview*” on page 107 of this Draft Prospectus.

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

Our performance depends largely on the efforts and abilities of our promoters, senior management and other key personnel. They have gained experience in this line of business and have over the years built relations with our customers and other persons who are connected with us and have been actively involved in the day to day operations and management, further we believe that the inputs and experience of our senior management, in particular, and other key personnel are valuable for project development and procurement activities, and our overall business operations and the strategic directions taken by our Company. For details in relation to the experience of our key management personnel, see “*Our Management*” on page 139 of this Draft Prospectus.

Our future success substantially depends on the continued service and performance of the members of our senior management team and other key personnel in our business for management, running of our daily operations, and the planning and execution of our business strategy. There is intense competition for experienced senior management and other key personnel with technical and industry expertise in our business and if we lose the services of any of these or other key individuals and are unable to find suitable replacements in a timely manner, our ability to realize our strategic objectives could be impaired. We face specific disadvantages in our efforts to attract and retain our management. As a public sector undertaking, Government of India policies regulate and control the emoluments, benefits and perquisites that we pay to our employees, including our key managerial and technical personnel and these policies may not permit us to pay at market rates.

Additionally, we may not have in place the necessary systems and processes to develop key personnel internally. Our Company does not maintain any director’s and officer’s insurance policy or any keyman insurance policy. The loss of key members of our senior management or other key team members, particularly to competitors, could have an adverse effect on our business and results of operations. Our performance also depends on our ability to attract and train highly skilled personnel. If we are unable to do so, it would materially and adversely affect our business, prospects and results of operations.

We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an effect on our business, results of operations, financial condition and cash flows.

**28. *Relevant copies of educational qualification of one of our directors is not traceable.***

Relevant copies of the educational qualification of our director, namely, Niranjan Dwarkaprasad Agarwal is not traceable. In accordance with the disclosure requirements in respect of brief biographies of the Directors, we have relied on affidavit provided by such Director for the purpose of disclosure in the section titled “*Our Management*” on page 139 of this Draft Prospectus.

**29. *Certain members of our promoter group have not filed Income Tax Returns (“ITR”).***

As on the date of this Draft Prospectus, certain members of our promoter group have not filed ITRs for any financial year. In the event cognizance is taken by certain authorities in relation to the aforesaid, it may result in penal actions against the said persons, which may affect our reputation.

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

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

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

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

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

**32. *The average cost of acquisition of Equity shares by our Promoters is lower than the Issue price.***

Our Promoter's average cost of acquisition of Equity shares in our Company is lower than the Issue Price of Equity shares as given below:

Sr No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹)
1.	Sajal Rakesh Bansal	979200	5.56
2.	Niranjan Dwarkaprasad Agarwal	3156001	11.10
3.	Rakesh Kumar Bansal	2251800	5.56
4.	Babita Rakesh Bansal	2251800	5.56
5.	Ankita Sajal Bansal	4309799	0.00
6.	Rakesh Kumar Bansal - HUF	1621800	5.56

**33. *We could be adversely affected due to misconduct or errors of our employees that are difficult to detect and any such incidents could adversely affect our financial condition, results of operations and reputation.***

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

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

Our company faces potential risks related to incidents of theft or damage to inventory. While we have not encountered such situations in the past, we acknowledge that there is a possibility of experiencing inventory losses due to various factors such as employee theft, vendor fraud, and general administrative errors. These incidents could have a negative impact on the results of operations and financial condition. During the execution of the contract and up to defect liability period we are generally fully liable to compensate all concerned for any loss, damage, or destruction of work, structure, property etc. including third party risk arising due to causes attributable to us.

Despite implementing security measures and internal controls, there is no guarantee that we will completely avoid instances of fraud, theft, employee negligence, or security lapses in the future. Any such occurrence could lead to significant financial losses and affect our overall business performance.

Although we have insurance coverage against losses due to theft, fire, breakage, or damage caused by other casualties, the extent of coverage may not fully mitigate the financial impact of such incidents on our operations and financial condition. In some cases, the losses incurred may exceed the insurance coverage, resulting in additional financial strain for the company.

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

We propose to utilize the Net Proceeds towards utilization for the working capital requirement and General Corporate Purposes of our Company. For further details of the proposed objects of the Issue, see Chapter titled as "**Objects of the Issue**" beginning on page 73. However, these objects of the Issue have not been appraised by any bank, financial institution or other independent agency. Further, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations. Further, our Promoters would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement to provide an exit opportunity to such dissenting shareholders of our Company may deter our Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds,

even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition, if any, which may adversely affect our business and results of operations.

- 36. *The Objects of the Issue for which funds are being raised, are based on our management estimates and the same have not been appraised by any bank or financial institution or any independent agency. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titled as "Objects of the Issue".***

The fund requirement and deployment, as mentioned in the chapter titled as "***Objects of the Issue***" on page 73 of this Draft Prospectus is based on the estimates of our management and has not been appraised by any bank 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 plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter titled "***Objects of the Issue***" on page 73 of this Draft Prospectus 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 under chapter titled "***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 and will be subject applicable rules and regulations. The occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

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

We propose to utilize the Net Proceeds towards utilization for the working capital requirement and General Corporate Purposes of our Company. For further details of the proposed objects of the Issue, see "***Objects of the Issue***" on page 73. However, these objects of the Issue have not been appraised by any bank, financial institution or other independent agency. Further, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations. Further, our Promoters would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement to provide an exit opportunity to such dissenting shareholders of our Company may deter our Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition, if any, which may adversely affect our business and results of operations.

- 38. *Our actual cost incurred in completing a project may vary substantially from the assumptions underlying our bid. We may be unable to recover all or some of the additional expenses incurred, which could adversely affect our financial condition, results of operation and cash flows.***

Under our contracts with our customers, we are typically entitled to receive an agreed amount, subject to variations in our scope of work. This amount is based on certain estimates underlying our project cost estimates. However, our actual expenses in executing a project may vary based on a change in any such assumptions. Any unexpected price fluctuations after placement of orders, shortage, delay in delivery, quality defects, or any factors beyond our control may result in an interruption in the supply of such materials and adversely affect our business, financial performance, results of operations, and cash flows. Most of our arrangement with our customers allow us to claim for an increase in certain project costs. If our cost overruns are greater than the increase in market rates, we may not be able to recover all of our cost overruns. We cannot assure you that we will not experience any cost overruns in the future. Further, the assumptions underlying our bid are typically based on a pre-bid inspection / study that we conduct. Our pre-bidding studies are usually conducted in a short span of time, as part of our preparation and research for a potential

bid by us. Further, we may also need to seek additional financing to meet any consequent cost overruns, which may not be available on attractive terms. Any significant deviations from the estimates could adversely affect our business, financial condition and results of operations.

**39. *Our ability to pay any dividends will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures. Moreover, we might not sustain historical dividend levels moving forward.***

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our Dividend history refer to the Section “*Dividend Policy*” on page 160 of the Draft Prospectus. While we have paid dividends in the past, there can be no assurance as to whether we will pay dividends in the future and, if so, the level of such future dividends.

**40. *There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds.***

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹ 10,000.00 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

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

Our promoter along with the promoter group will continue to hold collectively 72.15% of the Equity Share Capital of the Company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholder’s vote. Such a concentration of the ownership may also have the affect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoter will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

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

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

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

**43. *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 the equity shares have been based on many factor and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the section titled “**Basis for Issue Price**” beginning on page 82 of the Draft Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.

**44. *Industry information included in this Draft Prospectus has been derived from an industry sources. There can be no assurance that such third-party statistical, financial and other industry information is complete, reliable or accurate.***

This Draft Prospectus includes information on Industry in which we operate from various sources. For further details, please see chapter titled “**Industry Overview**” beginning on page 91. The data has been furnished by independent agency on their websites and has no relationship with our Company, its Promoters, Directors, or the Lead Manager as on the date of this Draft Prospectus. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that 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, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient 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.

**45. *Certain data mentioned in this Draft Prospectus has not been independently verified.***

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

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

The funds that we receive would be utilized for the objects of the Issue as has been stated in the chapter titled “**Objects of The Issue**” on Page no. 45 of this Draft 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, it may adversely affect our revenues and results of operations.

**47. *We have not identified any alternate source of raising the funds required for the object of the Issue and the deployment of funds is entirely at our discretion and as per the details mentioned in the section titled “Objects of the Issue”.***

Our Company has not identified any alternate source of funding for our object of the Issue and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of funds or may result in borrowing funds on unfavourable terms, both of which scenarios may affect the business operation and financial performance of the company. Further the deployment of the funds raised in the issue will be entirely at the discretion of the management and any revision in the estimates may require us to reschedule our projected expenditure and may have a bearing on our expected revenues and earnings. For further details of Please refer chapter titled “**Object for the Issue**” beginning on page 73 of this Draft Prospectus.

**48. *Any future issuance of Equity Shares may dilute your shareholdings, and sale of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

Any future equity issuances by our Company may lead to the dilution of investors’ shareholdings in our Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this Issue, including by

our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

**49. *The requirements of being a public listed company may strain our resources and impose additional requirements.***

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge, and we cannot assure that we will be able to do so in a timely manner. Failure of our Company to meet the listing requirements of stock exchange could lead to imposition of huge penalties, if any including suspension of trading, imposed by Stock Exchange.

**EXTERNAL RISK FACTORS:**

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

Our business and financial performance is depend on the export incentive schemes which are available for a limited period of time, or profitability will affected if such benefits will no longer be available, or are reduced or withdrawn prematurely or if we are subject to any dispute with the tax authorities in relation to these benefits or in the event we are unable to comply with the conditions required to be complied with in order to avail ourselves of each of these benefits. Any changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India could be adversely affected by applicable to us and our business. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. For instance, the Government has proposed a comprehensive national goods and services tax ("GST") regime that will combine taxes and levies by the Central and state Governments into a unified rate structure. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any such future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

**51. *Investor 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 held as investments in an Indian company are generally taxable in India. Any capital gain realized on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief

Accordingly, Investors may be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax ("STT"), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India as well as STT. Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident read with the Multilateral Instrument ("MLI"), if and to the extent applicable, and the seller is entitled to avail benefits thereunder. 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. No dividend distribution tax is required to be paid in respect of dividends declared,

distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends. 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.

**52. *Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies. The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

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

**53. *An outbreak of other infectious or virulent diseases, if uncontrolled, may have an adverse effect on our business, results of operations and financial condition.***

An outbreak of other infectious or virulent diseases, such as severe acute respiratory syndrome, the COVID-19 virus, the H1N1 virus, avian influenza (bird flu), the Zika virus or the Ebola virus, if uncontrolled, may have a material adverse effect on the economies of certain countries and our operations. If any of our employees or the employees of our suppliers and/or customers are infected with such diseases or if a significant portion of our workforce refuses to work for fear of contracting an infectious disease, our Company, our suppliers and/or our customers may be required to shut down operations for a period of time, and this could adversely affect our business, results of operations and financial condition. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

**54. *Majority of our Revenue is derived from business in USA and a decrease in economic growth of USA could materially affect.***

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

**55. *Terrorist attacks or war or conflicts involving India or other countries could adversely affect consumer and business sentiment and the financial markets and adversely affect our business.***

Terrorist attacks and other acts of violence or war may adversely affect global equity markets and economic growth as well as the Indian economy and stock markets. Such acts negatively impact business and economic sentiment, which could adversely affect our business and profitability. Also, India has from time to time experienced, and

continues to experience, social and civil unrest and hostilities with neighboring countries. Armed conflicts could disrupt communications and adversely affect the Indian economy. Such events could also create a perception that investments in Indian companies involve a high degree of risk. This, in turn, could have a material adverse effect on the market for securities of Indian companies, including our Equity Shares. The consequences of any armed conflicts are unpredictable and we therefore may not be able to foresee events that could have an adverse effect on our business.

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

Global economic and political factors that are beyond our control influence forecasts directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

**57. *The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.***

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

**58. *Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

**59. *Instability in financial markets could materially and adversely affect the results of operations and financial condition.***

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

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

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

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

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in affect in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required.

Additionally, shareholders who seek to convert the rupees proceeds from the sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the Income Tax authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

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

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

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

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter "Government and Other Statutory Approvals" on page 189 for details of the laws currently applicable to us. The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition, results of operations and cash flows.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, turnover tax, goods and services tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. We are involved in various disputes with tax authorities. For details of these disputes, see "Outstanding Litigation and Material Developments" on page 185. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time.

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

no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would influence our profitability.

The Finance Act, 2022 (“Finance Act”), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax (“DDT”), will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non- resident and are likely to be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. Further, the Government of India has notified the Finance Act, 2023, which has introduced various amendments to taxation laws in India. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

**64. *The Equity Shares have never been publicly traded, and the Issue may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price.***

Prior to the issue, there has been no public market for the Equity Shares, and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, there will be liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Issue. The market price of the Equity Shares after the Issue can be volatile as a result of several factors beyond our control, including volatility in the Indian and global securities markets, our results of operations, the performance of our competitors, developments in the Indian and global machine tools industry, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India’s economic liberalisation and deregulation policies, and significant developments in India’s fiscal regulations. In addition, the Stock Exchanges may experience significant price and volume fluctuations, which may have a material adverse effect on the market price of the Equity Shares. General or industry-specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance may also affect the price of the Equity Shares. In particular, the stock market as a whole in the past has experienced extreme price and volume fluctuations that have affected the market price of many companies in ways that may have been unrelated to the companies’ operating performances. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

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

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations, which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and, or, we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management’s attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition.

Any further issuance of Equity Shares, or convertible securities or other equity-linked instruments by us may dilute your shareholding. We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors’ shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising

capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**66. *The sale of Equity Shares by our Promoters in future may adversely affect the market price of the Equity Shares.***

After the completion of the Issue, our Promoters will still own a significant percentage of our issued Equity Shares. The sale of a large number of the Equity Shares by our Promoters could adversely affect the market price of the Equity Shares. Similarly, the perception that any such primary or secondary sale may occur, could adversely affect the market price of the Equity Shares. No assurance may be given that our Promoters will not dispose of, pledge or encumber their Equity Shares in the future.

**67. *Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures such as the Additional Surveillance Measures (“ASM”) and Graded Surveillance Measures (“GSM”) by the Stock Exchanges in the order to enhance market integrity and safeguard the interest of the investors***

On and post the listing of equity shares, we may be subject to ASM and GSM by the Stock Exchange(s) and the Securities and Exchange Board of India. These measures have been introduced in order to enhance market integrity, safeguard the interest of investors and to alert and advise investors to be extra cautious and carry out necessary due diligence while dealing in such securities. The criteria for shortlisting any scrip trading on the Stock Exchange(s) under the ASM is based on an objective criteria as jointly decided by SEBI and the Stock Exchanges(s) which includes market based dynamic parameters such as high low price variation, client concentration, close to close price variation, market capitalization, average daily trading volume and its change, and average delivery percentage, among others. A scrip is typically subjected to GSM measures where there is an abnormal price rise that is not commensurate with the financial health and fundamentals of a company. Specific parameters for GSM include net worth, net fixed assets, price to earnings ratio, market capitalisation, and price to book value, among others. Factors within and beyond our control may lead to our securities being subject to GSM or ASM. In the event our Equity Shares are subject to such surveillance measures implemented by any of the Stock Exchanges, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares.

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

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant’s demat account with depository participant and listing is expected to commence within the period as may be prescribed under the applicable laws. Any failure or delay in obtaining the approval or otherwise any delay in commencing trading in the Equity Shares would restrict investors’ ability to dispose their Equity Shares. We cannot assure that the Equity Shares will be credited to investors’ demat accounts, or that trading in the Equity Shares will commence, within the time periods prescribed under applicable law

**69. *There is no guarantee that our Equity Shares will be listed on the relevant stock exchange in a timely manner or at all.***

There is no guarantee that our Equity Shares will be listed on the relevant stock exchange in a timely manner or at all. In accordance with Indian law, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until Allotment of Equity Shares pursuant to this Issue. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the relevant stock exchange within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

## SECTION IV – INTRODUCTION

### THE ISSUE

Present Issue in terms of this Draft Prospectus:

Particulars	Details
Equity Shares offered	6600000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●] each aggregating to ₹ [●] Lakhs.
Of which:	
Reserved for Market Makers	332000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●] each aggregating to ₹ [●] Lakhs.
Net Issue to the Public*	6268000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●] each aggregating to ₹ [●] Lakhs
Of which	
Retail Portion	3134000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●] each aggregating to ₹ [●] Lakhs.
Non-Retail Portion	3134000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●] each aggregating to ₹ [●] Lakhs.
Equity Shares outstanding prior to the Issue	17099999 Equity Shares of ₹ 10/- each
Equity Shares outstanding after the Issue	23699999 Equity Shares of ₹ 10/- each
Use of Proceeds	For details, please refer chapter titled “ <i>Objects Of The Issue</i> ” beginning on Page no. [●] of this Draft Prospectus for information on use of Issue Proceeds.

\* Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows;

- minimum fifty per cent. to retail individual investors; and
- remaining to:
  - i) individual applicants other than retail individual investors; and
  - ii) other investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for;

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

**Explanation:** If the retail individual investor category is entitled to more than fifty per cent of the net issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

#### NOTES

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on June 26, 2024 and by the shareholders of our Company, pursuant to section 62(1)(c) of the Companies Act, 2013, vide a special resolution passed at the Extra-Ordinary General Meeting held on June 27, 2024.

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**SUMMARY OF FINANCIAL INFORMATION**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page Nos.</b>
1	Summary of Restated Financial Information	SFS 1 to SFS 3

**KATEX EXIM LIMITED**  
**ANNEXURE - I**  
**STATEMENT OF ASSETS & LIABILITIES, AS RESTATED**

(₹ in Lakhs)

	Particulars	Note	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>I</b>	<b>EQUITY AND LIABILITIES</b>					
	1. Shareholders' funds					
	(a) Share Capital	I.1	950.00	900.00	900.00	900.00
	(b) Reserves and surplus	I.2	1,636.68	691.40	320.41	118.03
	<b>Sub Total Shareholders Funds (A)</b>		<b>2,586.68</b>	<b>1,591.40</b>	<b>1,220.41</b>	<b>1,018.03</b>
	2. Non-current liabilities					
	(a) Long-term borrowings	I.3	889.27	856.58	653.38	161.69
	(b) Other Non-current Liabilities	I.4	-	-	-	-
	(c) Deferred Tax liability	I.5	13.04	8.93	6.35	3.27
	(d) Long-term provisions	I.6	-	-	-	-
	<b>Sub Total Non Current Liabilities (B)</b>		<b>902.31</b>	<b>865.51</b>	<b>659.73</b>	<b>164.97</b>
	3. Current liabilities					
	(a) Short-term borrowings	I.7	4,434.50	4,677.84	4,689.48	2,705.99
	(b) Trade payables	I.8				
	i) Due to MSME		-	-	-	-
	ii) Due to Others		406.74	745.90	452.41	637.20
	(c) Other current liabilities	I.9	206.05	303.94	303.98	501.56
	(d) Short-term provisions	I.10	422.99	221.31	126.56	46.99
	<b>Sub Total Current Liabilities (C)</b>		<b>5,470.28</b>	<b>5,949.00</b>	<b>5,572.43</b>	<b>3,891.75</b>
	<b>TOTAL (A+B+C)</b>		<b>8,959.27</b>	<b>8,405.90</b>	<b>7,452.57</b>	<b>5,074.75</b>
<b>II.</b>	<b>ASSETS</b>					
	<b>I. Non-current assets</b>					
	(a) Property, Plant and Equipment and Intangible assets					
	(i) Property, Plant and Equipment	I.11	321.92	254.36	251.74	134.22
	(ii) Capital work-in-progress		-	-	-	-
	(b) Preliminary Expenses	I.12	1.92	4.00	6.77	9.30
	(c) Long-term loans and advances	I.13	-	-	-	-
	(d) Deferred Tax Assets	I.5	-	-	-	-
	(e) Non Current Assets	I.14	-	-	-	-
	<b>Total Non Current Assets (A)</b>		<b>323.84</b>	<b>258.36</b>	<b>258.50</b>	<b>143.52</b>
	<b>2. Current assets</b>					
	(a) Inventories	I.15	4,437.06	2,378.83	1,298.13	1,935.27
	(b) Trade receivables	I.16	3,218.62	3,536.78	2,169.53	2,261.07
	(c) Cash and Bank Balances	I.17	223.19	477.97	462.25	9.10
	(d) Short-term loans and advances	I.18	295.31	1,163.88	2,790.63	78.72
	(e) Other Current Assets	I.19	461.24	590.08	473.53	647.06
	<b>Total Current Assets (B)</b>		<b>8,635.42</b>	<b>8,147.54</b>	<b>7,194.06</b>	<b>4,931.22</b>
	<b>TOTAL (A+B)</b>		<b>8,959.27</b>	<b>8,405.90</b>	<b>7,452.57</b>	<b>5,074.75</b>

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

As per our report of even date attached  
**M/S PIYUSH KOTHARI & ASSOCIATES**  
Chartered Accountants  
Firm's Registration No: 140711W

For and on behalf of the Board of Directors  
**KATEX EXIM LIMITED**  
CIN: U17309GJ2017PLC100133

Sd/-  
**PIYUSH KOTHARI**  
Partner  
M No.158407  
UDIN:24158407BKBHYY6967

Sd/-  
**Niranjan Agarwal**  
Director  
DIN: 00413530

Sd/-  
**Sajal Bansal**  
Managing Director & CFO  
DIN: 02259352

Sd/-  
**Shivani Mittal**  
CS  
EISPM8004A

Place: Ahmedabad  
Date : 28.06.2024

SFS 1

Place: Ahmedabad  
Date : 28.06.2024

Place: Ahmedabad  
Date : 28.06.2024

Place: Ahmedabad  
Date : 28.06.2024

**KATEX EXIM LIMITED**  
**ANNEXURE - II**  
**STATEMENT OF PROFIT & LOSS, AS RESTATED**

(₹ in Lakhs)

	Particulars	Note	For the Period / Year Ended On			
			December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
I	Revenue from operations	II.1	13,615.66	12,096.41	14,102.87	9,335.78
II	Other Income	II.2	111.53	217.31	187.44	107.94
III	<b>Total Income (I+II)</b>		<b>13,727.19</b>	<b>12,313.72</b>	<b>14,290.31</b>	<b>9,443.72</b>
	<b>Expenses:</b>					
	(a) Cost of materials consumed	II.3	10,012.82	8,400.98	9,850.04	6,281.91
	(b) Changes in inventories of finished goods and work-in- progress	II.4	(2,501.98)	(677.57)	42.03	352.19
	(c) Purchases of stock-in-trade		-	-	-	-
	(d) Employee benefits expense	II.5	148.22	171.67	94.30	65.70
	(e) Finance costs	II.6	570.41	461.20	244.41	114.96
	(f) Depreciation and amortisation expense		16.94	18.49	12.74	8.41
	(g) Other expenses	II.7	4,404.02	3,426.11	3,762.70	2,499.91
IV	<b>Total expenses</b>		<b>12,650.43</b>	<b>11,800.89</b>	<b>14,006.21</b>	<b>9,323.07</b>
V	<b>Profit /(Loss) before tax and Exceptional Items (III-IV)</b>		<b>1,076.75</b>	<b>512.83</b>	<b>284.10</b>	<b>120.65</b>
VI	<b>Exceptional Items</b>	II.8	-	-	-	-
VII	<b>Profit /(Loss) before tax (V-VI)</b>		<b>1,076.75</b>	<b>512.83</b>	<b>284.10</b>	<b>120.65</b>
VIII	<b>Tax expense:</b>					
	(a) Current tax expense		277.35	139.27	78.65	32.71
	Less: MAT credit setoff		-	-	-	-
	(b) Short/(Excess) provision of tax for earlier years		-	-	-	-
	(c) Deferred tax charge/(credit)		4.11	2.57	3.08	2.10
	(d) (Less): MAT Credit Entitlement		-	-	-	-
			<b>281.46</b>	<b>141.84</b>	<b>81.73</b>	<b>34.81</b>
IX	<b>Profit after tax for the year (VII-VIII)</b>		<b>795.29</b>	<b>370.99</b>	<b>202.37</b>	<b>85.83</b>
XII	<b>Earnings per share (face value of ₹ 10/- each):</b>	II.9				
	(a) Basic (in ₹)		4.65	2.23	1.22	0.74
	(b) Diluted (in ₹)		4.65	2.23	1.22	0.74

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

As per our report of even date attached

M/S PIYUSH KOTHARI & ASSOCIATES  
Chartered Accountants  
Firm's Registration No: 140711W

For and on behalf of the Board of Directors  
KATEX EXIM LIMITED  
CIN: U17309GJ2017PLC100133

Sd/-  
PIYUSH KOTHARI  
Partner  
M No.158407  
UDIN:24158407BKBIIY6967

Sd/-  
Sajal Bansal  
Managing Director & CFO  
DIN: 02259352

Sd/-  
Niranjan Agarwal  
Director  
DIN: 00413530

Sd/-  
Shivani Mittal  
CS  
EISPM8004A

Place: Ahmedabad  
Date : 28.06.2024

KATEX EXIM LIMITED  
ANNEXURE - III  
STATEMENT OF CASH FLOW, AS RESTATED

(₹ in Lakhs)

Particulars	For the Period / Year Ended On			
	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before Extraordinary items	1,076.75	512.83	284.10	120.65
Adjustment For:				
(a) Depreciation and Amortization	16.94	18.49	12.74	8.41
(b) Finance Charges	570.41	461.20	244.41	114.96
(c) (Gain)/Loss on Sale of Assets	-	-	-	-
(d) Provision for Gratuity	0.62	1.51	1.71	1.12
(e) Interest & Other income	-	-	-	-
(f) Preliminary Expenses written off	2.08	2.77	2.77	2.72
Operating Profit before Working Capital Changes	<b>1,666.81</b>	<b>996.81</b>	<b>545.73</b>	<b>247.86</b>
Adjustment For :				
(a) (Increase)/Decrease in Inventories	(2,058.23)	(1,080.70)	637.14	(537.45)
(b) (Increase)/Decrease in Trade Receivables	318.16	(1,367.25)	91.54	(400.77)
(c) (Increase)/Decrease in Short-Term Loans & Advances	868.57	1,510.19	(2,711.91)	(45.65)
(d) (Increase)/Decrease in Other Assets	128.84	-	173.53	(171.60)
(e) Increase /(Decrease) in Trade Payables	(339.16)	293.49	(184.79)	(1,253.20)
(f) Increase /(Decrease) in Other Current Liabilities	(97.89)	(0.04)	(197.58)	62.20
(g) Increase /(Decrease) in Short Term Provisions	201.05	93.24	77.85	31.35
<b>CASH GENERATED FROM OPERATIONS</b>	<b>688.14</b>	<b>445.75</b>	<b>(1,568.49)</b>	<b>(2,067.26)</b>
Less : Direct Taxes paid (Net of Refund)	(277.35)	(139.27)	(78.65)	(31.35)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	<b>410.79</b>	<b>306.48</b>	<b>(1,647.14)</b>	<b>(2,098.61)</b>
NET CASH FROM OPERATING ACTIVITIES (A)	<b>410.79</b>	<b>306.48</b>	<b>(1,647.14)</b>	<b>(2,098.61)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
(a) Purchase of Fixed Assets	(84.50)	(21.11)	(130.25)	(64.27)
(b) Sale of Fixed Assets	-	-	-	-
(c) (Increase) / Decrease in Investment	-	-	-	-
(d) (Increase) / Decrease in Long term loans and advances	-	-	-	-
(e) (Increase) / Decrease in Non Current Assets	-	-	-	-
(f) (Increase) / Decrease in Non Current Investment	-	-	-	-
(f) (Increase) / Decrease in Preliminary Expenses capitalised	-	-	(0.24)	(5.67)
NET CASH FROM INVESTING ACTIVITIES (B)	<b>(84.50)</b>	<b>(21.11)</b>	<b>(130.49)</b>	<b>(69.94)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
(a) Proceeds From Issuance of Share-Capital	200.00	-	-	749.00
(a) Proceeds From Long Term Borrowing	32.69	203.20	491.69	(148.93)
(c) Increase / ( Decrease ) in Long Term Provisions	-	-	-	-
(d) Transfer of reserves due to demerger	-	-	-	-
(e) Interest Paid	(570.41)	(461.20)	(244.41)	(114.96)
(f) Increase /(Decrease) in Short Term Borrowings	(243.34)	(11.64)	1,983.49	1,610.53
NET CASH FLOW IN FINANCING ACTIVITIES (C)	<b>(581.06)</b>	<b>(269.65)</b>	<b>2,230.77</b>	<b>2,095.64</b>
NET INCREASE IN CASH & CASH EQUIVALENTS (A)+(B)+(C)	(254.77)	15.72	453.15	(72.91)
OPENING BALANCE – CASH & CASH EQUIVALENT	477.98	462.25	9.10	82.01
CLOSING BALANCE - CASH & CASH EQUIVALENT	<b>223.19</b>	<b>477.98</b>	<b>462.25</b>	<b>9.10</b>

As per our Report of even date

M/S PIYUSH KOTHARI & ASSOCIATES  
Chartered Accountants  
Firm's Registration No: 140711W

For and on Behalf of the Board  
KATEX EXIM LIMITED  
CIN: U17309GJ2017PLC100133

Sd/-  
PIYUSH KOTHARI  
Partner  
M No.158407  
UDIN:24158407BKBHYY6967

Sd/-  
Sajal Bansal  
Managing Director & CFO  
DIN: 02259352

Sd/-  
Niranjan Agarwal  
Director  
DIN: 00413530

Sd/-  
Shivani Mittal  
CS  
EISPM8004A

SFS 3

Place: Ahmedabad  
Date : 28.06.2024

## SECTION V – GENERAL INFORMATION

Our Company was originally incorporated as “S.A.N.K. Creations Private Limited” as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated December 13, 2017, issued by Registrar of Companies, Central Registration Centre. Subsequently, the name of our company was changed from “S.A.N.K. Creations Private Limited” to “Katex Exim Private Limited”, pursuant to a special resolution passed by our Shareholders in the Extra-Ordinary General Meeting held on February 28, 2019, vide Certificate of Incorporation dated March 7, 2019, issued by Registrar of Companies, Ahmedabad. Thereafter, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the Company dated August 2, 2023 and consequently, the name of our Company was changed from “Katex Exim Private Limited” to “Katex Exim Limited” and a fresh certificate of incorporation dated August 10, 2023 was issued to our Company by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U17309GJ2017PLC100133. For further details regarding change in registered office of our Company, please refer to chapter titled “History and Corporate Structure” beginning on Page No. 136 of this Draft Prospectus.

### BRIEF INFORMATION ON COMPANY AND ISSUE

Particulars	Details								
Name of Issuer	Katex Exim Limited								
Registered Office	55/Ashra Ind. Estate B/h. Mahalaxmi Fabrics, Narol, Ahmedabad – 382405, Gujarat <b>Telephone No.:</b> +91 9484781647; <b>Web site:</b> www.thekatex.com <b>E-Mail:</b> info@thekatex.com <b>Contact Person:</b> Ms. Shivani Mittal								
Date of Incorporation	December 13, 2017								
Company Identification Number	U17309GJ2017PLC100133								
Company Registration Number	100133								
Company Category	Company Limited by Shares								
Registrar of Company	ROC- Ahmedabad								
Address of the RoC	ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat. <b>Phone:</b> 079-27438531								
Company Secretary and Compliance Officer	<b>Ms. Shivani Mittal</b> Katex Exim Limited 55/Ashra Ind. Estate B/h. Mahalaxmi Fabrics, Narol, Ahmedabad – 382405, Gujarat <b>Telephone No.:</b> +91 9484781647; <b>Web site:</b> www.thekatex.com <b>E-Mail:</b> info@thekatex.com								
Designated Stock Exchange	SME Platform of BSE Limited (“BSE SME”) <b>Address:</b> Phiroze Jeejeebhoy Towers, Dalal St, Kala Ghoda, Fort, Mumbai, Maharashtra - 400001								
Issue Programme	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: black; color: white;">Issue Opens On:</th> <th style="text-align: center;">[●]</th> <th style="background-color: black; color: white;">Issue Closes On:</th> <th style="text-align: center;">[●]</th> </tr> </thead> <tbody> <tr> <td style="height: 20px;"></td> <td style="text-align: center;">[●]</td> <td style="height: 20px;"></td> <td style="text-align: center;">[●]</td> </tr> </tbody> </table>	Issue Opens On:	[●]	Issue Closes On:	[●]		[●]		[●]
Issue Opens On:	[●]	Issue Closes On:	[●]						
	[●]		[●]						

#### Note:

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

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

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

### BOARD OF DIRECTORS OF OUR COMPANY

Presently our Board of Directors comprises of following Directors.

Sr. No.	Name	Designation	Address	DIN
1.	Mr. Sajal Rakesh Bansal	Managing Director	D/259, Near Water Tank, Kaliyabid, Bhavnagar – 364002, Gujarat, India	02259352
2.	Mr. Niranjan Dwarkaprasad Agarwal	Non-Executive Director	4, Shrinath Colony, Bhairavnath Rd, Maninagar, Ahmedabad-380008, Gujarat, India	00413530
3.	Ms. Monika Shekhawat	Independent Director	Plot No-133/2, Sector-1/B, Gandhinagar – 382007, Gujarat	07710330
4.	Mr. Aayush Kamleshbhai Shah	Independent Director	901, Gulmohar Heights, Opp. Madhur Hall, Anandnagar Cross Road, Satellite, Ahmedabad – 380015, Gujarat	10149440

For further details pertaining to the education qualification and experience of our directors, please refer the chapter titled “Our Management” beginning on Page no. 139 of this Draft Prospectus.

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

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 <p><b>NIRBHAY CAPITAL SERVICES PRIVATE LIMITED</b>  <b>SEBI Registration Number:</b> INM000011393  <b>Address:</b> 201, Maruti Crystal, Opp. Rajpath Club, S.G. Highway, Bodakdev, Ahmedabad - 380054, Gujarat, India  <b>Tel No:</b> +91 79 48970649; <b>M. No.:</b> +91 9825052071  <b>Email Id:</b> kunjal@nirbhaycapital.com  <b>Investors Grievance Id:</b> ipo@nirbhaycapital.com  <b>Website:</b> : www.nirbhaycapital.com  <b>Contact Person:</b> Mr. Kunjal Soni  <b>CIN:</b> U67120GJ2006PTC047985</p>	 <p><b>BIGSHARE SERVICES PRIVATE LIMITED</b>  <b>SEBI Registration Number:</b> INR000001385  <b>Address:</b> Office No. S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai- 400093  <b>Tel. Number:</b> + 91 22-62638200  <b>Fax No:</b> + 91 22-62638299  <b>Email Id:</b> ipo@bigshareonline.com  <b>Investors Grievance Id:</b> investor@bigshareonline.com  <b>Website:</b> www.bigshareonline.com  <b>Contact Person:</b> Mr. Sagar Pathare  <b>CIN:</b> U99999MH1994PTC076534</p>
STATUTORY & PEER REVIEW AUDITORS OF THE COMPANY	LEGAL ADVISOR TO THE ISSUE
<p><b>M/s. Piyush Kothari &amp; Associates</b>  <b>Chartered Accountants</b>  <b>Address:</b> Office No. 208, Hemkoot Building, Near Gandhigram Railway Station, Ashram Road, Ahmedabad - 380009  <b>Tel. No.:</b> +91 88493 98150  <b>Email Id:</b> piyushkothari9999@gmail.com  <b>Membership No.:</b> 158407  <b>Firm Registration No:</b> 140711W  <b>Peer Review No:</b> 013450  <b>Contact Person:</b> Mr. Piyush Kothari</p>	<p><b>M/s. Vidhigya Associates</b>  <b>Advocates</b>  <b>Address:</b> 501, 5th Floor, Jeevan Sahakar Building Sir P M Road, Homji Street Fort, Mumbai - 400 001  <b>Tel No:</b> +918424030160  <b>Email:</b> <a href="mailto:rahul@vidhigyaassociates.com">rahul@vidhigyaassociates.com</a>  <b>Contact Person:</b> Mr. Rahul Pandey</p>
BANKERS TO THE COMPANY	
<p><b>STATE BANK OF INDIA</b></p>	

**Address:** Phase-1, Opp. Choksi Tube, GIDC Vatva, Ahmedabad - 382445  
**Telephone:** 079-25831284/1836; 7600038074  
**Fax:** 079-25835864  
**E mail:** sbi.01754@sbi.co.in or rmsme2.aa01@sbi.co.in  
**Website:** www.sbi.co.in  
**Contact Person:** Ms. Anu Yadav

#### **BANKERS TO THE ISSUE, REFUND BANKER AND SPONSOR BANK**



#### **DESIGNATED INTERMEDIARIES**

##### **Self-Certified Syndicate Banks**

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

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

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

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

##### **Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI**

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41> .

#### **BROKERS TO THE ISSUE**

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

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

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

#### **COLLECTING DEPOSITORY PARTICIPANTS**

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

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

Since Nirbhay Capital Services Private Limited is only Lead Manager to the issue, all the responsibility of the issue will be managed by them.

#### **CREDIT RATING**

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

#### **GREEN SHOE OPTION**

No Green Shoe Option is applicable for this Issue.

#### **IPO GRADING**

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

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

The Draft Prospectus is being filed with BSE Limited, Phiroze Jeejeebhoy Towers, Dalal St, Kala Ghoda, Fort, Mumbai, Maharashtra – 400001.

A Draft Prospectus will not be filed with SEBI nor SEBI will issue any observation on the draft offer document in term of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Further, a soft copy of the Prospectus along with due diligence certificate including additional confirmations shall be filed with SEBI. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be delivered to the RoC Office situated at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat and will be made available on the website of the Company i.e. [www.thekatex.com](http://www.thekatex.com)

#### CHANGE IN AUDITORS IN LAST THREE YEARS

Particulars	Date of Appointment/Resignation	Reason for change
<b>M/s. A.S. Gupta &amp; Associates, Chartered Accountants</b> <b>Address:</b> 203/1 New Cloth Market, O/S Raipur Gate, Ahmedabad – 380002, Gujarat <b>Tel. No.:</b> +91 79 2754 4571/72/74 <b>Email Id:</b> roc@caagupta.com <b>Membership No.:</b> 008277 <b>Firm Registration No:</b> 116882W	September 29, 2018	Appointment as Statutory Auditor in the Annual General Meeting for a period of 5 years from the conclusion of Annual General Meeting held for the Financial Year 2018-19 till the Annual General Meeting held for the Financial Year 2022-23.
<b>M/s. A.S. Gupta &amp; Associates, Chartered Accountants</b> <b>Address:</b> 203/1 New Cloth Market, O/S Raipur Gate, Ahmedabad – 380002, Gujarat <b>Tel. No.:</b> +91 79 2754 4571/72/74 <b>Email Id:</b> roc@caagupta.com <b>Membership No.:</b> 008277 <b>Firm Registration No:</b> 116882W	September 30, 2023	Appointment as Statutory Auditor in the Annual General Meeting for a period of 5 years from the conclusion of Annual General Meeting held for the Financial Year 2023-24 till the Annual General Meeting held for the Financial Year 2027-28.
<b>M/s. A.S. Gupta &amp; Associates, Chartered Accountants</b> <b>Address:</b> 203/1 New Cloth Market, O/S Raipur Gate, Ahmedabad – 380002, Gujarat <b>Tel. No.:</b> +91 79 2754 4571/72/74 <b>Email Id:</b> roc@caagupta.com <b>Membership No.:</b> 008277 <b>Firm Registration No:</b> 116882W	April 18, 2024	Resignation as Statutory Auditor due to pre occupancy.
<b>M/s. Piyush Kothari &amp; Associates, Chartered Accountants</b> <b>Address:</b> Office No. 208, Hemkoot Building, Near Gandhigram Railway Station, Ashram Road, Ahmedabad - 380009 <b>Tel. No.:</b> +91 88493 98150 <b>Email Id:</b> piyushkothari9999@gmail.com <b>Membership No.:</b> 158407 <b>Firm Registration No:</b> 140711W <b>Peer Review No:</b> 013450	April 24, 2024	Appointment as Statutory Auditor to fill the casual vacancy

#### DEBENTURE TRUSTEES

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

#### APPRAISAL AND MONITORING AGENCY

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

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

#### UNDERWRITING AGREEMENT

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

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the total Issue Size Underwritten
[●]	[●]	[●]	100%

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

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above-mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full.

#### **DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE**

Our Company and the Lead Manager have entered into an agreement dated [●] with the following Market Maker to fulfil the obligations of Market Making:

[●]

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

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

- 1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being issued by the Market Maker(s).
- 2) The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he/she sells his/her entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 4) After a period of 3 (three) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the [●] Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above [●] Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
- 5) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
- 6) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- 7) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. In case equilibrium price is not discovered the price band in the normal trading session shall be based on Issue price.
- 8) The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 9) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior

approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

- 10) The Market Maker(s) shall have the right to terminate said arrangement by giving a One month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

- 11) Risk containment measures and monitoring for Market Makers: SME Platform of BSE 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. BSE can impose any other margins as deemed necessary from time-to-time.
- 12) Punitive Action in case of default by Market Makers: SME Platform of BSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market maker issuing two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
- 13) The prices quoted by the Market Maker shall be in compliance with the requirements and other particulars as specified by the SME Platform of BSE Limited (BSE SME) and SEBI from time to time.
- 14) The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform of BSE Limited i.e. BSE SME from time to time.
- 15) The shares of the company will be traded in continuous trading session from the time and day the company gets listed on BSE SME (BSE SME) and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
- 16) The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
- 17) 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:
- i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - ii. 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.

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

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

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

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

## SECTION VI - CAPITAL STRUCTURE

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

(₹ In Lakh except per share amount)

Sr. No.	Particulars	Aggregate Nominal value	Aggregate value at issue price
1.	<b>Authorized Share Capital</b> 24000000 Equity Shares of face value of ₹ 10/- each	2400.00	-
2.	<b>Issued, Subscribed and Paid-Up Equity Share Capital before the Issue</b> 17099999 Equity Shares of face value of ₹ 10/- each	1709.99	-
3.	<b>Present Issue in terms of the Draft Prospectus</b>		
	Issue of 6600000 Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share.	660.00	[●]
	<b>Which comprises of</b>		
	<b>Reservation for Market Maker Portion</b> 332000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●] per Equity Share reserved as Market Maker Portion	33.20	[●]
	<b>Net Issue to Public</b> Net Issue to Public of 6268000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●] per Equity Share to the Public	626.80	[●]
	<b>Net Issue* to Public consists of</b>		
	3134000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●] per Equity Share will be available for allocation for Investors investing amount up to ₹ 2.00 Lakh	313.40	[●]
	3134000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●] per Equity Share will be available for allocation for Investors investing amount above ₹ 2.00 Lakh (Non-Retail Portion)	313.40	[●]
4.	<b>Paid Up Equity Capital after the Issue</b> 23699999 Equity Shares of ₹ 10/- each	2369.99	-
5.	<b>Securities Premium Account</b>		
	Before the Issue	150.00	
	After the Issue		[●]

\* For detailed information on the Net Issue and its allocation various categories, please refer chapter titled “The Issue” on Page no. 45 of this Draft Prospectus.

The Present Issue of 6600000 Equity Shares in terms of this Draft Prospectus has been authorized by the Board of Directors vide a resolution passed at its meeting held on June 26, 2024 and by the shareholders of our Company vide a special resolution passed at the Extra Ordinary General Meeting held on June 27, 2024.

### CLASS OF SHARES

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

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

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

### NOTES TO THE CAPITAL STRUCTURE:

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

Since Incorporation of our Company, the Authorized Equity Share Capital of our Company has been changed in the manner set forth below:

Sr. No.	Particulars of Increase	Cumulative No. of Equity Shares	Cumulative Authorized Equity Share Capital (₹ in Lakh)	Date of Meeting	Whether AGM/ EGM
1.	On incorporation Authorized Equity Share Capital of our Company was ₹ 1.00 Lakhs divided into 10000 Equity Shares of ₹ 10/- each	10000	1.00	N.A.	N.A.
2.	Increase in Authorized Equity Share Capital from ₹ 1.00 Lakh divided into 10000 Equity Shares of ₹ 10/- each to ₹ 500.00 Lakh divided into 5000000 Equity Shares of ₹ 10/- each	5000000	500.00	January 21, 2020	EGM
3.	Increase in Authorized Equity Share Capital from ₹ 500.00 Lakh divided into 5000000 Equity Shares of ₹ 10/- each to ₹ 900.00 Lakh divided into 9000000 Equity Shares of ₹ 10/- each	9000000	900.00	December 1, 2020	EGM
4.	Increase in Authorized Equity Share Capital from ₹ 900.00 Lakh divided into 9000000 Equity Shares of ₹ 10/- each to ₹ 1000.00 Lakh divided into 10000000 Equity Shares of ₹ 10/- each	10000000	1000.00	March 1, 2023	EGM
5.	Increase in Authorized Equity Share Capital from ₹ 1000.00 Lakh divided into 10000000 Equity Shares of ₹ 10/- each to ₹ 2000.00 Lakh divided into 20000000 Equity Shares of ₹ 10/- each	20000000	2000.00	December 11, 2023	EGM
6.	Increase in Authorized Equity Share Capital from ₹ 2000.00 Lakh divided into 20000000 Equity Shares of ₹ 10/- each to ₹ 2400.00 Lakh divided into 24000000 Equity Shares of ₹ 10/- each	24000000	2400.00	June 12, 2024	EGM

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

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

Date of allotment	Nature of allotment	No. of Equity Shares allotted	Face value (In ₹)	Issue price (In ₹)	Nature of consideration	Cumulative Number of Equity Shares	Cumulative Paid-up share Capital (₹ in Lakh)	Cumulative Share Premium (In ₹ Lakhs)
December 13, 2017	Subscription to Memorandum of Association <sup>(1)</sup>	10000	10.00	10.00	Cash	10000	1.00	0.00

Date of allotment	Nature of allotment	No. of Equity Shares allotted	Face value (In ₹)	Issue price (In ₹)	Nature of consideration	Cumulative Number of Equity Shares	Cumulative Paid-up share Capital (₹ in Lakh)	Cumulative Share Premium (In ₹ Lakhs)
(On Incorporation)								
March 5, 2020	Right Issue <sup>(2)</sup>	150000	10.00	10.00	Cash	1510000	151.00	0.00
June 9, 2020	Right Issue <sup>(3)</sup>	100000	10.00	10.00	Cash	2510000	251.00	0.00
September 21, 2020	Right Issue <sup>(4)</sup>	100000	10.00	10.00	Cash	3510000	351.00	0.00
September 26, 2020	Right Issue <sup>(5)</sup>	100000	10.00	10.00	Cash	4510000	451.00	0.00
September 29, 2020	Right Issue <sup>(6)</sup>	490000	10.00	10.00	Cash	5000000	500.00	0.00
January 12, 2021	Right Issue <sup>(7)</sup>	150000	10.00	10.00	Cash	6500000	650.00	0.00
March 13, 2021	Right Issue <sup>(8)</sup>	100000	10.00	10.00	Cash	7500000	750.00	0.00
March 24, 2021	Right Issue <sup>(9)</sup>	150000	10.00	10.00	Cash	9000000	900.00	0.00
April 4, 2023	Private Placement <sup>(10)</sup>	500000	10.00	40.00	Cash	9500000	950.00	150.00
June 13, 2024	Bonus Issue <sup>(11)</sup>	759999	10.00	0.00	Other than Cash	17099999	1709.99	150.00

<sup>(1)</sup> The details of allotment of 10000 Fully Paid-up Equity Shares made to the subscribers to the Memorandum of Association, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Niranjan Dwarkaprasad Agarwal	3,334	10.00	10.00
2.	Aditya Niranjanlal Agarwal	3,333	10.00	10.00
3.	Sunitadevi Niranjan Agarwal	3,333	10.00	10.00
<b>Total</b>		<b>10000</b>	<b>-</b>	<b>-</b>

<sup>(2)</sup> The details of allotment of 1500000 Equity Shares made on March 5, 2020 under Right Issue at an issue price of ₹ 10/- per equity share are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Niranjan Dwarkaprasad Agarwal	750000	10.00	10.00
2.	Aditya Niranjanlal Agarwal	750000	10.00	10.00
<b>Total</b>		<b>1500000</b>	<b>-</b>	<b>-</b>

<sup>(3)</sup> The details of allotment of 1000000 Equity Shares made on June 9, 2020 under Right Issue at an issue price of ₹ 10/- per equity share are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Aditya Niranjanlal Agarwal	1000000	10.00	10.00

<b>Total</b>	<b>1000000</b>	-	-
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(4) The details of allotment of 1000000 Equity Shares made on September 21, 2020 under Right Issue at an issue price of ₹ 10/- per equity share are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Niranjan Dwarkaprasad Agarwal	500000	10.00	10.00
2.	Aditya Niranjanlal Agarwal	500000	10.00	10.00
<b>Total</b>		<b>1000000</b>	-	-

(5) The details of allotment of 1000000 Equity Shares made on September 26, 2020 under Right Issue at an issue price of ₹ 10/- per equity share are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Niranjan Dwarkaprasad Agarwal	500000	10.00	10.00
2.	Aditya Niranjanlal Agarwal	500000	10.00	10.00
<b>Total</b>		<b>1000000</b>	-	-

(6) The details of allotment of 490000 Equity Shares made on September 29, 2020 under Right Issue at an issue price of ₹ 10/- per equity share are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Niranjan Dwarkaprasad Agarwal	250000	10.00	10.00
2.	Aditya Niranjanlal Agarwal	240000	10.00	10.00
<b>Total</b>		<b>490000</b>	-	-

(7) The details of allotment of 1500000 Equity Shares made on January 12, 2021 under Right Issue at an issue price of ₹ 10/- per equity share are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Rakesh Kumar Bansal	750000	10.00	10.00
2.	Babita Rakesh Bansal	750000	10.00	10.00
<b>Total</b>		<b>1500000</b>	-	-

(8) The details of allotment of 1000000 Equity Shares made on March 13, 2021 under Right Issue at an issue price of ₹ 10/- per equity share are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Rakesh Kumar Bansal	500000	10.00	10.00
2.	Babita Rakesh Bansal	500000	10.00	10.00
<b>Total</b>		<b>1000000</b>	-	-

(9) The details of allotment of 1500000 Equity Shares made on March 24, 2021 under Right Issue at an issue price of ₹ 10/- per equity share are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Rakesh Kumar Bansal - HUF	900000	10.00	10.00
2.	Sajal Rakesh Bansal	300000	10.00	10.00
3.	Rhythm Rakesh Bansal	200000	10.00	10.00
4.	Shiwani Rhythm Bansal	100000	10.00	10.00
<b>Total</b>		<b>1500000</b>	-	-

<sup>(10)</sup> The details of allotment of 500000 Equity Shares made on April 4, 2023 under Private Placement at an issue price of ₹ 40/- per equity share are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Niranjan Dwarkaprasad Agarwal	500000	10.00	40.00
<b>Total</b>		<b>500000</b>	<b>-</b>	<b>-</b>

<sup>(11)</sup> The details of allotment of 7599999 Equity Shares made on June 13, 2024 in the ratio of 8:10 i.e. eight bonus equity share for every ten equity shares held on June 13, 2024 under Bonus Issue are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Niranjan Dwarkaprasad Agarwal	1402667	10.00	Nil
2.	Sunitadevi Niranjan Agarwal	682586	10.00	Nil
3.	Sajal Rakesh Bansal	435200	10.00	Nil
4.	Rhythm Rakesh Bansal	360800	10.00	Nil
5.	Ankita Sajal Bansal	1915466	10.00	Nil
6.	Rakesh Kumar Bansal	1000800	10.00	Nil
7.	Babita Rakesh Bansal	1000800	10.00	Nil
8.	Rakesh Kumar Bansal - HUF	720800	10.00	Nil
9.	Shiwani Rhythm Bansal	80800	10.00	Nil
10.	Gunvant Kumar Salecha	80	10.00	Nil
<b>Total</b>		<b>7599999</b>	<b>-</b>	<b>-</b>

- Our Company has not issued shares for consideration other than cash or out of revaluation of reserves at any point of time since Incorporation except for allotment of Bonus Equity Shares on June 13, 2024 in the ratio of 8:10 i.e. eight bonus equity share for every ten equity shares held, details of which are provided in point 2 <sup>(11)</sup> of this chapter.
- Our Company has not allotted any Equity Shares pursuant to any scheme approved Sections 230 to 234 of the Companies Act, 2013.
- Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- Our Company has not made allotment at price lower than the Issue Price during past one year from the date of the Draft Prospectus except mentioned below:

The details of allotment of 7599999 Equity Shares made on June 13, 2024 in the ratio of 8:10 i.e. eight bonus equity share for every ten equity shares held on June 13, 2024 under Bonus Issue are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Niranjan Dwarkaprasad Agarwal	1402667	10.00	Nil
2.	Sunitadevi Niranjan Agarwal	682586	10.00	Nil
3.	Sajal Rakesh Bansal	435200	10.00	Nil
4.	Rhythm Rakesh Bansal	360800	10.00	Nil
5.	Ankita Sajal Bansal	1915466	10.00	Nil
6.	Rakesh Kumar Bansal	1000800	10.00	Nil
7.	Babita Rakesh Bansal	1000800	10.00	Nil
8.	Rakesh Kumar Bansal - HUF	720800	10.00	Nil
9.	Shiwani Rhythm Bansal	80800	10.00	Nil
10.	Gunvant Kumar Salecha	80	10.00	Nil
<b>Total</b>		<b>7599999</b>	<b>-</b>	<b>-</b>

- Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under

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the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

**8.** As on the date of this Draft Prospectus, our Company does not have any outstanding preference shares.

**9. Our Shareholding Pattern:**

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

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

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form
								No of Voting (XIV) Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class (eg: X)	Class (eg: Y)	Total								
(A)	Promoter & Promoter Group	9	17099819	0	0	17099819	100.00	17099819	0	17099819	100.00	0	100.00	0	0	0	0	17099819
(B)	Public	1	180	0	0	180	Negligible	180	0	180	Negligible	0	Negligible	0	0	0	0	180
(C)	Non-Promoter-Non Public																	
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Total</b>	<b>10</b>	<b>17099999</b>	<b>0</b>	<b>0</b>	<b>17099999</b>	<b>100.00</b>	<b>17099999</b>	<b>0</b>	<b>17099999</b>	<b>100.00</b>	<b>0</b>	<b>100.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17099999</b>
<b>Note:</b>																		
1.	<b>C=C1+C2</b>																	
2.	<b>Grand Total=A+B+C</b>																	

10. The shareholding pattern of our Promoters and Promoters' Group and Public before and after the Issue:

Sr. No.	Name of shareholders	Pre issue		Post issue	
		No. of equity shares	As a % of Issued Capital*	No. of equity shares	As a % of Issued Capital*
<b>Promoters</b>					
1.	Niranjan Dwarkaprasad Agarwal	3156001	18.46	3156001	13.32
2.	Sajal Rakesh Bansal	979200	5.73	979200	4.13
3.	Rakesh Kumar Bansal	2251800	13.17	2251800	9.50
4.	Babita Rakesh Bansal	2251800	13.17	2251800	9.50
5.	Ankita Sajal Bansal	4309799	25.20	4309799	18.18
6.	Rakesh Kumar Bansal - HUF	1621800	9.48	1621800	6.84
<b>Total - A</b>		<b>14570400</b>	<b>85.21</b>	<b>14570400</b>	<b>61.47</b>
<b>Promoters' Group</b>					
1.	Sunitadevi Niranjan Agarwal	1535819	8.98	1535819	6.48
2.	Rhythm Rakesh Bansal	811800	4.75	811800	3.43
3.	Shiwani Rhythm Bansal	181800	1.06	181800	0.77
<b>Total-B</b>		<b>2529419</b>	<b>14.79</b>	<b>2529419</b>	<b>10.68</b>
<b>Public</b>					
1.	Gunvant Kumar Salecha	180	Negligible	180	Negligible
2.	Others-Public**	0	0.00	6600000**	<b>27.85</b>
<b>Total-C</b>		<b>180</b>	<b>Negligible</b>	<b>6600180</b>	<b>27.85</b>
<b>Total Promoters and Promoters' Group and Public (A+B+C)</b>		<b>17099999</b>	<b>100.00</b>	<b>23699999</b>	<b>100.00</b>

\* Rounded off

\*\* 6600000 to be allotted to Public Shareholders under Initial Public Offer.

11. Details of Major Shareholders:

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

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Pre-issue paid up Capital**#
1.	Niranjan Dwarkaprasad Agarwal	3156001	18.46
2.	Sajal Rakesh Bansal	979200	5.73
3.	Rakesh Kumar Bansal	2251800	13.17
4.	Babita Rakesh Bansal	2251800	13.17
5.	Ankita Sajal Bansal	4309799	25.20
6.	Rakesh Kumar Bansal - HUF	1621800	9.48
7.	Sunitadevi Niranjan Agarwal	1535819	8.98
8.	Rhythm Rakesh Bansal	811800	4.75
9.	Shiwani Rhythm Bansal	181800	1.06
<b>Total</b>		<b>17099819</b>	<b>100.00</b>

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

\*\* Rounded off

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

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

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Pre-issue paid up Capital**#
1.	Niranjan Dwarkaprasad Agarwal	3156001	18.46

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Pre-issue paid up Capital**#
2.	Sajal Rakesh Bansal	979200	5.73
3.	Rakesh Kumar Bansal	2251800	13.17
4.	Babita Rakesh Bansal	2251800	13.17
5.	Ankita Sajal Bansal	4309799	25.20
6.	Rakesh Kumar Bansal - HUF	1621800	9.48
7.	Sunitadevi Niranjana Agarwal	1535819	8.98
8.	Rhythm Rakesh Bansal	811800	4.75
9.	Shiwani Rhythm Bansal	181800	1.06
<b>Total</b>		<b>17099819</b>	<b>100.00</b>

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

\*\* Rounded off

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

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

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Pre-issue paid up Capital**#
1.	Niranjana Dwarkaprasad Agarwal	2003334	11.72
2.	Aditya Niranjana Agarwal	2993333	17.50
3.	Sajal Rakesh Bansal	544000	3.18
4.	Rakesh Kumar Bansal	1251000	7.32
5.	Babita Rakesh Bansal	1251000	7.32
6.	Ankita Sajal Bansal	1000	0.01
7.	Rakesh Kumar Bansal - HUF	901000	5.27
8.	Sunitadevi Niranjana Agarwal	3233	0.02
9.	Rhythm Rakesh Bansal	451000	2.64
10.	Shiwani Rhythm Bansal	101000	0.59
<b>Total</b>		<b>9499900</b>	<b>100.00</b>

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

\*\* Rounded off

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

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

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Pre-issue paid up Capital**#
1.	Niranjana Dwarkaprasad Agarwal	1503334	8.79
2.	Aditya Niranjana Agarwal	2993333	17.50
3.	Sajal Rakesh Bansal	544000	3.18
4.	Rakesh Kumar Bansal	1251000	7.32
5.	Babita Rakesh Bansal	1251000	7.32
6.	Ankita Sajal Bansal	1000	0.01
7.	Rakesh Kumar Bansal - HUF	901000	5.27
8.	Sunitadevi Niranjana Agarwal	3233	0.02
9.	Rhythm Rakesh Bansal	451000	2.64
10.	Shiwani Rhythm Bansal	101000	0.59
<b>Total</b>		<b>8999900</b>	<b>100.00</b>

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

\*\*Rounded off

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

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

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

### 13. Shareholding of the Promoters of our Company:

As on the date of the Draft Prospectus, our Promoters – Niranjana Dwarkaprasad Agarwal, Sajal Rakesh Bansal, Rakesh Kumar Bansal, Babita Rakesh Bansal, Ankita Sajal Bansal and Rakesh Kumar Bansal - HUF holds total 14570400 Equity Shares representing 85.21% of the pre-issue paid up equity share capital of our Company. The build-up of equity shareholding of Promoters of our Company are as follows:

Niranjana Dwarkaprasad Agarwal								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid/Received (in ₹)	% of Pre Issue Capital	% of post issue Capital
December 13, 2017	Subscriber to MOA	3334	3334	10	10	33340	0.02%	0.01%
March 5, 2020	Right Issue Allotment	750000	753334	10	10	75,00,000	4.39%	3.16%
September 21, 2020	Right Issue Allotment	500000	1253334	10	10	50,00,000	2.92%	2.11%
September 26, 2020	Right Issue Allotment	500000	1753334	10	10	50,00,000	2.92%	2.11%
September 29, 2020	Right Issue Allotment	250000	2003334	10	10	25,00,000	1.46%	1.05%
December 1, 2020	Transfer to Sajal Rakesh Bansal	(1000)	2002334	10	10	(10,000)	-0.01%	0.00%
December 1, 2020	Transfer to Rhythm Rakesh Bansal	(1000)	2001334	10	10	(10,000)	-0.01%	0.00%
December 1, 2020	Transfer to Ankita Sajal Bansal	(1000)	2000334	10	10	(10,000)	(0.01)	0.00
December 1, 2020	Transfer to Rakesh Kumar Bansal	(1000)	1999334	10	10	(10,000)	(0.01)	0.00
December 1, 2020	Transfer to Babita	(1000)	1998334	10	10	(10,000)	(0.01)	0.00

Niranjan Dwarkaprasad Agarwal								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid/Received (in ₹)	% of Pre Issue Capital	% of post issue Capital
	Rakesh Bansal							
December 1, 2020	Transfer to Rakesh Kumar Bansal - HUF	(1000)	1997334	10	10	(10,000)	(0.01)	0.00
December 1, 2020	Transfer to Shiwani Rhythm Bansal	(1000)	1996334	10	10	(10,000)	(0.01)	0.00
March 30, 2021	Transfer to Sajal Rakesh Bansal	(243000)	1753334	10	10	(24,30,000)	(1.42)	(1.03)
March 30, 2021	Transfer to Rhythm Rakesh Bansal	(250000)	1503334	10	10	(25,00,000)	(1.46)	(1.05)
April 4, 2023	Private Placement Allotment	500000	2003334	10	40	2,00,00,000	(2.92)	2.11
March 28, 2024	Transfer to Ankita Sajal Bansal	(250000)	1753334	10	Not Applicable*	Not Applicable*	(1.46)	(1.05)
June 13, 2024	Bonus Issue Allotment	1001667	3005001	10	0	Not Applicable	8.20	5.92
<b>Total</b>		<b>31,56,001</b>				<b>3,50,33,340</b>	<b>18.46</b>	<b>13.32</b>

\*Equity Shares gifted vide Gift Deed dated March 28,2024

Sajal Rakesh Bansal								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid/Received (in ₹)	% of Pre-Issue Capital	% of Post - Issue Capital
December 1, 2020	Transfer from Niranjan Dwarkaprasad Agarwal	1000	1000	10	10	10,000	0.01	0.00
March 24, 2021	Right Issue Allotment	300000	301000	10	10	30,00,000	1.75	1.27
March 30, 2021	Transfer from Niranjan Dwarkaprasad Agarwal	243000	544000	10	10	24,30,000	1.42	1.03
June 13, 2024	Bonus Issue Allotment	435200	979200	10	0	Not Applicable	2.55	1.84

<b>Sajal Rakesh Bansal</b>								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid/Received (in ₹)	% of Pre-Issue Capital	% of Post - Issue Capital
<b>Total</b>		<b>979200</b>				<b>54,40,000</b>	<b>5.73</b>	<b>4.13</b>

<b>Rakesh Kumar Bansal</b>								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid/Received (in ₹)	% of Pre-Issue Capital	% of Post - Issue Capital
December 1, 2020	Transfer from Niranjan Dwarkaprasad Agarwal	1000	1000	10	10	10,000	0.01	0.00
January 12, 2021	Right Issue Allotment	750000	751000	10	10	75,00,000	4.39	3.16
March 31, 2021	Right Issue Allotment	500000	1251000	10	10	50,00,000	2.92	2.11
June 13, 2024	Bonus Issue Allotment	1000800	2251800	10	0	Not Applicable	5.85	4.22
<b>Total</b>		<b>2251800</b>				<b>1,25,10,000</b>	<b>13.17</b>	<b>9.50</b>

<b>Babita Rakesh Bansal</b>								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid/Received (in ₹)	% of Pre-Issue Capital	% of Post - Issue Capital
December 1, 2020	Transfer from Niranjan Dwarkaprasad Agarwal	1000	1000	10	10	10,000	0.01	0.00
January 12, 2021	Right Issue Allotment	750000	751000	10	10	75,00,000	4.39	3.16
March 31, 2021	Right Issue Allotment	500000	1251000	10	10	50,00,000	2.92	2.11
June 13, 2024	Bonus Issue Allotment	1000800	2251800	10	0	Not Applicable	5.85	4.22
<b>Total</b>		<b>2251800</b>				<b>1,25,10,000</b>	<b>13.17</b>	<b>9.50</b>

Ankita Sajal Bansal								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid/Received (in ₹)	% of Pre-Issue Capital	% of Post - Issue Capital
December 1, 2020	Transfer from Niranjana Dwarkaprasad Agarwal	1000	1000	10	10	10,000	0.01	0.00
March 28, 2024	Transfer from Niranjana Dwarkaprasad Agarwal	250000	251000	10	Not Applicable*	Not Applicable*	1.46	1.05
June 5, 2024	Transfer from Aditya Niranjana Agarwal	2143333	2394333	10	Not Applicable**	Not Applicable**	12.53	9.04
June 13, 2024	Bonus Issue Allotment	1915466	4309799	10	0	Not Applicable	11.20	8.08
<b>Total</b>		<b>4309799</b>				<b>54,40,000</b>	<b>25.20</b>	<b>18.18</b>

\*Equity Shares received as gift vide Gift Deed dated March 28,2024

\*\*Equity Shares received as gift vide Gift Deed dated June 5,2024

Rakesh Kumar Bansal - HUF								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid/Received (in ₹)	% of Pre-Issue Capital	% of Post - Issue Capital
December 1, 2020	Transfer from Niranjana Dwarkaprasad Agarwal	1000	1000	10	10	10,000	0.01	0.00
March 24, 2021	Right Issue Allotment	900000	901000	10	10	90,00,000	5.26	3.80
June 13, 2024	Bonus Issue Allotment	720800	1621800	10	0	Not Applicable	4.22	3.04
<b>Total</b>		<b>1621800</b>				<b>90,10,000</b>	<b>9.48</b>	<b>6.84</b>

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

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹)*#
1.	Niranjana Dwarkaprasad Agarwal	3156001	11.10
2.	Sajal Rakesh Bansal	979200	5.56
3.	Rakesh Kumar Bansal	2251800	5.56
4.	Babita Rakesh Bansal	2251800	5.56
5.	Ankita Sajal Bansal	4309799	0.00
6.	Rakesh Kumar Bansal - HUF	1621800	5.56

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

# Rounded Off

15. We have 10 (Ten) shareholders as on the date of filing of the Draft Prospectus.
16. As on the date of the Draft Prospectus, our Promoters and Promoters' Group hold total 17099819 Equity Shares representing 100.00% of the pre-issue paid up share capital of our Company.
17. Except as mentioned below, there were no shares purchased/sold by the Promoter(s) and Promoter Group, directors of our Company and their relatives during last six months from the date of filing of this Draft Prospectus.

Date of allotment / transfer	Name of Allotee / Transferor	Party category	Name of Transferee	No. of Equity Shares allotted / transferred	Face Value (₹)	Issue Price / Transfer Price (₹)	Nature of transaction
June 13, 2024	Niranjan Dwarkaprasad Agarwal	Promoter	-	1402667	10	N.A	Bonus Issue Allotment
June 13, 2024	Rakesh Kumar Bansal	Promoter	-	1000800	10	N.A	Bonus Issue Allotment
June 13, 2024	Babita Rakesh Bansal	Promoter	-	1000800	10	N.A	Bonus Issue Allotment
June 13, 2024	Ankita Sajal Bansal	Promoter	-	1915466	10	N.A	Bonus Issue Allotment
June 13, 2024	Rakesh Kumar Bansal - HUF	Promoter	-	720800	10	N.A	Bonus Issue Allotment
June 13, 2024	Sunitadevi Niranjan Agarwal	Promoter Group	-	682586	10	N.A	Bonus Issue Allotment
June 13, 2024	Sajal Rakesh Bansal	Promoter Group	-	435200	10	N.A	Bonus Issue Allotment
June 13, 2024	Rhythm Rakesh Bansal	Promoter Group	-	360800	10	N.A	Bonus Issue Allotment
June 13, 2024	Shiwani Rhythm Bansal	Promoter Group	-	80800	10	N.A	Bonus Issue Allotment
June 5, 2024	Aditya Niranjan Agarwal	Promoter	Ankita Sajal Bansal	2143333	10	N.A	Transfer of Shares via Gift
June 5, 2024	Aditya Niranjan Agarwal	Promoter Group	Sunitadevi Niranjan Agarwal	850000	10	N.A	Transfer of Shares via Gift
March 28, 2024	Niranjan Dwarkaprasad Agarwal	Promoter	Ankita Sajal Bansal	250000	10	N.A	Transfer of Shares via Gift

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

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

Our Promoters have given written consent to include 4740000 Equity Shares subscribed and held by them as a part of Minimum Promoters' Contribution constituting 20.00% of the post issue Paid-up Equity Shares Capital of our Company ("Minimum Promoters' contribution") in terms of Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018 and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoters' Contribution, and to be marked Minimum Promoters' Contribution as locked-in.- **Noted for compliance.**

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

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

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

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

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

The details of Minimum Promoters' Contribution are as follows:

Niranjan Dwarkaprasad Agarwal									
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Source of Contribution	% of Pre issue Capital	% of post issue Capital	Date up to which Equity Shares are subject to Lock-in
September 21, 2020	September 21, 2020	Right Issue Allotment	500000	10	10	Cash	2.92	2.11	3 years
June 13, 2024	June 13, 2024	Bonus Allotment	400000*	10	-	Other than Cash	2.34	1.69	3 years
<b>Total</b>			<b>900000</b>				<b>5.26</b>	<b>3.80</b>	

\* On June 13, 2024 total of 1402667 Equity Shares were allotted under Bonus Issue to Mr. Niranjan Dwarkaprasad Agarwal. However, for the purpose of minimum promoter contribution 400000 Equity Shares are offered which will be locked in for a period of three years.

Sajal Rakesh Bansal									
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Source of Contribution	% of Pre issue Capital	% of post issue Capital	Date up to which Equity Shares are subject to Lock-in
December 1, 2020	December 1, 2020	Transfer	1000	10	10	Cash	0.01	0.00	3 years
March 24, 2021	March 24, 2021	Right Issue Allotment	300000	10	10	Cash	1.75	1.27	3 years
March 30, 2021	March 30, 2021	Transfer	243000	10	10	Cash	1.42	1.03	3 years
June 13, 2024	June 13, 2024	Bonus Allotment	435200	10	-	Other than Cash	2.55	1.84	3 years
<b>Total</b>			<b>979200</b>				<b>5.73</b>	<b>4.13</b>	

Rakesh Kumar Bansal									
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Source of Contribution	% of Pre issue Capital	% of post issue Capital	Date up to which Equity Shares are subject to Lock-in
December 1, 2020	December 1, 2020	Transfer	1000	10	10	Cash	0.01	0.00	3 years
January 12, 2021	January 12, 2021	Right Issue Allotment	750000	10	10	Cash	4.39	3.16	3 years
March 13, 2021	March 13, 2021	Right Issue Allotment	500000	10	10	Cash	2.92	2.11	3 years
June 13, 2024	June 13, 2024	Bonus Allotment	1000800	10	-	Other than Cash	5.85	4.22	3 years
<b>Total</b>			<b>2251800</b>				<b>13.17</b>	<b>9.50</b>	

Babita Rakesh Bansal									
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Source of Contribution	% of Pre issue Capital	% of post issue Capital	Date up to which Equity Shares are subject to Lock-in
June 13, 2024	June 13, 2024	Bonus Allotment	609000*	10	-	Other than Cash	3.56	2.57	3 years
<b>Total</b>			<b>609000</b>				<b>3.56</b>	<b>2.57</b>	

\* On June 13, 2024 total of 1000800 Equity Shares were allotted under Bonus Issue to Mr. Niranjan Dwarkaprasad Agarwal. However, for the purpose of minimum promoter contribution 609000 Equity Shares are offered which will be locked in for a period of three years.

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

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

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

- Equity Shares acquired by Promoters during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Initial Public offer;
- As per Regulation 237 (1) if the Shares are issued to the promoters during the preceding One Year at a price less than the Price at which specified securities are being offer to the public in initial public offer is ineligible for minimum promoters' contribution.
- However as per clause (c) of sub regulation (1) of Regulation 237 of SEBI (ICDR), 2018 specified securities allotted to promoters during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management: - **Not Applicable**  
Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible; **Not Applicable**

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

In addition to Minimum Promoters' Contribution which shall be locked-in for three years, the balance 9830400 Equity Shares held by Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer as provided in clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018.

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

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly, 2529599 Equity shares held by the Persons other than Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

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

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock-in is recorded by the Depository. – **Not Applicable as all existing Equity Shares are held in dematerialized form.**

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

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

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

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

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

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

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

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

26. As on date of the Draft Prospectus, there are no Partly Paid-up Shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
27. Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Draft Prospectus.
28. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large.
29. There are no safety net arrangements for this public issue.
30. As on the date of filing of the Draft Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
31. As per RBI regulations, OCBs are not allowed to participate in this offer.
32. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we may consider raising bridge financing facilities, pending receipt of the Net Proceeds.
33. There are no Equity Shares against which depository receipts have been issued.
34. As on date of the Draft Prospectus, other than the Equity Shares, there is no other class of securities issued by our Company.
35. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
36. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
37. Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows:
- (a). Minimum fifty per cent. to retail individual investors; and
  - (b). remaining to:
    - i) individual applicants other than retail individual investors; and
    - ii) other investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for;

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

**Explanation:** If the retail individual investor category is entitled to more than fifty per cent. of the Net issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

38. No incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise shall be offered by any person connected with the distribution of the issue to any person for making an application in the Initial Public Offer, except for fees or commission for services rendered in relation to the issue.
39. Our Promoters and the members of our Promoters' Group will not participate in this offer.
40. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoters' Group between the date of filing the Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
41. Except as stated below, none of our other Directors or Key Managerial Personnel holds Equity Shares in our Company.

Sr. No.	Name	Designation	No. of Equity Shares held	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Mr. Sajal Rakesh Bansal	Chairman and Managing Director, Chief Financial Officer	979200	5.73	4.13

Sr. No.	Name	Designation	No. of Equity Shares held	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
2.	Mr. Niranjana Dwarkaprasad Agarwal	Non-Executive Director	3156001	18.46	13.32
3.	Ms. Monika Shekhawat	Independent Director	Nil	Nil	Nil
4.	Mr. Aayush Kamleshbhai Shah	Independent Director	Nil	Nil	Nil
5.	Ms. Shivani Mittal	Company Secretary and Compliance Officer	Nil	Nil	Nil

## SECTION VII – PARTICULARS OF THE ISSUE

### OBJECT OF THE ISSUE

The Issue constitutes of Fresh Issue of 6600000 Equity Shares of our Company at an Issue Price of ₹ [●]/- per Equity Share.

#### FRESH ISSUE

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

1. Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company
2. To Meet Working Capital Requirements
3. General Corporate Purpose
4. To meet Public Issue Expenses

*(Collectively referred as the “Objects of the Issue”)*

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

Katex is engaged in the business of manufacturing and sale of Bedsheet Sets, Duvet Bedding and Pillow Pairs. Our Company is one of the exporters of Bedding Textile. Bedding Textile refers to the textile materials used in making products such as bedsheets, pillow cases, duvet covers and comforters. Our Company’s manufacturing facility is equipped with necessary technology and machinery to meet international standards. Our manufacturing process adheres to stringent quality standards. We offer a diverse range of bedsheets to cater to different tastes and preferences. This includes different sizes (King, Queen, Twin, Full and Cal King), materials (cotton, poly, Tencel, Modal, Microfiber, Bamboo, etc), thread counts, patterns and colours.

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

#### REQUIREMENTS OF FUNDS

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

The following table summarizes the requirement of funds:

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

*\*Subject to finalization of Basis of Allotment.*

#### UTILIZATION OF NET ISSUE PROCEEDS

The Gross Issue Proceeds will be utilized for following purpose:

Sr. No.	Particulars	Amount (₹ in) Lakhs	% of Net Issue Proceeds
1.	Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company	300.00	[●]
2.	To Meet Working Capital Requirements	2625.00	[●]
3.	General Corporate Purpose	[●]	[●]
<b>Net Issue Proceeds</b>		<b>[●]</b>	<b>[●]</b>

#### MEANS OF FINANCE

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

(₹ in Lakhs)

Sr. No.	Particulars	Amount Required	From IPO Proceeds	Internal Accruals/Equity/Reserves	Balance from Long/Short Term Borrowing
1.	Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company	300.00	300.00	0.00	0.00
2.	Working Capital Requirements	11,208.53	2,625.00	3,693.53	4,890.00
3.	General Corporate Purpose	[•]	[•]	0.00	0.00
4.	Public Issue Expenses	[•]	[•]	0.00	0.00
<b>Total</b>		<b>[•]</b>	<b>[•]</b>	<b>3,693.53</b>	<b>4,890.00</b>

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

The fund requirement and deployment is based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in Internal / external circumstances or costs or other financial conditions and other factors. In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

We further confirm that no part proceed of the Issue shall be utilized for repayment of any Part of unsecured loan outstanding as on date of Draft Prospectus. As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the Section titled "*Risk Factors*" beginning on page no. 24 of this Draft Prospectus.

#### **DETAILS OF USE OF ISSUE PROCEEDS**

##### **1. PREPAYMENT OR REPAYMENT OF ALL OR A PORTION OF CERTAIN OUTSTANDING BORROWINGS AVAILED BY OUR COMPANY:**

Our Company has entered into various financial arrangements with banks, financial institutions and other entities. The loan facilities entered into by our Company include borrowing in the form of, *inter alia*, term loans and working capital facilities. For further details, see "*Annexure: 1.3A - Repayment Terms and Annexure: 1.7a - Repayment Terms*" in the chapter titled "*Restated Financial Information*" beginning on page 168. As on December 31, 2023, our aggregate outstanding borrowings is ₹ 5,323.77 Lakhs.

We propose to utilise an estimated amount of ₹ 300.00 Lakhs from the Net Proceeds towards repayment/ prepayment of some of the loan facilities availed by our Company ("**Identified Loans**"). The repayment/ prepayment, will help reduce our outstanding indebtedness, assist us in maintaining a favourable debt-equity ratio and enable utilisation of some

additional amount from our internal accruals for further investment in business growth and expansion. In addition, we believe that since our debt-equity ratio will improve significantly, it will enable us to raise further resources at competitive rates and additional funds/ capital in the future to fund potential business development opportunities and plans to grow and expand our business in the future. Our Company may choose to repay/ prepay additional borrowings availed by our Company, which may include additional borrowings availed after the filing of this Draft Prospectus. Given the nature of Identified Loans and the terms of repayment/prepayment, the aggregate outstanding borrowing amounts may vary from time to time. However, the aggregate amount to be utilised from the Net Proceeds towards repayment/ prepayment of the Identified Loans (excluding interest accrued thereon), in part or in full, would not exceed ₹ 300.00 Lakhs.

The repayment/prepayment of the loans (excluding interest accrued thereon) shall be based on various factors including (i) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (ii) levy of any prepayment penalties and the quantum thereof, (iii) provisions of any law, rules, regulations governing such borrowings, and (iv) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan. Prepayment penalty or premium, if any, and other related costs shall be made by us out of the Net Proceeds of the Issue.

In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. In such cases or in case the Identified Loans (excluding interest thereon) is repaid/prepaid or refinanced prior to the completion of the issue, we may utilise Net Proceeds of the Issue towards repayment / prepayment of such additional and/ or re-financed indebtedness availed by us.

Sr. No .	Name of Lender	Date of Sanction/ Facility agreement	Nature of Borrowing	Amount Sanctioned	Outstanding amount as on December 31, 2023	Repayment date / Schedule	Interest Rate	Repayment / Prepayment clause	Amount to be repaid
1	State bank of India	October 30, 2021	Working Capital Term Loan	495.00	484.60	For a Period of 5 years with a 24 months moratorium and is repayable in 36 equal installments thereafter. Repayment schedule : 24 months (November 2021 to October 2023) Moratorium, 36 Months (November 2023 to October 2026) Installment of Rs. 13.75 Lakhs starting from 15.11.2023	9.25% (External benchmark Lending Rate + 10 bps)	2% prepayment penalty on Amount to be prepaid.	300.00

In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purpose availed, our Company has obtained the requisite certificate dated June 29, 2024 for the loans to be repaid by our Company.

## 2. WORKING CAPITAL REQUIREMENTS:

Incorporated in 2017 and based in Ahmedabad, Gujarat, our Company is engaged in the business of manufacturing and sale of Bedsheet Sets, Duvet Bedding and Pillow Pairs. We sell our products in domestic as well as international markets. Our Company is one of the exporters of Bedding Textile. Bedding Textile refers to the textile materials used in making products such as bedsheets, pillow cases, duvet covers and comforters. These textiles play a crucial role in determining the comfort, quality and durability of bedding items. Our Company's manufacturing facility is equipped with necessary technology and machinery to meet international standards. Our manufacturing process adheres to stringent quality standards. Our Manufacturing unit is located at 69-70, Shree Shyam Industrial Park, Saijpur-Gopalpur-Shahwadi, New Vatva Taluka, Narol, Ahmedabad, Gujarat, India.

Net Working Capital requirement of our Company on restated basis was ₹ 7,598.06 Lakhs, ₹ 6,876.65 Lakhs, ₹ 6,311.39 Lakhs and ₹ 3,745.75 Lakhs for December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 respectively. The Net Working capital requirements for the FY 2023-24 on provisional basis was ₹ 7,875.62 Lakhs. We have estimated working capital requirement for FY 2024-25 to be ₹ 11,208.53 Lakhs. The Company will meet the requirement to the extent of ₹ 2625.00 Lakhs from the Net Proceeds of the Issue and balance from borrowings and internal accruals at an appropriate time as per the requirement.

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

(Amount in ₹ Lakhs)

Particulars	Projected	Provisional	As per Restated financial statement			
	31-Mar-25	31-Mar-24	December 31, 2023	31-Mar-23	31-Mar-22	31-Mar-21
<b>Current Assets</b>						
<b>Inventories</b>						
➤ Raw Material	1,596.21	1,421.72	993.11	1,436.86	1,033.72	1,628.84
➤ Finished Goods & Others	3,143.96	2,990.54	3,443.95	941.97	264.40	306.43
Trade receivables	5,483.77	5,336.75	3,218.62	3,536.78	2,169.53	2,261.07
Cash and cash equivalents	173.77	214.87	223.20	477.97	462.25	9.11
Loans and advances	1,452.37	1,117.21	295.31	1,163.88	2,790.63	78.72
Other Assets	726.37	558.74	461.24	590.08	473.53	647.06
<b>Total Assets</b>	<b>12,526.45</b>	<b>11,639.83</b>	<b>8,635.43</b>	<b>8,147.53</b>	<b>7,194.06</b>	<b>4,931.22</b>
<b>Current Liabilities</b>						
Trade payables	1,203.64	3,385.39	406.74	745.90	452.41	637.20
Other liabilities	14.28	12.05	126.86	303.94	303.98	501.56
Short-term provisions	150.00	366.78	503.77	221.03	126.28	46.71
<b>Total Liabilities</b>	<b>1,367.92</b>	<b>3,764.21</b>	<b>1,037.37</b>	<b>1,270.88</b>	<b>882.67</b>	<b>1,185.47</b>
<b>Net Working Capital</b>	<b>11,208.53</b>	<b>7,875.62</b>	<b>7,598.06</b>	<b>6,876.65</b>	<b>6,311.39</b>	<b>3,745.75</b>
<b>Sources of Funds</b>						
Borrowing	4,890.00	5,335.02	4,898.16	5,172.29	5,233.19	2,839.22
Internal Accruals/Existing Net worth	3,693.53	2,540.60	2,699.90	1,704.37	1,078.20	906.53
Proceeds from IPO	2,625.00	-	-	-	-	-
<b>Total</b>	<b>11,208.53</b>	<b>7,875.62</b>	<b>7,598.06</b>	<b>6,876.65</b>	<b>6,311.39</b>	<b>3,745.75</b>

**Assumptions for working capital requirements.**

Particulars	Holding level (in Months)						Justification for Holding Period
	31-Mar-25 (Projected)	31-Mar-24 (Provisional)	December 31, 2023 (Restated)	31-Mar- 23 (Restated)	31-Mar- 22 (Restated)	31-Mar- 21 (Restated)	
<b>Inventory</b>							
Raw Material	1.25	1.03	1.52	1.68	1.73	2.73	Raw Material holding period for FY 2024-25 is estimated to be 1.25 Months. This estimation is based on raw material holding cycle of previous financial year FY 2023-24 and to meet expected turnover requirement for FY 2024-25 and to ensure uninterrupted manufacturing process.
Trade Receivables	3.00	3.23	2.84	3.51	1.85	2.91	Trade receivables are amount owed to Company by customers following sale of goods on credit. Our Company has estimated the average trade receivable cycle to be 3 months for FY 2024-25. This estimation is based on trade receivable cycle of previous financial year FY 2023-24 and to meet expected turnover requirement for FY 2024-25
Trade Payables	0.73	2.09	0.34	0.76	0.40	0.87	Trade payables include dues to micro and small enterprises and other creditors. The Trade Payable Cycle is estimated to be at 0.73 FY 2024-25 respectively. This estimation is in

Particulars	Holding level (in Months)						Justification for Holding Period
	31-Mar-25 (Projected)	31-Mar-24 (Provisional)	December 31, 2023 (Restated)	31-Mar- 23 (Restated)	31-Mar- 22 (Restated)	31-Mar- 21 (Restated)	
							line with availing better pricing and reducing the cost of purchase by availing discounts from our suppliers / vendors.

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

Cash and Cash Equivalents	Cash and cash equivalents include balances in current accounts, Fixed Deposits and cash in hand. Cash and Cash Equivalent balance is estimated based on previous years outstanding amount and for expected Business requirement of company.
Loans and Advances	Loans and advances mainly include Advance to suppliers and Saff/employees. Loans and advances are estimated based on previous years outstanding amount and for expected Business requirement of company.
Other Assets	Other Current Assets mainly includes Duties & Taxes Prepaid Expenses. Other Assets is estimated based on previous years outstanding amount and for expected Business requirement of company.
Other liabilities	Other Liabilities mainly includes advance from customers, expense payable and duties & taxes payable. Other liabilities is estimated based on previous years outstanding amount and for expected Business requirement of company.
Short-term provisions	Short-term provisions mainly include Provision for income tax. Short-term provisions is estimated based on previous years outstanding amount and for expected Business requirement of company.

### 3. GENERAL CORPORATE PURPOSE:

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

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

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

#### 4. ISSUE RELATED EXPENSES

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

Expenses	Expenses (Rs. In Lakh)	Expenses (% of Total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Lead Manger Fees including Underwriting Commission	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable for Advertising, Marketing Expenses and Printing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges and other Intermediaries	[●]	[●]	[●]
Fees payable to Peer Review Auditor	[●]	[●]	[●]
Fees to the Legal Advisor	[●]	[●]	[●]
Fees Payable to Market Maker (for Three Years)	[●]	[●]	[●]
Others (Fees payable for marketing & distributing expenses, selling commission, brokerage, processing fees, underwriting fees and miscellaneous expenses.)	[●]	[●]	[●]
Escrow Bank Fees	[●]	[●]	[●]
<b>Total Estimated Issue Expenses</b>	[●]	<b>100.00</b>	[●]

#### Notes:

- Up to June 29, 2024, Our Company has deployed/incurred expense of ₹ 7.75 Lakhs towards Issue Expenses duly certified by Statutory Auditor M/s. Piyush Kothari & Associates, Chartered Accountants vide its certificate dated June 29, 2024.
- Any expenses incurred towards aforesaid issue related expenses during the period from June 30, 2024 to till the date of listing of Equity Shares will be reimburse/recouped out of the gross proceeds of the issue:
- Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:  
Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)  
Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)  
^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).
- The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
- Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
- SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.
- Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.
- Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed

₹ [●]/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds ₹ [●]/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.

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

### **SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS**

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

Sr. No.	Particulars	Total Estimated Cost	Amount to be funded from the Net Issue Proceeds (₹ in Lakhs)	Amount already deployed (₹ in Lakhs) <sup>1</sup>	Estimated Utilization of Net Proceeds (₹ in Lakhs) (Upto Financial year 2024-25)*
1.	Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company	300.00	300.00	0.00	300.00
2.	To Meet Working Capital Requirements	11,208.53	2,625.00	0.00	2,625.00
3.	General Corporate Purpose	[●]	[●]	[●]	[●]

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

However, the use of issue proceeds for General Corporate Purposes shall not exceed 25% at any point of time.

### **APPRAISAL REPORT**

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

### **BRIDGE FINANCING**

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

### **INTERIM USE OF FUNDS**

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

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

### **MONITORING UTILIZATION OF FUNDS**

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

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Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

#### **VARIATION IN OBJECTS**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the “Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

#### **OTHER CONFIRMATIONS**

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

## BASIS FOR ISSUE PRICE

The issue price has been determined by the issuer in consultation with the Book Running Lead Manager. The financial data presented in this section are based on our Company's Restated Financial Information. Investors should also refer to the sections/chapters titled "**Risk Factors**" and "**Restated Financial Information**" on page no. 24 and 168 respectively of this Draft Prospectus to get a more informed view before making the investment decision.

### QUALITATIVE FACTORS

- Experienced Promoters and Management Team
- End-to-end execution capabilities
- Long term Relationship with the Clients
- Visible growth through a robust order book
- Scalable Business Model

For details of qualitative factors, please refer to the paragraph "*Our Competitive Strengths*" in the chapter titled "**Business Overview**" beginning on page no. 107 of this Draft Prospectus.

### QUANTITATIVE FACTORS

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

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

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

Financial Year/Period	Basic and Diluted EPS (in ₹)	Weights
Financial Year ended March 31, 2021 (Post Bonus)	0.74	1
Financial Year ended March 31, 2022 (Post Bonus)	1.22	2
Financial Year ended March 31, 2023 (Post Bonus)	2.23	3
<b>Weighted Average</b>	<b>1.65</b>	
For the period ended December 31, 2023*	<b>4.65</b>	

\*Not Annualized.

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

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

Particulars	EPS (in ₹)	P/E at the Issue Price (₹ [●])
Based on EPS of Financial year ended March 31, 2023(Post Bonus)	2.23	[●]
Based on Weighted Average EPS	<b>1.65</b>	[●]

#### Industry PE

- i. Highest = 9.52
- ii. Lowest= 9.52
- iii. Average= 9.52

### 3. Average Return on Net Worth:

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

Financial Year/Period	Return on Net Worth (%)	Weights
Financial Year ended March 31, 2021	8.53%	1
Financial Year ended March 31, 2022	16.67%	2
Financial Year ended March 31, 2023	23.37%	3
<b>Weighted Average</b>	<b>18.66%</b>	
Period Ended on December 31, 2023*	30.77%	

\*Not Annualized.

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

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

Particular	Amount (in ₹)
As at March 31, 2023 (Post Bonus)	9.56
As at December 31, 2023	15.12
NAV per Equity Share after the Issue	[●]
Issue Price per Equity Share	[●]

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

Name of the company	Standalone / Consolidated	Face Value (₹)	Current Market Price (₹) <sup>@</sup>	EPS (₹) Basic	P/E Ratio	RoNW (%)	NAV per Equity Share (₹) <sup>*</sup>	Revenue from operations (₹ in Lakhs)
<b>Katex Exim Limited</b>	Standalone	10	[●]	2.23	[●]	23.37%	9.56	12096.41
<b>Peer Group<sup>§</sup></b>	Standalone	10	40.15	4.22	9.52	4.86%	86.74	23509.53
NA								

\* Post Bonus

§ The Figures as at March 31, 2023 and are taken from the financial results uploaded on respective Stock Exchange(s)

@ Current Market Price is considered same as issue price of Equity share.

#### Note:

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

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

The Issue Price of ₹ [●]/- is determined by our Company in consultation with the Book Running Lead Manager is justified based on the above accounting ratios. For further details, please refer to the section titled “**Risk Factors**” and chapters titled “**Business Overview**” and “**Restated Financial Information**” beginning on page nos 24, 107 and 168 respectively of this Draft Prospectus.

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

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated June 29, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Draft Prospectus. Further, the KPIs herein have been certified by M/s Piyush Kothari & Associates, by their certificate dated June 29, 2024.

The KPIs of our Company have been disclosed in the sections “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” starting on pages 107 and 170, respectively. We have described and defined the KPIs, as applicable, in “*Definitions and Abbreviations*” beginning on page 1.

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

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

#### FINANCIAL KPIs OF OUR COMPANY

Particulars	December 31, 2023	For the Year ended on March 31,		
		2023	2022	2021
Revenue from Operations	13,615.66	12,096.41	14,102.87	9,335.78
Growth in Revenue from Operations (%)	NA	(14.23)	51.06	NA
EBITDA	1552.57	775.22	353.81	136.08
EBITDA Margin	11.40	6.41	2.51	1.46
Profit After Tax	795.29	370.99	202.37	86.12
PAT Margin (%)	5.84	3.07	1.43	0.92
RoE (%)	38.07%	26.39%	18.08%	14.29%
RoCE (%)	20.82%	13.67%	8.05%	6.06%
Net Fixed Asset Turnover (In Times)	47.25	47.80	73.08	87.83
Net Working Capital Days	85	66	42	41
Operating Cash Flows	410.79	306.48	(16,147.14)	(2,098.61)

*Source: The Figure has been certified by our statutory auditor’s M/s Piyush Kothari & Associates Chartered Accountants vide their certificate dated June 29, 2024.*

#### Notes:

1. Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
2. Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
3. Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed, Construction Expenses, Purchase of stock in trade goods, Changes in inventories of finished goods, work-in-progress and stock in trade.
4. Gross Profit Margin (%) is calculated as Gross Profit divided by Revenue from Operations.
5. EBITDA is calculated as profit for the period / year, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), finance costs and depreciation and amortization expenses reduced by other income.
6. EBIT is Calculate as Profit before tax added by finance cost and reduce by other income.
7. EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
8. Profit After Tax Means Profit for the period/year as appearing in the Restated Financial Statements.

9. PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
10. RoE (Return on Equity) (%) is calculated as net profit after tax for the year / period divided by Average Shareholder Equity.
11. RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes divided by capital employed. Capital Employed includes Equity Shares, Reserves and surplus, Long-Term Borrowing, Short-Term Borrowing, Intangible assets and Deferred Tax Liability/(Deferred Tax Asset).
12. Net Fixed Asset Turnover is calculated as Net Turnover divided by Average Tangible Assets which consists of property, plant and equipment and capital work-in-progress.
13. Net Working Capital Days is calculated as working capital (current assets minus current liabilities) as at the end of the period / year divided by revenue from operations multiplied by number of days in a period / year.
14. Operating cash flows means net cash generated from operating activities as mentioned in the Restated Financial Statements.

#### OPERATIONAL KPIs OF THE COMPANY:

Sr. No.	Particulars	For the Period Ended			
		March 31, 2024*	March 31, 2023	March 31, 2022	March 31, 2021
1	Installed Capacity in Nos (Per Day)	10000	8500	8500	5500
2	Actual Production in Nos. (Per Day)	9000	6715	8008	4888
3	Capacity Utilization in %	90	79	94.21	88.80

\*Annualised

Source: As certified by chartered engineer Mr. Dinesh P. Jani vide his certificate dated April 9, 2024

#### Explanation for KPI metrics

KPI	Explanations
Revenue from Operations (₹ in Lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Growth in Revenue from Operations	Growth in Revenue from Operations provides information regarding the growth of our business for the respective period.
EBITDA (₹ in Lakhs)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit After Tax (₹ in Lakhs)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from average shareholders' funds.
RoCE (%)	ROCE provides how efficiently our Company generates earnings from the average capital employed in the business.
Net Fixed Asset Turnover (In Times)	Net Fixed Asset turnover ratio is indicator of the efficiency with which our Company is able to leverage its assets to generate revenue from operations.
Net Working Capital Days	Net working capital days indicates the working capital requirements of our Company in relation to revenue generated from operations.
Operating Cash Flows (₹ in Lakhs)	Operating cash flows provides how efficiently our company generates cash through its core business activities.

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KPI	Explanations
Revenue split between different verticals of company	This metric enables us to track the progress of our revenues in the different verticals of the company.

**COMPARISON OF FINANCIAL KPIs OF OUR COMPANY AND OUR LISTED PEERS:**

(₹ in Lakhs)

Particulars	KATEX EXIM LIMITED			VEEKAYEM FASION AND APPARELS LIMITED		
	For the Period/ Year ended on March 31			For the Year ended on March 31		
	31-03-2023	31-03-2022	31-03-2021	31-03-2023	31-03-2022	31-03-2021
Revenue from Operations	12096.41	14102.87	9335.78	23509.53	14900.64	7655.73
Growth in Revenue from Operations (%)	(14.23)	51.06	NA	57.78	94.63	NA
EBITDA	775.22	353.81	136.08	1316.34	986.33	951.43
EBITDA Margin	6.41	2.51	1.46	5.60	6.62	12.43
Profit After Tax	370.99	202.37	85.83	180.99	188.54	31.44
PAT Margin (%)	3.07	1.43	0.92	0.77	1.27	0.41
RoE (%)	26.39%	18.08%	14.29%	5.31	6.28	1.09
RoCE (%)	13.67%	8.05%	6.06%	10.05%	8.02%	7.79%
Net Fixed Asset Turnover (In Times)	47.80	73.08	87.83	10.62	7.01	3.52
Net Working Capital Days	66	42	41	41	48	92
Operating Cash Flows	306.48	(1,647.14)	(2,098.61)	33.49	596.96	(333.32)

**WEIGHTED AVERAGE COST OF ACQUISITION:**
**a) The Price per share of our Company based on the primary/ new issue of shares (equity / convertible securities).**

The details of issuance of Equity Shares or convertible securities, excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of this Draft Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of 30 days is as follows:

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

The Details of secondary sale / acquisition of whether equity shares or convertible securities, where the promoter, members of the promoter group, selling shareholders, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days are disclosed below:

Name of Allotees	No. of Securities	Face value (₹)	Price Per security (₹)	Nature of Consideration	Total Consideration (in ₹ Lakhs)
Niranjan Dwarkaprasad Agarwal	500000	10	40	Cash	200.00
<b>Total</b>	<b>500000</b>	<b>10</b>	<b>40</b>	<b>-</b>	<b>200.00</b>
<b>WACA (Per Share)</b>					<b>40</b>

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

Since there are transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction) not older than 3 years prior to the date of this Draft Prospectus irrespective of the size of transactions is not required to disclosed. NA

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

Type of Transactions	Weighted average cost of acquisition (₹ per Equity Share)	Number of times of Floor Price i.e., [●]	Number of times of Floor Price i.e., [●]
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity / convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Draft Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	₹ 40.00	N.A.	N.A.
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity / convertible securities), where promoter / promoter group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Draft Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such	NA	-	-

Type of Transactions	Weighted average cost of acquisition (₹ per Equity Share)	Number of times of Floor Price i.e., [●]	Number of times of Floor Price i.e., [●]
transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days. **			
Since there were no secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of this Draft Prospectus, which are equal to or more than 5% of the fully diluted paid-up share capital of our Company, the information has been disclosed for price per share of our Company based on the last five secondary transactions where promoter /promoter group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction, not older than three years prior to the date of filing of this Draft Prospectus irrespective of the size of the transaction.	N.A.	N.A.	N.A.

**Justification for Basis of Issue price: -**

1. The following provides a detailed explanation for the Issue Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by our Promoter, the Promoter Group or other shareholders with rights to nominate directors by way of primary and secondary transactions as disclosed in paragraph above, in the last 18 months preceding the date of this Draft Prospectus compared to our Company's KPIs and financial ratios for the Financial Years 2023, 2022 and 2021.

[●]\*

*(To be included on finalization of Price)*

2. The following provides an explanation to the Issue Price/Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired by our Promoters, the Promoter Group or other shareholders with rights to nominate directors by way of primary and secondary transactions as disclosed in paragraph above, in the last 18 months preceding the date of this Draft Prospectus in view of external factors, if any.

[●]

*(To be included on finalization of Price)*

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**STATEMENT OF POSSIBLE TAX BENEFITS**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page Nos.</b>
1	Statement of Possible Tax Benefits	SP 1 to SP 4

## STATEMENT OF SPECIAL TAX BENEFITS

To,  
The Board Of Directors,  
Katex Exim Limited  
55/ Ashra Ind. Estate  
B/H. Mahalaxmi Fabrics,  
3 Narol, Ahmedabad-382405,  
Gujarat, India

Dear sir,

**SUB: - Statement of Special tax benefits (“The Statement”) available to Katex Exim Limited (“the company”), its shareholder prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI to the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018.**

**Reference - Proposed Initial Public Offering Of Upto 66,00,000 Equity Shares Of ₹ 10 Each (The “Equity Shares”) Of Katex Exim Limited (The “Company”).**

1. We hereby confirm that the enclosed Annexure I, prepared by Katex Exim Limited (‘the Company’), which provides the Special tax benefits under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively the “Taxation Laws”), the rules, regulations, circulars and notifications issued thereon, as applicable to the assessment year 2024-25 and relevant to the financial year 2023-24, available to the Company and its shareholders. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Taxation Laws. Therefore, the ability of the Company and or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.
2. This statement of possible special tax benefits is required as per Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (‘SEBI ICDR Regulations’). While the term ‘special tax benefits’ has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, its shareholders and its Associate Company and the same would include those benefits as enumerated in the statement. The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company, its Shareholders and its Associate Company and do not cover any general tax benefits available to them. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.
3. The benefits discussed in the **enclosed Annexures - I** are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that these Annexures are only intended to provide information to the investors and are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his

or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering.

4. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
5. We do not express any opinion or provide any assurance as to whether
  - i. the Company or its shareholders will continue to obtain these benefits in future;
  - ii. the conditions prescribed for availing the benefits have been I would be met with; and
  - iii. the revenue authorities courts will concur with the views expressed herein.
6. The Content of the enclosed Annexures are based on information, explanations and representations obtained from the company and on the basis of their understanding of the business activities and operations of the company.
7. No assurance is given that the revenue authorities/ Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.
8. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.
9. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus in connection with the proposed offer of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

**For Piyush Kothari & Associates**  
**Chartered Accountants**  
**FRN :-140711W**

**Sd/-**  
**Piyush Kothari**  
**Partner**  
**Membership No.: 158407**  
**UDIN:- 24158407BKBIKB4999**

**Date: 29.06.2024**  
**Place: Ahmedabad**

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

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

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

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

- **Lower corporate tax rate under section 115BAA**

Section 115BAA has been inserted in the Act w.e.f. FY 2019-20. It gives an option to domestic company to be governed by this section from a particular assessment year. If a company opts for section 115BAA of the Act, the company can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%). However once opted for reduced rate of taxation under the said section, it cannot be subsequently withdrawn.

Section 115BAA 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 any 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 losses arising to it on account of additional depreciation and other specified incentives.

The Company has already evaluated and opted for the lower corporate tax rate of 25.168% (prescribed under section 115BAA of the Act) with effect from AY 2020-21.

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

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

**Note:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. This certificate may be relied on by the company, the Book Running Lead Manager and the Legal Counsel to the offer. We hereby consent to the extracts of this certificate being used in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus of the company in connection with the offer and/or in any other documents in connection with the offer and/or for submission to the Securities Exchange Board of India, relevant Stock Exchanges and any other authority as may be required. We further consent to the extracts of this certificate being used for the records to be maintained by the Book Running Lead Manager in connection with the offer and in accordance with applicable laws.
3. We undertake to inform you promptly, in writing of any changes, to the above information until the equity shares commence trading on the relevant stock exchanges, pursuant to the offer. In the absence of any such communication from us, the above information should be considered as updated information until the equity shares commence trading on the stock exchanges, pursuant to the offer.

## SECTION VIII – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the Issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.

#### GLOBAL ECONOMY

Global growth is projected to stabilize at 2.6 percent this year, holding steady for the first time in three years despite flaring geopolitical tensions and high interest rates. It is then expected to edge up to 2.7 percent in 2025-26 amid modest growth in trade and investment. Global inflation is projected to moderate, but at a slower clip than previously assumed, averaging 3.5 percent this year. Given continued inflationary pressures, central banks in both advanced economies and emerging market and developing economies (EMDEs) will likely remain cautious in easing monetary policy. As such, average benchmark policy interest rates over the next few years are expected to remain about double the 2000-19 average.

Despite an improvement in near-term growth prospects, the outlook remains subdued by historical standards in advanced economies and EMDEs alike. Global growth over the forecast horizon is expected to be nearly half a percentage point below its 2010-19 average pace. In 2024-25, growth is set to underperform its 2010s average in nearly 60 percent of economies, representing more than 80 percent of global population and world output. EMDE growth is forecast to moderate from 4.2 percent in 2023 to 4 percent in both 2024 and 2025. Prospects remain especially lack luster in many vulnerable economies over half of economies facing fragile- and conflict-affected situations will still be poorer by the end of this year than on the eve of the pandemic.

Domestic demand is projected to improve in many EMDEs this year, in line with a moderate cyclical recovery from the effects of high inflation, tight financial conditions, and anemic industrial activity. Aggregate EMDE growth is nonetheless poised to decelerate slightly mainly because of idiosyncratic factors in some large economies. Moreover, significant challenges persist in vulnerable economies—including in low-income countries (LICs) and those facing elevated levels of conflict and violence—where growth prospects have deteriorated markedly since January.

#### **Fiscal Challenges in Small States: Weathering Storms, Rebuilding Resilience.**

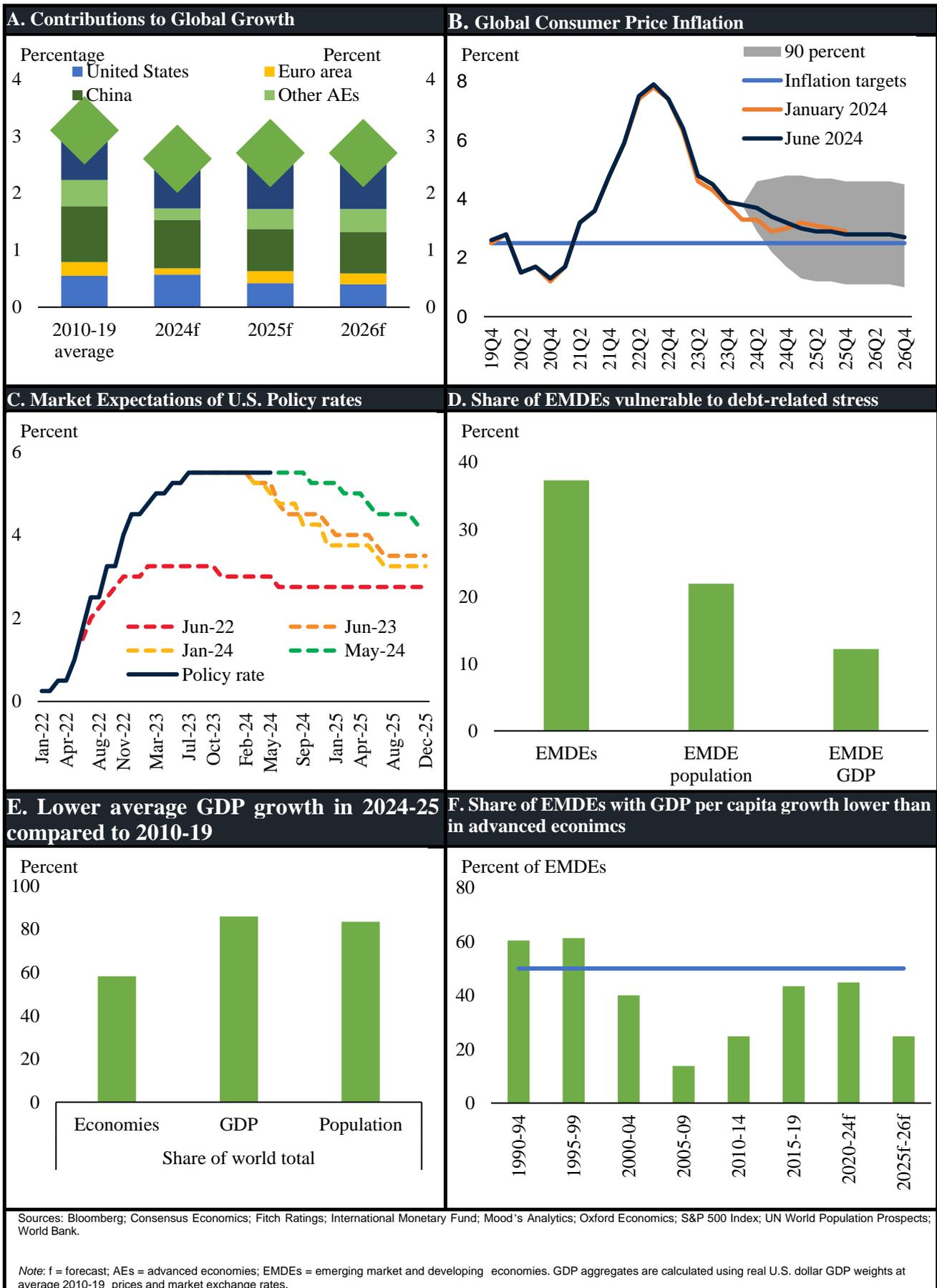
The COVID-19 pandemic and the global shocks that followed have worsened fiscal and debt positions in small states. This has intensified their already substantial fiscal challenges—especially the need to manage more frequent climate change-related natural disasters. Two-fifths of the 35 EMDE small states are at high risk of debt distress or already in it, roughly twice the share for other EMDEs. Fiscal deficits in small states have widened since the pandemic, reflecting increased government spending to support households and firms, as well as weaker revenues.

#### **Regional Prospects**

Growth is projected to soften in most EMDE regions in 2024. In East Asia and Pacific, the expected slowdown this year mainly reflects moderating growth in China. Growth in Europe and Central Asia, Latin America and the Caribbean, and South Asia is also set to decelerate amid a slowdown in their largest economies. In contrast, growth is projected to pick up this year in the Middle East and North Africa and Sub-Saharan Africa, albeit less robustly than previously forecast.

#### **Global prospects**

The global economy is stabilizing but the outlook remains subdued—both advanced economies and EMDEs are projected to grow at a slower pace over 2024-26 than in the pre-pandemic decade. Recent upward pressures on global core inflation are anticipated to gradually ease, such that headline inflation converges to levels broadly consistent with central bank targets by 2026. Market expectations for the path of U.S. policy rates have been repeatedly revised higher. Amid elevated borrowing costs, about two-fifths of EMDEs are acutely vulnerable to debt stress. In 2024-25, growth is expected to underperform its 2010-19 average in countries comprising more than 80 percent of global output and population. The multiple shocks of recent years have impeded per capita income catch-up, with almost half of EMDEs losing ground relative to advanced economies over 2020-24.



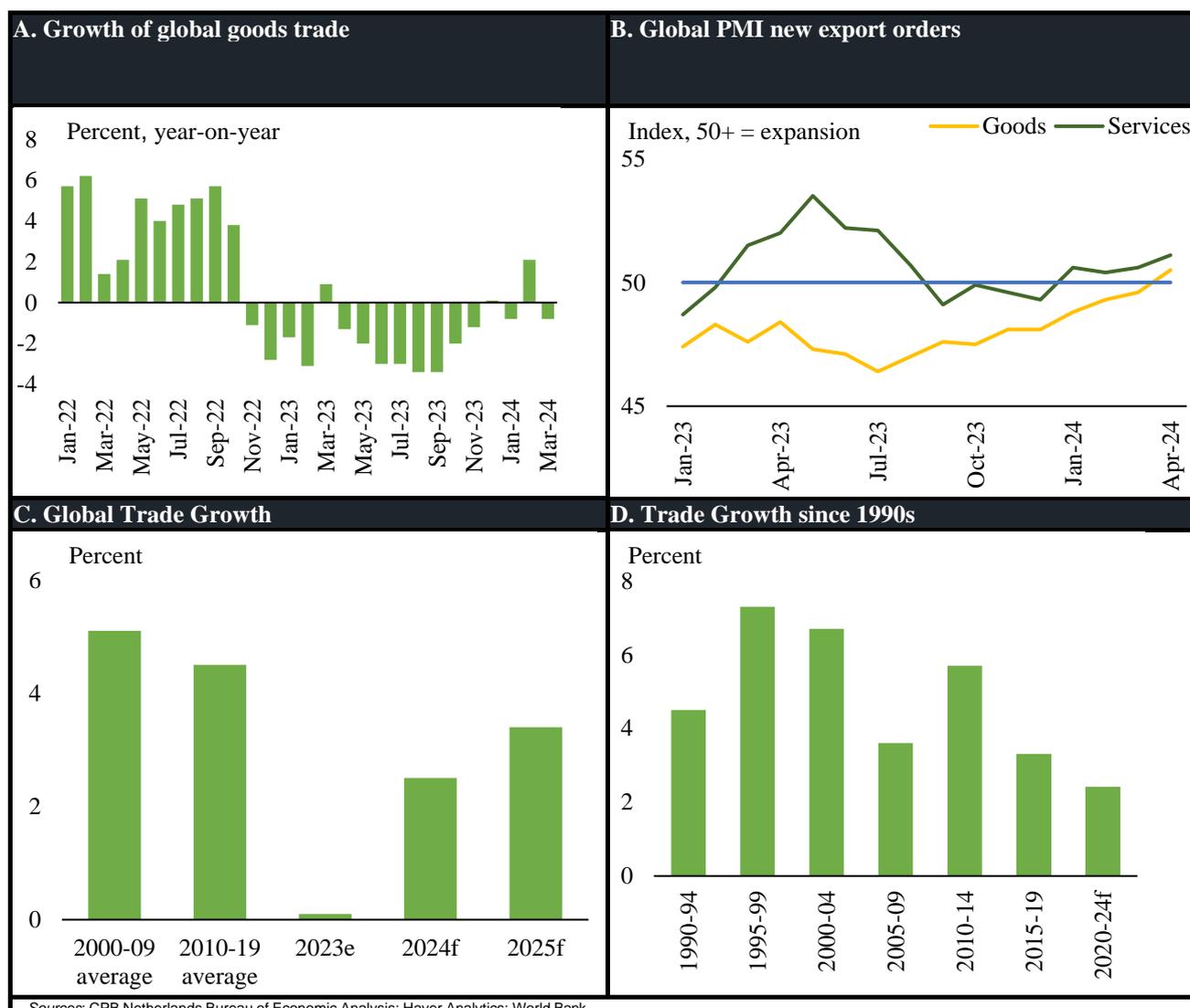
- B. Model-based GDP-weighted projections of consumer price inflation using Oxford Economics' Global Economic Model. Sample includes 65 economies, including 31 EMDEs, and excludes Argentina and República Bolivariana de Venezuela. Confidence bands are derived from Consensus Economics forecast errors using the pre-pandemic sample. Horizontal line shows the average of most recent country-specific inflation targets, where available, or the 2015-19 average.
- C. Solid blue line is the upper bound of the target range for the U.S. federal funds rate. Dotted lines are vintages of market-based policy rate expectations, derived from derivatives markets.
- D. Sample includes those with weak credit ratings and those judged by the International Monetary Fund and the World Bank to be in or at high risk of debt distress.
- E. "Economies" refers to the share of countries, "GDP" refers to the share of world GDP, and "population" is the share of the world population.
- F. Horizontal line indicates the 50 percent threshold.

## Global Risks and Policy Challenges

Risks to the outlook are somewhat more balanced but remain skewed to the downside. Pronounced trade policy uncertainty—already at its highest level compared with other years of major elections since 2000—could portend further trade restrictions and weigh on global trade. Advanced-economy interest rates are expected to remain well above 2000-19 average levels and could turn out higher still if inflationary pressures persist, substantially slowing global growth. Conflict-related oil supply disruptions could raise oil prices, dampen economic activity, and undermine the disinflation process. EMDE fiscal policy makers confront exacting trade-offs, given elevated borrowing costs and large financing needs. Improving public investment efficiency in EMDEs is crucial, especially given constrained fiscal space.

## Global Trade

Global trade in goods and services was nearly flat in 2023 amid goods trade contractions for most of the year. Leading indicators suggest that services trade has stabilized. Global trade in goods and services is projected to expand by 2.5 percent in 2024 and 3.4 percent in 2025 but remain well below the average rates of the two decades preceding the pandemic. In all, global trade growth in 2020-24 is set to register the slowest half decade of growth since the 1990s.



Note: e = estimate; f = forecast; PMI = purchasing managers' index. Trade in goods and services is measured as the average of export and import volumes.

A. Panel shows goods trade volumes. Last observation is March 2024.

B. Panel shows manufacturing and services subcomponents of the global purchasing managers' index (PMI) new export orders series. PMI readings above (below) 50 indicate expansion (contraction). Last observation is April 2024.

D. Panel shows five-year averages of growth in global trade in goods and services.

## Global Inflation

The pace of decline in core inflation has slowed this year. In major advanced economies, disinflation in consumer goods prices appears to have bottomed out, while inflation in consumer services prices remains elevated. High core inflation in EMDEs was driven by services, including shelter. Global inflation is expected to gradually decelerate toward average inflation targets by 2026, amid softening core inflation.

## Global financial developments

Global financial conditions have eased, on balance, since last year, primarily reflecting declines in risk premia amid still-elevated interest rates. Central Banks across major advanced economies are expected to gradually lower policy rates this year, but the level of real interest rates is set to remain a headwind to economic activity-albeit a diminishing one-for some time. Policy rate projections derived from financial markets have been volatile since U.S policy tightening started in 2022, with expectations repeatedly revised higher over time. Meanwhile, most advanced -economy central banks continue emphasize that the pace of easing will be cautious, reflecting persistent inflationary pressures-and, in the case of the United States, robust economic activity. As such, government bond yields are well above pre-pandemic levels and are likely to remain so, absent large negative shocks to growth.

(Source: <https://openknowledge.worldbank.org/server/api/core/bitstreams/6feb9566-e973-4706-a4e1-b3b82a1a758d/content>)

## INDIAN ECONOMY

### INTRODUCTION

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodities. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

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

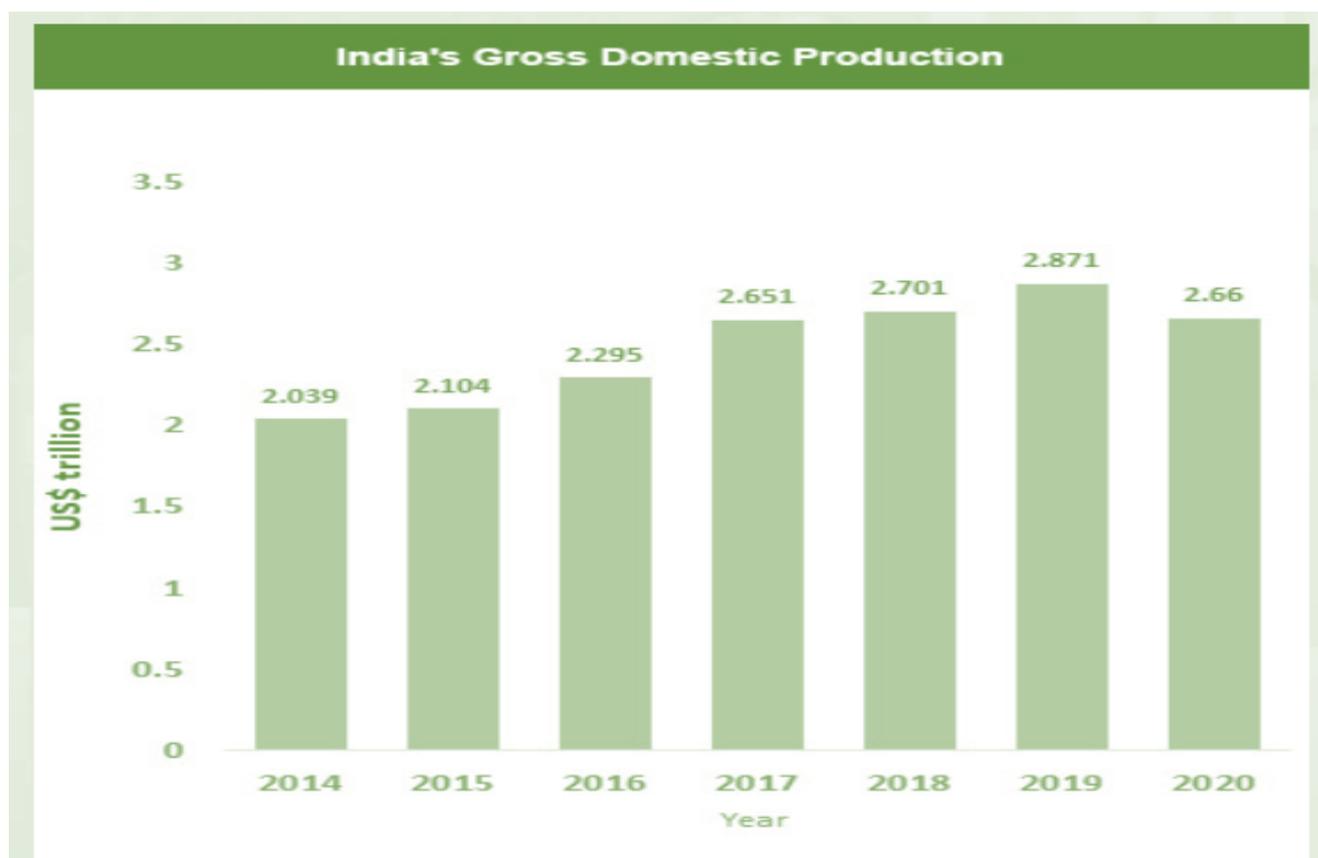
India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

## MARKET SIZE

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn start-ups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech start-ups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.

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



## RECENT DEVELOPMENT

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to priorities lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during the period of April 2023 to March 2024.
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- In March 2024, the gross Goods and Services Tax (GST) stood at second highest monthly revenue collection at Rs.1.78 lakh crore (US\$ 21.35 billion), of which CGST is Rs. 34,532 crores (US\$ 4.14 billion), SGST is Rs. 43,746 crores (US\$ 5.25 billion).
- Between April 2000–December 2023, cumulative FDI equity inflows to India stood at US\$ 971.52 billion.
- In February 2024, the overall IIP (Index of Industrial Production) stood at 147.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 2024.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.69% in December 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crores (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crores (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 8.06 billion) in India during January-April 2024.
- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

## GOVERNMENT INITIATIVES

- Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:
- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crores (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crores (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.

- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Atma Nirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crores (US\$ 182.35 million).
- Prime Minister Mr. Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29, 2022, by the Ministry of Railways.
- On October 7, 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crores (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crores (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.
- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (Rs.) to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on June 14, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crores (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crores (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The

Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.

- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- 'Mission Shakti' was applicable with effect from April 1, 2022, aimed at strengthening interventions for women's safety, security, and empowerment.
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to Rs. 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crores (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/Seminomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 trillion (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crores (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2,500 crores (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crores (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crores (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crores (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crores (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crores (US\$ 6.07 billion).

- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crores (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system, help fuel liquidity, and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise Rs. 4 trillion (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India, and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman Al Banna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025

## ROAD AHEAD

- In the second quarter of FY24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.
- India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to Rs.10 lakh crore (US\$ 120.12 billion) over Rs. 7.28 lakh crore (US\$ 87.45 billion) in

RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signaling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels. In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crores (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crores (US\$ 133.27 billion).

- Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

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

**Note:** Conversion rate used for January 2024 is Rs.1 = US\$ 0.012

## TEXTILE – INDUSTRY SCENARIO

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector at the other end. The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibres like cotton, jute, silk, and wool, to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.

The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world.

India is the world's 3rd largest exporter of Textiles and Apparel. India ranks among the top five global exporters in several textile categories, with exports expected to reach US\$ 100 billion. The market for Indian textiles and apparel is projected to grow at a 10% CAGR to reach US\$ 350 billion by 2030. The textiles and apparel industry contributes 2.3% to the country's GDP, 13% to industrial production and 12% to exports. The textile industry in India is predicted to double its contribution to the GDP, rising from 2.3% to approximately 5% by the end of this decade. Global apparel market is expected to grow at a CAGR of around 8% to reach US\$ 2.37 trillion by 2030 and the Global Textile & Apparel trade is expected to grow at a CAGR of 4% to reach US\$ 1.2 trillion by 2030. The Indian Technical Textile market has a huge potential of a 10% growth rate, increased penetration level of 9-10% and is the 5th largest technical textiles market in the world. India's sportech industry is estimated around US\$ 1.17 million in 2022-23.

India is the world's largest producer of cotton. In the first advances, the agriculture ministry projected cotton output for 2023-24 at 31.6 million bales. According to the Cotton Association of India (CAI), the total availability of cotton in the 2023-24 season has been pegged at 34.6 million bales, against 31.1 million bales of domestic demand, including 28 million bales for mills, 1.5 million for small-scale industries, and 1.6 million bales for non-mills. Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers. It is expected to surpass US\$ 30 billion by 2027, with an estimated 4.6-4.9% share globally. In 2022-23, the production of fibre in India stood at 2.15 million tonnes. While for yarn, the production stood at 5,185 million kgs during the same period. Natural fibres are regarded as the backbone of the Indian textile industry, which is expected to grow from US\$ 138 billion to US\$ 195 billion by 2025.

India enjoys a has an advantage in terms of skilled manpower and in cost of production relative to other major textile producers. In July 2022, the Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution, and Textiles, Mr. Piyush Goyal, stated that the mantra of 5 F's - Farms to Fibre to Fabric to Fashion to Foreign export – will help make India a strong textile brand globally. 100% FDI (automatic route) is allowed in the Indian textile sector. Under Union Budget 2023-24, the total allocation for the textile sector was Rs. 4,389.24 crore (US\$ 536.4 million). In October 2021, the government approved a PLI scheme worth Rs. 4,445 crore (US\$ 594.26 million) to establish seven integrated mega textile parks and boost textile manufacturing in the country. In order to attract private equity (PE) and employee more people, the government introduced various schemes such as the Scheme for Integrated Textile Parks (SITP), Technology

Upgradation Fund Scheme (TUFS) and Mega Integrated Textile Region and Apparel (MITRA) Park scheme. Total FDI inflows in the textiles sector stood at US\$ 4.43 billion between April 2000-December 2023.

### Export Statistics

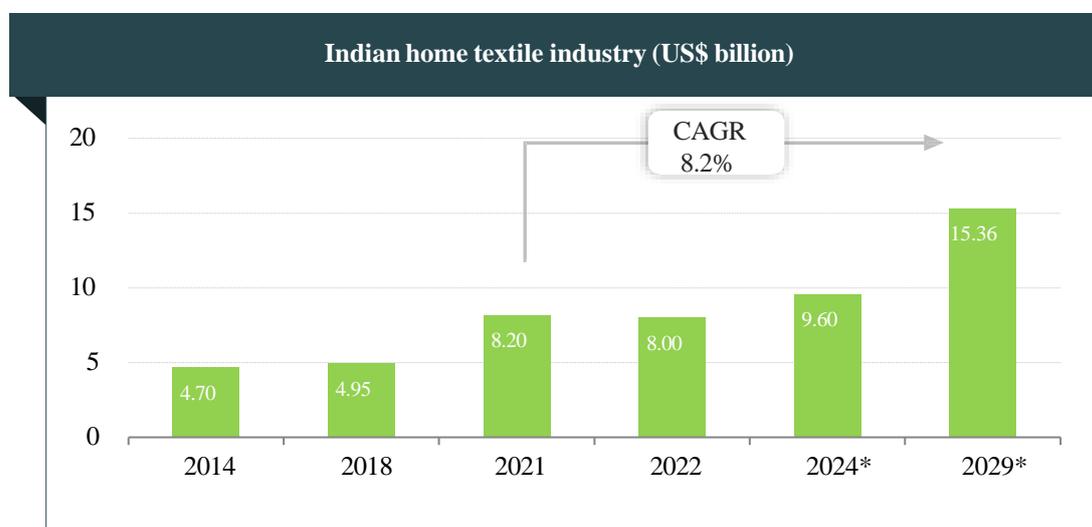
India is the world's second-largest textile exporter. Capacity built over years has led to low cost of production per unit in India's textile industry. This has lent a strong competitive advantage to the country's textile exporters over key global peers. India's textile and apparel exports stood at US\$ 28.72 billion in FY24 (April-January). Exports of textiles (RMG of all textiles, cotton yarns/fabs/made-ups/handloom products, man-made yarns/fabs/made-ups, handicrafts excl. handmade carpets, carpets and jute mfg. including floor coverings) stood at US\$ 23.79 billion in FY24 (April-December). Exports for 247 technical textile items stood at Rs. 5,946 crore (US\$ 715.48 million) between April-June (2023-24). The Indian composites market is expected to reach an estimated value of US\$ 1.9 billion by 2026 with a CAGR of 16.3% from 2021 to 2026 and the Indian consumption of composite materials will touch 7,68,200 tonnes in 2027. India's textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country. In July 2021, the government extended the Rebate of State and Central Taxes and Levies (RoSCTL) scheme for exports of apparel/garments and made-ups until March 2021. This helped boost exports and enhance competitiveness in the labour-intensive textiles sector. International apparel giants like Hugo Boss, Liz Claiborne, Diesel and Kanz have already started operations in India. In the coming decade, Africa and Latin America could very well turn out to be the key markets for Indian textiles. In April 2022, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Mr. Piyush Goyal, said that new Economic Cooperation and Trade Agreements with Australia and the UAE would open infinite opportunities for textiles and handloom. Indian textile exports to Australia and the UAE would now face zero duties, and he expressed confidence that soon Europe, Canada, the UK and GCC countries would also welcome Indian textile exports at zero duty.



The Indian home textiles exports spurred from US\$ 5.3 billion in CY17 to US\$ 8 billion in CY22 at a CAGR of 7.1%. India's home textile industry expanded at a CAGR of 8.3% during 2014-21 and reached US\$ 8.2 billion in 2021 from US\$ 4.7 billion in 2014. India accounts for 4% of the global home textiles trade. The growth in home textiles is driven by growing household income, increasing population and growth of end use sectors like housing, hospitality, healthcare, etc. India's home textile exports increased at a healthy rate of 9% in FY21, despite the pandemic. Indian textile players have undertaken various initiatives to boost textile sales:

- In May 2021, Indo Count Industries Ltd. (ICIL), announced an investment of Rs. 200 crore (US\$ 26.9 million) to expand its production capacity.
- For FY22, Welspun India has set aside Rs. 600 crore (US\$ 80.62 million) for capital expenditure to complete expansion projects in its flooring, advanced textile and home textile business verticals.
- In April 2021, Bella Casa Fashion & Retail Ltd. (BCFRL), announced that it is expanding its two existing plants and adding one new facility to offer employment opportunities to 1,000 people. The expansion would involve a total investment of Rs. 65 crore (US\$ 8.63 million).
- Companies in home textile are using technology to optimise the value chain. For example, in October 2021, Welspun India introduced Wel-Trak 2.0—an upgraded, patented end-to-end traceability technology—to track textile raw materials throughout the supply chain.

- Home textile companies in India are also leveraging strategic partnerships to strengthen their business operations and foothold in the country.
- In October 2021, Welspun India collaborated with DuPont Biomaterials to introduce a home textile range and strengthen the company's sustainable textiles business.



### **Government Initiatives**

The Indian government has come up with several export promotion policies for the textile sector. It has also allowed 100% FDI in the sector under the automatic route. Mr. Piyush Goyal also discussed the roadmap to achieve the target of US\$ 250 billion in textiles production and US\$ 100 billion in exports by 2030. In June 2023, the Government approved R&D projects worth US\$ 7.4 million (Rs. 61.09 crore) in the textile sector. In February 2023, the union government approved 1,000 acres for setting up a textile park in Lucknow.

In February 2023, according to the Union Budget 2023-24, the total allocation for the textile sector was Rs. 4,389.24 crore (US\$ 536.4 million). Out of this, Rs. 900 crore (US\$ 109.99 million) is for Amended Technology Upgradation Fund Scheme (ATUFS), Rs. 450 crore (US\$ 54.99 million) for National Technical Textiles Mission, and Rs. 60 crore (US\$ 7.33 million) for Integrated Processing Development Scheme. In December 2022, a total of 44 R&D projects were started, and 23 of them were successfully completed. 9777 people were trained in a variety of activities relating to the silk industry. In December 2022, a total of US\$ 75.74 million (Rs. 621.41 crore) in subsidies was distributed in 3,159 cases under the Amended Technology Upgradation Fund Scheme, with special campaigns held in significant clusters to settle backlog cases. The establishment of 7 (seven) PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks with a total investment of US\$ 541.82 million (Rs. 4,445 crore) for the years up to 2027–28 was approved by the government.

In the academic year 2022–23, the opening of a new campus of the National Institute of Fashion Technology (NIFT) in Daman. Moreover, new campus buildings are being constructed in Bhopal and Srinagar. Under the National Technical Textile Mission (NTTM), 74 research projects for speciality fibre and technical textiles valued at US\$ 28.27 million (Rs. 232 crore) were approved. 31 new HSN codes have been developed in this space. In June 2022, Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, stated that the Indian government wants to establish 75 textile hubs, similar to Tiruppur, which will greatly increase employment opportunities while promoting the export of textile products and ensuring the use of sustainable technology.

In June 2022, Amazon India signed a MoU with the Manipur Handloom & Handicrafts Development Corporation Limited (MHHDCL), a Government of Manipur entity, to encourage the development of weavers and artisans throughout the state. The Sustainable Textiles for Sustainable Development (SusTex) project by the United Nations Climate Change entity enhances the employment and working circumstances of textile artisans while promoting the sustainable production and use of environmentally friendly textiles. In May 2022, Minister of Micro, Small and Medium Enterprises, Mr. Narayan Rane, inaugurated the Center of Excellence for Khadi (CoEK) at NIFT, Delhi. In order to produce innovative fabrics and apparel that will meet the needs of both domestic and foreign consumers, the CoEK will seek to introduce the newest designs and adopt procedures that adhere to international standards. In April 2022, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Mr. Piyush Goyal, said that new Economic Cooperation and Trade Agreements with Australia and the UAE would open infinite opportunities for textiles and handloom. Indian textile exports to Australia and the UAE would now face zero duties, and he expressed confidence that soon Europe, Canada, the UK and GCC countries would also welcome Indian textile exports at zero duty.

The Government of India has earmarked a corpus of Rs. 1,000 crore (US\$ 127.72 million) dedicated for research and development of the technical textiles sector. For export of handloom products globally, the Handloom Export Promotion

Council (HEPC) is participating in various international fairs/events with handloom exporters/weavers to sell their handloom products in the international markets under NHDP. The Ministry of Textiles has also been implementing the Handloom Marketing Assistance (HMA), a component of National Handloom Development Programme (NHDP) all across India. HMA provides a marketing platform to the handloom weavers/agencies to sell their products directly to the consumers and develop and promote the marketing channel through organizing expos/events in domestic as well as export markets.

The Indian government has notified uniform goods and services tax rate at 12% on man-made fabrics (MMF), MMF yarns, MMF fabrics and apparel, which came into effect from January 1, 2022.

Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, announced a mega handloom cluster in Manipur and a handloom and handicraft village at Moirang in Bishnupur. The mega cluster will be set up at an estimated cost of Rs. 30 crore (US\$ 4.03 million) under the National Handloom Development Programme (NHDP).

## ***Trends in Textile Sector***

### **1. Textile Parks**

Since 2014, 59 textile park projects have been sanctioned under SITP and PPP with 40% government assistance of up to Rs. 40 crore (US\$ 6 million). Of these, 24 textile parks are operational, as of July 2021. In July 2023, PM MITRA Park, Amravati expected to attract investment of Rs. 10,000 crore (US\$ 1.20 billion) and create employment for 300,000 individuals. □ In May 2023, an investment of around Rs. 6,850 crore (US\$ 824.25 million) is expected in the PM MITRA Park in Madhya Pradesh and Rs. 8,675 crore (US\$1.04 billion) in other parts of the state. In February 2023, the union government approved 1,000 acres for setting up a textile park in Lucknow. Under the Union Budget 2021-22, Minister of Finance and Corporate Affairs, Ms. Nirmala Sitharaman, launched a ‘Mega Integrated Textile Region and Apparel (MITRA) Park’ scheme to establish seven textile parks with state-of-the-art infrastructure, common utilities and R&D lab over a three-year period. □ In March 2022, the Bihar government submitted a proposal to Ministry of Textiles to set up a mega hub under the PM Mitra Mega Textile Park.

### **2. Incubation in apparel manufacturing**

The objective here has been to promote entrepreneurs in apparel manufacturing by providing them an integrated workspace and reducing operational and financial cost for establishing and growing a new business. As of July 2019, three projects were sanctioned by the Government, one each in Madhya Pradesh, Odisha and Haryana.

### **3. Technical textiles**

In August 2023, the Ministry of Textiles approved 26 engineering institutions for the introduction of Technical Textiles under the National Technical Textiles Mission. Increased awareness of goods, higher disposable incomes, changing customer patterns and some sector-specific growth drivers are estimated to bolster the Indian technical textiles market to US\$ 23.3 billion in 2027, up from US\$ 14 billion in 2020 in the Asia-Pacific region. The technical textiles market for automotive textiles is projected to increase to US\$ 3.7 billion by 2027, from US\$ 2.4 billion in 2020. Similarly, the industrial textiles market is likely to increase at an 8% CAGR from US\$ 2 billion in 2020 to US\$ 3.3 billion in 2027.

### **4. Public Private Partnership (PPP)**

The Ministry of Textiles commenced an initiative to establish institutes under PPP to encourage private sector participation in the development of the industry. In August 2021, Flipkart and Himachal Pradesh State Handicrafts and Handloom Corporation Ltd. (HPSHHCL) signed a memorandum of understanding (MoU) to help the state’s master craftsmen, weavers and artisans showcase their hallmark products on e-commerce platforms.

### **5. Promotion of Khadi**

In September 2023, Khadi and Village Industries Commission signed 3 MoUs to promote Khadi Products. In January 2023, Prime Minister Mr. Narendra Modi’s vision of “ Khadi for Nation, Khadi for Fashion and Khadi for Transformation”, a first-ever spectacular ‘Khadi Fashion Show’ took place in white fields at ‘Rann of Kutch’. It was organized by the Khadi and Village Industries Commission. Khadi and Village Industries Commission (KVIC) achieved turnover of Rs. 1.15 lakh crore (US\$ 14.68 billion) in FY22, a growth of 20.54% YoY, and more than any Indian FMCG company managed in FY22. □ In May 2022, Minister of Micro, Small and Medium Enterprises, Mr. Narayan Rane, inaugurated the Center of Excellence for Khadi (CoEK) at NIFT, Delhi. In order to produce innovative

fabrics and apparel that will meet the needs of both domestic and foreign consumers, the CoEK will seek to introduce the newest designs and adopt procedures that adhere to international standards.

## **6. Diversification**

In September 2023, Grasim Industries plans to open nearly 120 retail stores over the upcoming 2 years, by expanding its footprint in smaller cities and towns. DS Group's luxury menswear division, Brioni inaugurates its first boutique in India in November 2023. Raymond group under its group company, J.K. Helene Curtis, is looking to ramp up male grooming segment by unleashing new variants of shampoos and deodorants. In October 2020, Aditya Birla Fashion and Retail Limited approved issuance of equity shares on a preferential basis to Flipkart Investments Private Limited aggregating to Rs. 1,500 crore (US\$ 203.66 million). The company also entered into a commercial agreement in relation to the sale and distribution of its various brands.

## **7. R&D**

In June 2023, the Government has approved R&D projects worth US\$ 7.4 million (Rs. 61.09 crore) in the textile sector. 20 R&D Projects have been approved under the National Technical Textiles Mission in Geotech, Protech, Indutech, Sustainable Textiles, Sportech, Buildtech and Speciality Fibres. In December 2022, a total of 44 R&D projects were started, and 23 of them were successfully completed in the silk industry. Defence Research and Development Organisation (DRDO) is helping the Indian textile industry to produce yarns and eliminate dependence on import of Chinese and other foreign clothing for military uniforms. In October 2021, IIT Delhi converted the SMITA Research Lab Centre of Excellence in smart textiles to work on emerging materials and technologies; this step was taken to innovate the country's textile industry.

## **8. Focus on high growth domestic markets**

In November 2022, Tamil Nadu Chief Minister Mr. M. K. Stalin announced the establishment of a "Textile City" in Chennai as part of Tamil Nadu's strategy to become a major participant in the global textile industry. Additionally, the state will build a 1,500-acre textile park in the Virudhunagar district, for which SIPCOT will buy land. In June 2022, Minister of Textiles, Commerce & Industry and Consumer Affairs, Food & Public Distribution, Mr. Piyush Goyal, stated that the Indian government plans to establish 75 textile hubs similar to Tiruppur that would not only promote the export of textile products and assure the use of sustainable technologies, but also create a significant amount of job possibilities. The Government of India has increased the basic custom duty to 20% from 10% on 501 textile products to boost Make in India and indigenous production.

## **9. Focus on backward integration**

On July 17, 2020, the Khadi and Village Industries Commission (KVIC) inaugurated the first-of-its-kind footwear training center in Delhi to train the marginalized community of leather artisans. In August 2019, the Ministry of Textiles signed MoUs with 16 state governments to impart skill training which covered the entire value chain of the textiles sector except spinning and weaving.

## **10. Focus on forward integration**

In October 2019, Asahi Songwon Colors Limited entered into a joint venture (JV) with Tennants Textile Colours (TTC) Limited to set up a state-of-the-art red and yellow pigments plant. □ On July 10, 2020, Flipkart Group bought a minority stake in Arvind Youth Brands, a subsidiary of Arvind Fashions Ltd. (AFL), for Rs. 260 crore (US\$ 36.88 million).

## **11. Scaling-up organic cotton industry**

India is expected to host the 81st Plenary Meeting of the International Cotton Advisory Committee (ICAC) from 2nd to 5th December 2023 in Mumbai with the theme "Cotton Value Chain- Local Innovations for Global Prosperity. Cott-Ally mobile app has been developed for farmers to increase awareness about MSP rates, nearest procurement centers, payment tracking, best farm practices etc. In March 2022, the Tamil Nadu government included a Sustainable Cotton Cultivation Mission in its agriculture budget by allocating US\$ 1.86 million (Rs. 15.32 crore) to enhance the yield of organic cotton.

## 12. Innovations to create sustainable textiles

Arvind Limited, the largest textile to technology conglomerate in India, and PurFi Global LLC, a sustainable technology firm that specialises in rejuvenating textile waste into virgin grade products, have formed a joint venture to reduce the quantity of textile waste dumped in landfills. The Sustainable Textiles for Sustainable Development (SusTex) project by the United Nations Climate Change entity enhances the employment and working circumstances of textile artisans while promoting the sustainable production and use of environmentally friendly textiles. Many Indian textile players are now opting for sustainable production. BRFL Textiles Private Limited (BTPL), India's largest fabric processing facility, has introduced a new sulphur dyeing process involving continuous dyeing without requiring water. BTPL is the first company in the textile sector to implement this new process of dyeing, making it the pioneer of this innovative sustainable process. Sangam India Ltd, one of the foremost producers in PV dyed yarn, cotton and OE yarn and also ready to stitch fabric, has installed two solar power plants of 5 MW that on average helps them to bring down their carbon footprint by at least 20% per annum. SIL also plans to increase the use of recycled fibre, leading to lesser consumption of plastic waste by using it as a raw material. In November 2023, Reliance Foundation launched the first 'Swadesh' handicrafts store in Hyderabad, aimed at supporting and promoting Indian craftwork.

### *Opportunities in Textile Sector*

#### 1. Immense growth potential

In September 2023, Shadowfax inaugurated a 1.5 lakh sq. ft. fulfilment center in Surat with 10 lakh orders per day processing capacity. The Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand. The textile and apparel industry is expected to grow to US\$ 190 billion by FY26.

#### 2. Bilateral relations

In October 2021, the Ministry of Textiles and GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit) signed an MoU to implement the 'Indo German Technical Cooperation' project. The project aims to increase the value addition from sustainable cotton production in the country. In March 2021, Pakistan approved reinstatement of cotton and sugar imports from India, indicating softening of bilateral relations. Industry bodies to host the largest global mega textiles event, Bharat Tex 2024 from February 26-29, 2024, in New Delhi. According to Union Minister, Mr. Piyush Goyal, Bharat Tex 2024 Expo is a testament to India's commitment to becoming a global textile powerhouse.

#### 3. Proposed FDI in multi-brand retail

For the textile industry, the proposed hike in FDI limit in multi-brand retail will bring in more players, thereby providing more options to consumers. It will also bring in greater investment along the entire value chain - from agricultural production to final manufactured goods. With global retail brands assured of a domestic foothold, outsourcing will also rise significantly.

#### 4. Union Budget 2023-24

Under the Union Budget 2023-24, the government has allocated:

- Rs. 4,389.24 crore (US\$ 536.4 million) to the Ministry of Textiles.
- Rs. 900 crore (US\$ 109.99 million) is for Amended Technology Upgradation Fund Scheme (ATUFS).
- Rs. 60 crore (US\$ 7.33 million) for Integrated Processing Development Scheme.
- Rs. 450 crore (US\$ 54.99 million) for National Technical Textiles Mission.

#### 5. Centers of Excellence (CoE) for research and technical training

The CoEs are aimed at creating testing and evaluation facilities as well as developing resource centres and training facilities. Existing 4 CoEs, BTRA for Geotech, SITRA for Meditech, NITRA for Protech and SASMIRA for Agrotech, would be upgraded in terms of development of incubation centres and support for the development of prototypes. Fund support would be provided for appointing experts to develop these facilities.

#### 6. Foreign investments

The Government is taking initiatives to attract foreign investment in the textile sector through promotional visits to countries such as Japan, Germany, Italy and France. According to the new Draft of the National Textile Policy, the

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Government is planning to attract foreign investment and creating employment opportunities for 35 million people. In December 2019, online clothing brand Henry & Smith raised US\$ 1 million from WEH Ventures and Rukam Capital. India can become the one-stop sourcing destination for companies from Association of Southeast Asian Nations (ASEAN) as there exist several opportunities for textile manufacturing companies from 10-nation bloc to invest in India.

### ***Road Ahead***

The future of the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand. India is working on various major initiatives to boost its technical textile industry. Owing to the pandemic, the demand for technical textiles in the form of PPE suits and equipment is on the rise. The government is supporting the sector through funding and machinery sponsoring. Top players in the sector are achieving sustainability in their products by manufacturing textiles that use natural recyclable materials. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The growth in textiles will be driven by growing household income, increasing population, and increasing demand by sectors like housing, hospitality, healthcare, etc.

The technical textiles market for automotive textiles is projected to increase to US\$ 3.7 billion by 2027, from US\$ 2.4 billion in 2020. Similarly, the industrial textiles market is likely to increase at an 8% CAGR from US\$ 2 billion in 2020 to US\$ 3.3 billion in 2027. The overall Indian textiles market is expected to be worth more than US\$ 209 billion by 2029.

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

## BUSINESS OVERVIEW

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Prospectus, including the information contained in the section titled “Risk Factors” on Page no. 24 of this Draft Prospectus. In this chapter, unless the context requires otherwise, any reference to the terms “We”, “Us”, “Katex”, “KEL” and “Our” refers to Our Company. Unless stated otherwise, the financial data in this section is as per our Restated financial statements prepared in accordance with Accounting Standard set forth in the Draft Prospectus.

Our Company was originally incorporated as “S.A.N.K. Creations Private Limited” as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated December 13, 2017, issued by Registrar of Companies, Central Registration Centre. Subsequently, the name of our company was changed from “S.A.N.K. Creations Private Limited” to “Katex Exim Private Limited”, pursuant to a special resolution passed by our Shareholders in the Extra-Ordinary General Meeting held on February 28, 2019, vide Certificate of Incorporation dated March 7, 2019, issued by Registrar of Companies, Ahmedabad. Thereafter, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated August 2, 2023 and consequently, the name of our Company was changed from “Katex Exim Private Limited” to “Katex Exim Limited” and a fresh certificate of incorporation dated August 10, 2023 was issued to our Company by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U17309GJ2017PLC100133.

Our Company was originally incorporated by Mr. Niranjana Agarwal, being existing promoter, Mr. Aditya Agarwal and Mrs. Sunitadevi Agarwal, being subscribers to Memorandum of Association. The remaining current promoters Mr. Sajal Rakesh Bansal, Mr. Rakesh Kumar Bansal, Mrs. Babita Rakesh Bansal, Mrs. Ankita Sajal Bansal and Rakesh Kumar Bansal - HUF acquired control of our Company in FY 2020-21. Our promoters have a combined experience of more than 10 years in the field of textile industry.

Incorporated in 2017 and based in Ahmedabad, Gujarat, our Company is engaged in the business of manufacturing and sale of Bedsheet Sets, Duvet Bedding and Pillow Pairs. We sale our products in domestic as well as international markets. Our Company is one of the exporters of Bedding Textile. Bedding Textile refers to the textile materials used in making products such as bedsheets, pillow cases, duvet covers and comforters. These textile play a crucial role in determining the comfort, quality and durability of bedding items. Our Company’s manufacturing facility is equipped with necessary technology and machinery to meet international standards. Our manufacturing process adheres to stringent quality standards. Our Manufacturing unit is located at Shree Shyam Industrial Park, Saijpur-Gopalpur-Shahwadi, New Vatva Taluka, Narol, Ahmedabad, Gujarat, India.

We offer a diverse range of bedsheets to cater to different tastes and preferences. This includes different sizes (King, Queen, Twin, Full and Cal King), materials (cotton, poly, Tencel, Modal, Microfiber, Bamboo, etc), thread counts, patterns and colours. Since each fabric has its unique characteristics, while selecting fabric for bedsheets, we consider factors such as customer’s preference, climate, budget and quality to ensure a comfortable and restful sleep experience. Fabric selection is crucial when it comes to making bedsheets, as it directly impacts the comfort, durability and overall quality of the bedding. Type of fabric qualities used in making bedsheets are as follows, depicting range of our offerings:

### Type of Fabric

- 100% cotton – from 150 TC to 1000 TC
- CVC Triblend from 300 TC to 2000 TC
- 100% Microfiber
- 100% Modal
- 100% Tencel
- Organic Cotton
- Bamboo by rayon
- Blended products like pc, poly medal, cotton modal, cotton Tencel and bamboo poly and bamboo cotton

### Performance fabrics and finishes

- Organically finished
- Recron Silver infused – 100% polyester & CVC Triblend powered by Reliance
- Recron Kooltex – 100% polyester & CVC Triblend powered by Reliance
- Lavender scent – 100% Cotton & 100% Microfiber and CVC Triblend

Also being an emerging exporter of bedding textile, we ensure that our products meet international quality standards through our quality control checks at every stage of production. We have been exporting our products majorly to Australia,

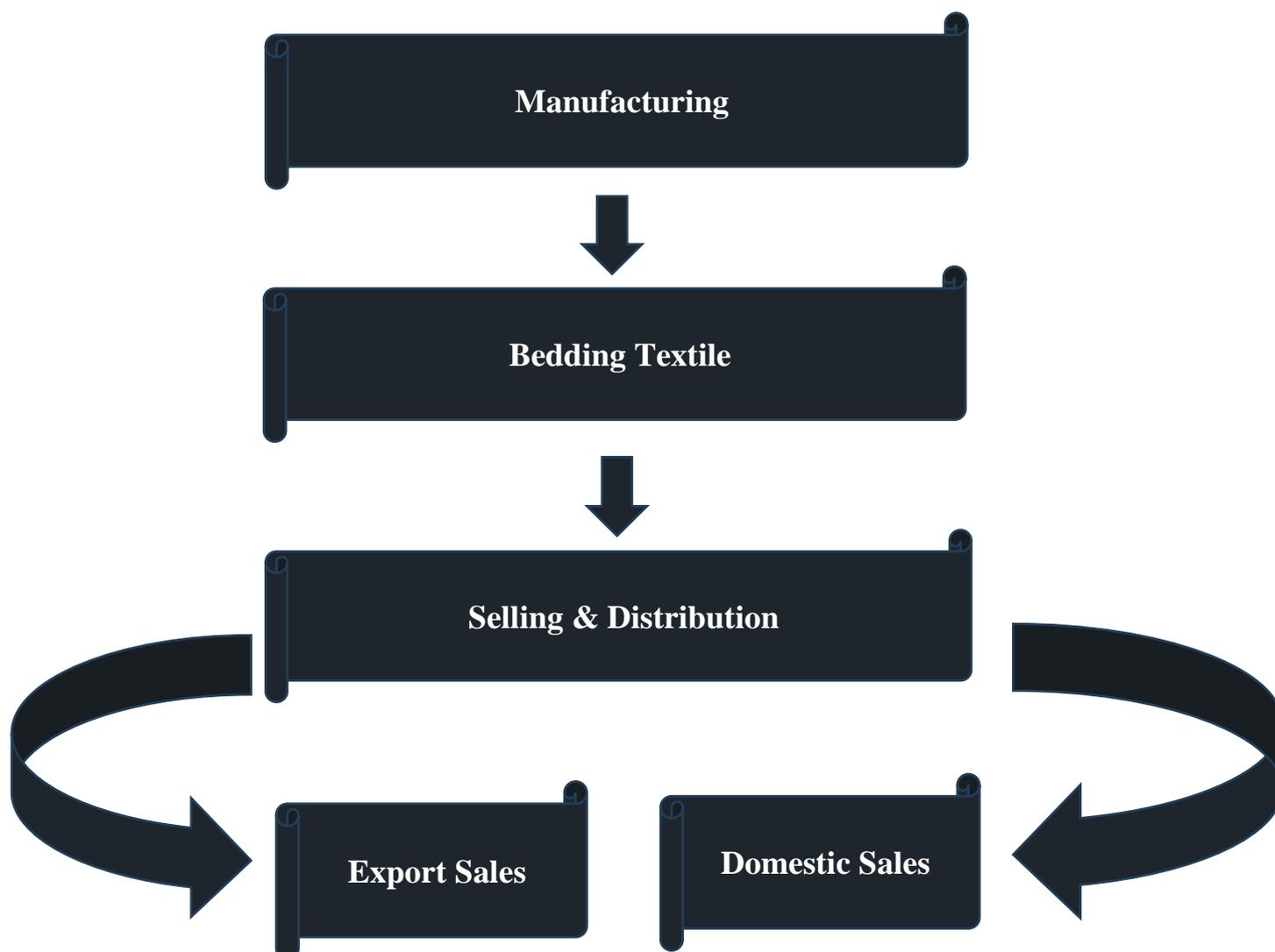
Canada, China, Saudi Arabia, United Kingdom, USA, Israel. However, since last two years we have been focusing more on Australia, USA and Israel. Further, our Company gets the fabric printing for bedsheets on job work basis, in India. Fabric printing for bedsheets on a job work basis involves providing printing services specifically tailored for bedsheet fabric. Common Printing technique for bedsheets include Digital Printing, Screen Printing and Rotary Printing.

### FINANCIAL SNAPSHOT

Particulars	December 31, 2023	For the Year ended on March 31,		
		2023	2022	2021
Revenue from Operations	13,615.66	12,096.41	14,102.87	9,335.78
Growth in Revenue from Operations (%)	NA	(14.23)	51.06	NA
EBITDA	1552.57	775.22	353.81	136.08
EBITDA Margin	11.40	6.41	2.51	1.46
Profit After Tax	795.29	370.99	202.37	86.12
PAT Margin (%)	5.84	3.07	1.43	0.92
RoE (%)	38.07%	26.39%	18.08%	14.29%
RoCE (%)	20.82%	13.67%	8.05%	6.06%

### OUR BUSINESS ACTIVITIES

Following depicts process flow of our business activities:



**REVENUE BIFURCATION:**
**GEOGRAPHY WISE REVENUE BIFURCATION**

(₹ in Lakhs)

Particulars	For Period Ended							
	December 31, 2023		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Domestic Sales	2,538.34	18.64	1,971.41	16.30	2,304.28	16.34	407.98	4.37
Export Sales	10,053.37	73.84	9,195.79	76.02	10,668.40	75.65	8,111.35	86.88
<b>Total (A)</b>	<b>12591.71</b>	<b>92.48</b>	<b>11167.20</b>	<b>92.32</b>	<b>12972.69</b>	<b>91.99</b>	<b>8519.33</b>	<b>91.25</b>
<b>Other Operating Revenue</b>								
Export Incentive	1,020.82	7.50	918.83	7.60	1,090.46	7.73	816.33	8.74
Job work Charges	3.12	0.02	10.39	0.09	39.73	0.28	0.13	0.00
<b>Total (B)</b>	<b>1,023.94</b>	<b>7.52</b>	<b>929.22</b>	<b>7.68</b>	<b>1,130.19</b>	<b>8.01</b>	<b>816.46</b>	<b>8.75</b>
<b>Total (A+B)</b>	<b>13,615.66</b>	<b>100.00</b>	<b>12,096.41</b>	<b>100.00</b>	<b>14,102.87</b>	<b>100.00</b>	<b>9,335.78</b>	<b>100.00</b>

**STATE WISE REVENUE BIFURCATION**

(₹ in Lakhs)

Particulars	For Period Ended							
	December 31, 2023		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Gujarat	1,116.24	31.33	2,204.44	76.00	3,341.93	97.31	1,138.58	92.99
Maharashtra	2,003.51	56.24	636.99	21.96	90.45	2.63	29.66	2.42
Tamil Nadu	5.89	0.17	-	-	-	-	55.56	4.54
Uttar Pradesh	-	-	20.84	0.72	0.95	0.03	0.64	0.05
Delhi	0.2	0.01	13.91	0.48	0.73	0.02	-	-
Rajasthan	-	-	-	-	0.41	0.01	-	-
Telangana	27.91	0.78	24.45	0.84	-	-	-	-
Punjab	0.36	0.01	-	-	-	-	-	-
Madhya Pradesh	227.23	6.38	-	-	-	-	-	-
West Bengal	76.05	2.13	-	-	-	-	-	-
Karnataka	38.09	1.07	-	-	-	-	-	-
Haryana	66.8	1.88	-	-	-	-	-	-
<b>Total</b>	<b>3,562.28</b>	<b>100.00</b>	<b>2,900.63</b>	<b>100.00</b>	<b>3,434.47</b>	<b>100.00</b>	<b>1,224.44</b>	<b>100.00</b>

**COUNTRY WISE REVENUE BIFURCATION**

(₹ in Lakhs)

Particulars	For Period Ended							
	December 31, 2023		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Australia	30.16	0.30	113.70	1.24	330.99	3.10	1314.38	16.20
Canada	-	-	-	-	-	-	631.95	7.79
China	-	-	-	-	-	-	113.70	1.40
Saudi Arabia	-	-	-	-	695.76	6.52	211.88	2.61
United Kingdom	-	-	-	-	569.75	5.34	177.02	2.18
USA	10023.21	99.70	9008.4	97.96	9071.9	85.04	5662.43	69.81
Israel	-	-	73.69	0.80	-	-	-	-
<b>Total</b>	<b>10053.37</b>	<b>100.00</b>	<b>9195.79</b>	<b>100.00</b>	<b>10668.40</b>	<b>100.00</b>	<b>8111.35</b>	<b>100.00</b>

## PRODUCTS OFFERED



### Sheet Sets:

- One Flat Sheet
- One Fitted Sheet
- Two Pillow Covers

### Duvet Sets:

- Duvet Cover
- Two Pillow Covers

### Pillow Pairs:

- Two Pillow Covers

## SNAPSHOT OF OUR PRODUCTS PORTFOLIO



## MANUFACTURING PROCESS

Following depicts our manufacturing process flow:



### Spreading and Marking:

Spreading is the process of unwinding large rolls of fabric into long wide tables. Wrinkles or creases are smooth out by gently pulling the fabric taut. The selvages are the finished edges of the fabric that run along the lengthwise grain. The edges are aligned parallel to each other ensuring they are straight. This step is important for maintaining the grainline of the fabric, which affects the drape and stability of finished garment. It is ensured that the crosswise grain (the direction perpendicular to the selvages) forms right angles with the selvages. A ruler or measuring tape is used to check for

squareness by measuring equal distances from the corner to the selvage along both edges. Once the fabric is spread out and secured, marking is done according to the size and order.

#### **Cutting:**

Fabric Cutting is a refined process where fabric is transformed into individual pieces that eventually become integral part of a textile product.

#### **Sewing:**

The fabric is sewn in an assembly line, with the bedsheet set becoming complete as it progresses down the sewing line. The edges of the fabric are folded over and pressed to create hems. They are folded over twice to encase the raw edges and create a clean finish. The hems are then pinned in place. Using a straight stitch on the sewing machine, the folded edge of each hem is sewed thereby removing the pins as we move forward for stitching. The fabric is backstitched in the beginning and end of each seam to secure it. Once all the hems are sewn, the entire sheet is pressed with iron to give a smooth professional finish.

#### **Quality Control:**

The quality check starts with the inspection of the fabric roll before cutting. This involves checking for defects such as stains, tears, discoloration, or irregularities in the weave. Only fabric that meets the quality standards is used for production. After cutting the fabric, according to the specified dimensions for the bedsheet, a quality check is performed to ensure accuracy. Measurements are verified, and any irregularities or mistakes in cutting are identified and corrected. The strength of the seams is crucial for the durability of the bedsheet. Seam quality is checked by pulling on the seams to ensure they can withstand stress without unravelling or breaking. Finished bedsheets are measured to ensure they meet the specified dimensions for width, length and depth (for fitted sheets). This ensures that the bedsheets will fit mattresses correctly without being too loose or too tight. A comprehensive final inspection is conducted on representative samples before packaging. This includes visual inspection for any defects such as loose threads, stains, colour, dimensions, and stitching/hemming and fabric quality.

#### **Packaging and Shipping:**

Packaging and shipping of bedsheets are crucial stages in the manufacturing process, as they directly impact the product's presentation, protection, and delivery to customers. The bedsheets are typically folded neatly to minimize wrinkles and creases during transportation and storage. The Bedsheet sets are tagged featuring the brand logo, product name, size, and care instructions. For sets or bundles of bedsheets, such as sheet sets including fitted sheets, flat sheets, and pillowcases, packaging may involve arranging and securing multiple items together in a single package. Once packaged, bedsheets are placed in shipping boxes or cartons appropriate for their size and quantity. Each shipping box is labelled with destination addresses, shipping labels, and any necessary documentation, such as invoices or customs forms for international shipments.

## **OUR COMPETITIVE STRENGTH**

#### ***Experienced Promoters and Management Team:***

Our Promoters and management team is experienced in the industry in which we are operating and has been responsible for the growth of our operations and financial performance. Our promoters lead the Company with their vision. They have an adequate experience in the line of the business undertaken by the Company and look after the strategic as well as day to day business operations. The strength and entrepreneurial vision of our Promoters and management have been instrumental in driving our growth and implementing our strategies. We believe that a motivated and experienced employee base is essential for maintaining a competitive advantage. Our motivated team of management and key managerial personnel complement each other to enable us to deliver high levels of client satisfaction.

#### ***Consistency in Quality Standards***

Fabric tear strength is an important parameter in textile materials. When it comes to bedsheets, a customer's main concern is mechanical comfort and durability. The fabric's tear strength has a direct impact on its durability. We follow stringent quality standards in our manufacturing unit to ensure that our products meet required customer standards. These standards ensure the quality consistency of the manufactured product by ensuring that we employ well trained staff, have sufficient premises and equipment for manufacturing. We have an in house quality control mechanism carried out by skilled operators under proper quality control and strict supervision. A comprehensive final inspection is conducted on representative samples before packaging. A visual inspection for any defects such as loose threads, stains, colour, dimensions, stitching/hemming and fabric quality enables us to offer good quality bedsheets that are durable, soft and comfortable to customers that are willing to pay more for better quality.

#### ***Strategic Location of Manufacturing Unit:***

Our Company has one manufacturing unit and warehouses located in the state of Gujarat. Our manufacturing unit is located with the following benefits:

- ❖ The manufacturing unit located in, Narol, Ahmedabad is in proximity to the city of Ahmedabad and is approximately 20 km from the Ahmedabad International Airport. It is within a radius of 15 km from the National Highway.
- ❖ Raw materials are sourced locally and are easily available and / or deliverable from the manufacturers located in Gujarat to our Unit as majority of our suppliers has nationwide reach. Thus, procurement of raw materials is less time consuming and comparatively cheaper due to savings on time and freight.
- ❖ Skilled and semi-skilled employees are easily available in Narol, Ahmedabad district, Gujarat in view of the large number of existing and upcoming Textile industries / sectors in these areas.
- ❖ Government has created various infrastructural facilities conducive for growth of all manufacturing companies.

***Smooth flow of operations:***

Established relationship with customers and suppliers ensures stability in demand and an uninterrupted supply of raw materials. We have maintained long-standing relationship with our major customers. We are successful in building a strong client base for our business. Our existing relationships help us to get repeat business from our customers. This has helped us to maintain a long-term working relationship with our customers and improve our customer retention strategy. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business. Long-term relations are built on trust and continuous maintaining of the requirements of the customers. It forms basis of further expansion for our Company, as we are able to monitor a potential product/ market closely.

***Cost effective production and timely fulfilment of orders***

Timely fulfilment of the orders is a prerequisite in our industry. Our Company has taken various steps in order to ensure adherence to timely fulfilment and also to achieve greater cost efficiency at our existing processing units. These steps include identifying quality fabric suppliers (which forms a bulk of our raw material cost), use of an efficient production system and ability to meet large and varied orders due to our capacity and linkages with raw material suppliers. Our Company also enjoys good relations with our suppliers of fabric which is the primary raw material for our products and services offered and as a consequence has had the benefit of timely supplies of the raw materials which has been one of the major reasons why we have been able to achieve timely fulfilment of orders of our customers. Our Company constantly endeavours to implement an efficient procurement policy for inputs required for production so as to ensure cost efficiency in procurement which in turn results in cost effective production.

***Market Diversification:***

Home textile industry is one of the largest in terms of different types of products that constitute this category – Bed and bath linen, kitchen linen, kitchen accessories, curtains, carpets, home décor like lamps, lighting fixtures and more. Indian home textile export products are made of quality fabrics with traditional designs and are known for its durability. Among the many regions, USA, UAE and UK are some of the top countries that import home textile from India. Around 80% of revenue of company is generated from exports of bedsheets. We have been exporting our products majorly to Australia, Canada, China, Saudi Arabia, United Kingdom, USA, Israel, which in turn is reinvested into our business for expanding our operations. Exporting bedsheets to international markets have gained us valuable insights into global trends, customer preferences and competitor strategies. We use such knowledge to improve product quality and processes, enhancing the company's competitiveness both domestically and internationally. Export oriented business has led us to investment in technology upgrade, quality control, employee training to meet international quality standards and customer requirements. Such upgradation benefits the entire industry and improve productivity and efficiency.

***Scalable Business Model:***

Our business model is order driven, and comprises of optimum utilization of our manufacturing, processing and trading facilities, maximum capacity utilization, developing linkages with quality raw material suppliers and achieving consequent economies of scale. We believe that this business model has proved successful and scalable for us in the last few financial years. We can scale upward as per the requirement generated by our Company. The business scale generation is basically due to the potential development possibilities of new markets both international and domestic, by adopting aggressive marketing of the product, innovation in the product range and by maintaining the consistent quality of the product.

***Optimal Utilization of Resources:***

Our company constantly endeavours to improve our production process, skill up gradation of employees, modernization of machineries to optimize the utilization of resources. We regularly analyse our existing material procurement policy and manufacturing process to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.

## OUR BUSINESS STRATEGIES:

### *Focus on consistently meeting quality standards:*

Our Company intends to focus on adhering to the quality standards of the products. Quality of the product is very important for the Company from both customer and end user point of view. Maintaining strict quality control measures throughout the manufacturing process to ensure consistency and durability of bedsheets and timely corrective measures in case of quality diversion are keys for maintaining quality standards of the products. Providing the desired and good quality products help us in enhancing customer trust and maintaining long term relationships with them.

### *Expanding Operations Globally:*

We propose to increase our marketing efforts in exporting by exploring new markets and also maintain and establish relationship with customers. Enhancing our presence in additional regions will enable us to reach out to a larger population. While exporting bedsheets, we intend to take into account international trade regulations including import/export restrictions, tariffs, customs duties, and product standards. We consider factors such as cultural differences, logistic challenges and market demand for bedsheets and customize the bedsheets to suit the preferences of the target market. This may involve adjusting designs, sizes, colors, materials and packaging to align with local tastes and cultural norms. Understanding the preferences of the target market is crucial for successful export sales. We familiarize ourselves with the legal requirements of each target market and obtain necessary permits or certifications. We have developed an efficient distribution and logistics strategy to transport bedsheets from the manufacturing facility to overseas markets. Through a combination of increased capacities, reduced costs, wider range of products and services adhering to global standards, marketing initiatives, competitive pricing and more efficient use of resources, we intend to expand our global footprint and become a preferred supplier.

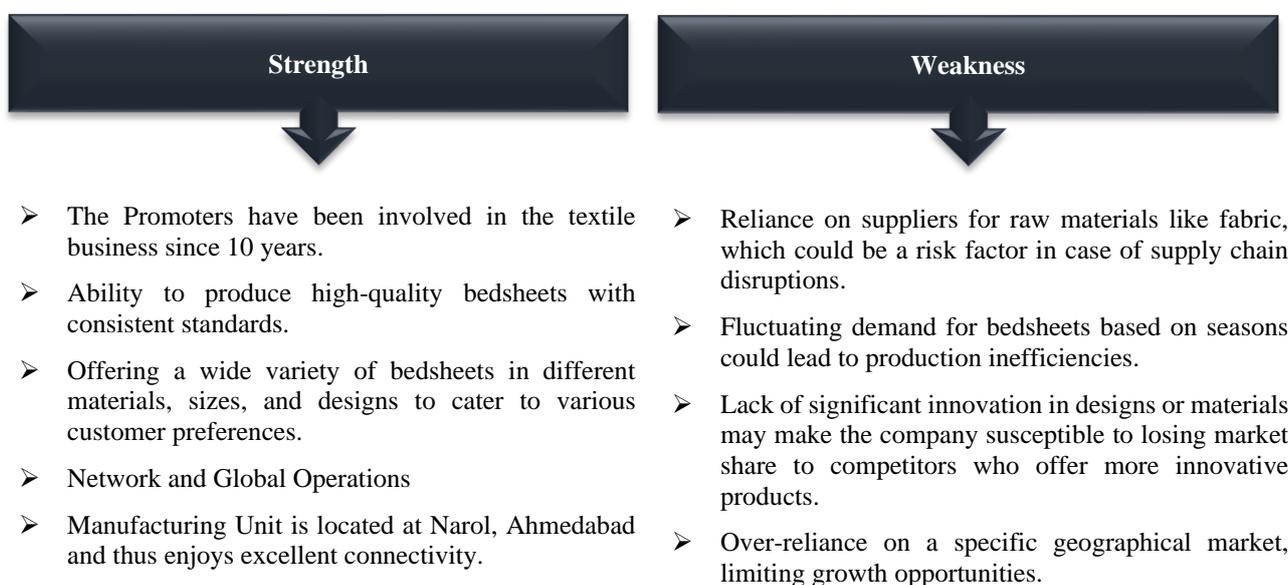
### *Increasing Operational efficiency:*

We continue to invest in increasing our operational efficiency throughout the organization. We are addressing the increase in operational output through continuous process improvement, customer service, consistent quality and technology development. Alignment of our people to 'process improvement' through change in management and upgrading of skills as required for customer satisfaction is a continuous activity. Awareness of this quality commitment is wide spread among all the employees. Higher operational effectiveness results in greater production volumes and higher sales which allows us to reduce our fixed cost per unit and thereby increasing our profit margins.

### *Maintaining cordial relationship with our Suppliers, Customer and employees:*

We believe in maintaining good relationship with our suppliers, customers and employees which are the most important factor to keep our Company growing. Our dedicated and focused approach and efficient and timely delivery of products has helped us build strong relationships with our existing customers over a number of years. Further, we believe that establishing strong, mutually beneficial long term relationships with strategic suppliers is a critical step in improving performance across the supply chain, generating greater cost efficiency and enabling the business to grow and develop.

## SWOT ANALYSIS



### Opportunities

- Exploring new markets or demographics such as luxury bedding, eco-friendly materials, or international markets can drive growth.
- Introducing complementary products like pillows, duvets, or bedroom accessories to increase revenue streams.

### Threats

- Economic downturns can lead to lower consumer spending on non-essential items such as bedding products.
- Customer preferences can shift towards new trends or products, leading to lower demand for certain types of bedding.
- Disruptions in the supply chain due to factors like natural disasters, political instability, or pandemics.

## END USERS

We are a bedding textile company who is an emerging exporter of bedding textile who strives to reach the pinnacle of trust in Global Home textile market by adhering to sustainable means of production. Healthcare Institutions, Hotels, Resorts, Home Textile Companies, Retailers are the end users of our products.

## HUMAN RESOURCES

We believe that our employees are key contributors to our business success and thus we focus on attracting and retaining the best possible talent. We aim towards recruiting the talent that we need, facilitating the integration of our employees into the Company and encouraging the development of skills in order to support our performance and the growth of our operations. As on May 31, 2024, our Company had 31 employees on roll of the company. Further as at May 31, 2024 we employed 225 contract employees.

Following is the department wise bifurcation of on roll employees:

Sr No.	Department	No. of Employees
1	Accounts	2
2	Administration	3
3	Checking	2
4	Cutting	1
5	HR & Administration	1
6	Management	1
7	Merchandiser	3
8	Packing	1
9	Production	8
10	Quality Check (QC)	3
11	Sales	2
12	Shipping	1
13	Store	1
14	Support Staff	1
15	Technical Staff	1
	<b>Total</b>	<b>31</b>

## COMPETITION:

Textiles being a global industry, we face competition from various domestic and international manufacturers and traders and the industry is highly competitive and fragmented. The organized players in the industry compete with each other by providing high quality-time bound products and value added services. We compete primarily on the basis of product quality, technology, cost, delivery and service. Quality is another crucial factor that influences competition. Companies compete based on the quality of their bedsheets and the attractiveness of their designs. Those offering innovative designs, unique patterns, and high-quality materials may have a competitive edge. Price competition is significant, with companies often competing to offer competitive pricing while maintaining quality standards. Some companies may focus on producing affordable bedsheets for budget-conscious consumers, while others may target the luxury market with higher-priced,

premium products. We compete against our competitors by establishing ourselves as a knowledge-based processing unit with industry expertise in various fabrics which enables us to provide our clients with innovative designs suitable to current fashion and market requirements.

### PLANT AND MACHINERIES

The existing Plant and Machinery at our Manufacturing Unit are:

Sr. No.	Description of Machinery	Quantity
1	Stitching Machine	200 nos
2	Air Compressors	4 Set
3	Cage lifts for material handling 1 mt and 0.5 mt capacity	One each
4	Cutting Tables	5 pcs
5	Inspection Tables	Lot
6	Packing Tables	Lot
7	Storage and Pallets	Lot

As certified by chartered engineer Mr. Dinesh P. Jani vide his certificate dated April 9, 2024

### EXISTING CAPACITY AND CAPACITY UTILISATION

Sr. No.	Particulars	For the Period Ended			
		March 31, 2024*	March 31, 2023	March 31, 2022	March 31, 2021
1	Installed Capacity in Nos (Per Day)	10000	8500	8500	5500
2	Actual Production in Nos. (Per Day)	9000	6715	8008	4888
3	Capacity Utilization in %	90	79	94.21	88.80

\*Annualised

As certified by chartered engineer Mr. Dinesh P. Jani vide his certificate dated April 9, 2024.

### UTILITIES AND INFRASTRUCTURE:

#### Raw Material:

The essential raw material used by our manufacturing facility for production is fabric. Some of the common fabric include Cotton, Microfiber, Modal, Tencel, Organic Cotton, Bamboo, blended products like Poly Modal, Cotton Modal, Cotton Tencel, Bamboo Poly and Bamboo Cotton.

#### Power:

The requirement of power for our operations, like power for lighting and operating the plant/machinery/equipment is met through Torrent Power Limited.

#### Water:

We have adequate arrangements with respect to water requirements for drinking purpose, which are made available at premises of the Company. The existing water requirement for our manufacturing unit is met from local sources.

#### Transportation:

For procurement of raw material from suppliers and to deliver our products to customers we have adopted facility of third party transportation.

### COLLABORATIONS/ CONSORTIUMS/ JOINT VENTURES:

Except as disclosed in this Draft Prospectus and in the normal course of business, we do not have any Collaboration/Consortiums/ Joint Ventures as on date.

**EXPORT AND EXPORT OBLIGATION:**

As on the date of this Draft Prospectus, following are the details of exports of our company, however we do not have any export obligations.

(₹ in Lakhs)

Particulars	For Period Ended							
	December 31, 2023		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Australia	30.16	0.30	113.70	1.24	330.99	3.10	1314.38	16.20
Canada	-	-	-	-	-	-	631.95	7.79
China	-	-	-	-	-	-	113.70	1.40
Saudi Arabia	-	-	-	-	695.76	6.52	211.88	2.61
United Kingdom	-	-	-	-	569.75	5.34	177.02	2.18
USA	10023.21	99.70	9008.4	97.96	9071.9	85.04	5662.43	69.81
Israel	-	-	73.69	0.80	-	-	-	-
<b>Total</b>	<b>10053.37</b>	<b>100.00</b>	<b>9195.79</b>	<b>100.00</b>	<b>10668.40</b>	<b>100.00</b>	<b>8111.35</b>	<b>100.00</b>

## DETAILS OF IMMOVABLE PROPERTY

### 1. Properties Owned by our Company:

As on the date of this Draft Prospectus, immovable property owned by our company is given here below:

Sr. No.	Date of Agreement	Name of Seller	Address	Purpose	Area (Square Meter)	Consideration (In ₹)
1.	January 27, 2022	Mr. Dadubhai Dipabhai	Block / Survey No. 876/006/002 situated at Village-Kakanj, Paldi, Ahmedabad-11.	Unused	Admeasuring about 4,756 sq. mtr.	₹ 30,00,000/- (Rupees Thirty Lakhs Only)

### 2. Properties taken on rent by our Company:

The Details of the Immovable property taken on rent / NOC basis is given here below:

Sr. No.	Agreement Date	Name of Lessor	Name of Lessee	Description of Property	Usage Purpose	Rent (In ₹)	Tenure
1.	February 27, 2024	Manish Garments	Katex Exim Limited	55, Ashra Industrial Estate, Narol, Ahmedabad-382405	Registered Office	₹ 5000/- per month	5 years w.e.f February 1, 2024
2.	February 5, 2024	Puneetbhai Rameshbhai Bhandari	Niranjan Dwarkaprasad Agarwal (On behalf of Katex Exim Limited)*	Shed No-72, Shri Shyam Industrial Park, Saijpur-Gopalpur Road, Shahwadi Village, Ahmedabad, Gujarat, 382405	Warehouse	₹ 25,000/- per month	3 years w.e.f February 1, 2024
3.	February 5, 2024	Ajeet Parasanmal Choradiya	Niranjan Dwarkaprasad Agarwal (On behalf of Katex Exim Limited)*	Shed No-73, Shri Shyam Industrial Park, Saijpur-Gopalpur Road, Shahwadi Village, Ahmedabad, Gujarat, 382405	Warehouse	₹ 25,000/- per month	3 years w.e.f February 1, 2024
4.	December 25, 2023	Sumandevi Mulchand Parik	Katex Exim Limited	Shed No-71, Survey No-16, Sub Plot No-158, Shri Shyam Industrial Park, Saijpur-Gopalpur Road, Shahwadi Village, Ahmedabad, Gujarat, 382405	Warehouse	₹ 16,000/- per month	2 years w.e.f January 1, 2024

Sr. No.	Agreement Date	Name of Lessor	Name of Lessee	Description of Property	Usage Purpose	Rent (In ₹)	Tenure
5.	December 25, 2023	Laxmanbhai Popatbhai Patel	Katex Exim Limited	Shed No-11, Survey No-16, Sub Plot No-158, Shri Shyam Industrial Park, Saijpur-Gopalpur Road, Shahwadi Village, Ahmedabad, Gujarat, 382405	Warehouse	₹ 37,500/- per month	2 years w.e.f January 1, 2024
6.	December 25, 2023	Sushilkumar Kushrajji Chandak	Katex Exim Limited	Shed No-17, Survey No-16, Sub Plot No-158, Shri Shyam Industrial Park, Saijpur-Gopalpur Road, Shahwadi Village, Ahmedabad, Gujarat, 382405	Warehouse	₹ 37,500/- per month	2 years w.e.f January 1, 2024
7.	December 25, 2023	Puja Amit Agrawal	Katex Exim Limited	Shed No-40, Survey No-16, Sub Plot No-158, Shri Shyam Industrial Park, Saijpur-Gopalpur Road, Shahwadi Village, Ahmedabad, Gujarat, 382405	Warehouse	₹ 13,500/- per month	2 years w.e.f December 1, 2023
8.	December 25, 2023	Sangita Sandip Agrawal	Katex Exim Limited	Shed No-41, Survey No-16, Sub Plot No-158, Shri Shyam Industrial Park, Saijpur-Gopalpur Road, Shahwadi Village, Ahmedabad, Gujarat, 382405	Warehouse	₹ 13,500/- per month	2 years w.e.f December 1, 2023
9.	December 25, 2023	Anudevi Puranmal Parik	Katex Exim Limited	Plot No 77, Survey No-16, Sub Plot No- 158, Shree Shyam Industrial Park, Saijpur-Gopalpur-Shahwadi, New Vatva Taluka, Narol, Ahmedabad, Gujarat, 382405	Warehouse	₹ 16,000/- per month	2 years w.e.f January 1, 2024
10.	December 25, 2023	Sumandevi Mulchand Parik	Katex Exim Limited	Plot No 78, Survey No-16, Sub Plot No- 158, Shree Shyam Industrial Park, Saijpur-Gopalpur-Shahwadi, New Vatva Taluka, Narol, Ahmedabad, Gujarat, 382405	Warehouse	₹ 16,000/- per month	2 years w.e.f January 1, 2024

Sr. No.	Agreement Date	Name of Lessor	Name of Lessee	Description of Property	Usage Purpose	Rent (In ₹)	Tenure
11.	December 16, 2023	Vinodkumar Devidatt Agrawal	Katex Exim Limited	Plot No 63-64, Shree Shyam Industrial Park, Saijpur-Gopalpur-Shahwadi, New Vatva Taluka, Narol, Ahmedabad, Gujarat, 382405	Warehouse	₹ 40,000/- per month	2 years w.e.f January 1, 2024
12.	December 16, 2023	Mulchand Sukharam Parik	Katex Exim Limited	Plot No 65 and 68, Shree Shyam Industrial Park, Saijpur-Gopalpur-Shahwadi, New Vatva Taluka, Narol, Ahmedabad, Gujarat, 382405	Warehouse	₹ 75,000/- per month	2 years w.e.f January 1, 2024
13.	December 16, 2023	Ashwinikumar Devidatt Agrawal	Katex Exim Limited	Plot No 69-70, Shree Shyam Industrial Park, Saijpur-Gopalpur-Shahwadi, New Vatva Taluka, Narol, Ahmedabad, Gujarat, 382405	Warehouse	₹ 40,000/- per month	2 years w.e.f January 1, 2024
14.	December 16, 2023	Dimpi A. Khadriya	Katex Exim Limited	Shri Shyam Industrial Park, Shed No-66 16/158/125, Opp. Akash Fashion, B/h Shahwadi, Saijpur-Gopalpur, Ahmedabad, Ahmedabad, Gujarat, 382405	Warehouse	₹ 20,000/- per month	2 years w.e.f January 1, 2024
15.	December 16, 2023	Prakashchandra Kaluram Dave	Katex Exim Limited	Shri Shyam Industrial Park, Shed No-67 16/158/125, Opp. Akash Fashion, B/H Shahwadi, Saijpur Gopalpur, Ahmedabad, Ahmedabad, Gujarat, 382405	Warehouse	₹ 37,500/- per month	2 years w.e.f January 1, 2024
16.	December 12, 2023	Meenaben Maheshbhai Bosmia	Katex Exim Limited	Plot No 75, Survey No-16, Sub Plot No- 158, Shree Shyam Industrial Park, Saijpur-Gopalpur-Shahwadi, New Vatva Taluka, Narol, Ahmedabad, Gujarat, 382405	Warehouse	₹ 30,000/- per month	2 years w.e.f December 1, 2023
17.	December 12, 2023	Maheshbhai Mansukhbhai Bosmia	Katex Exim Limited	Plot No 76, Survey No-16, Sub Plot No- 158, Shree Shyam Industrial Park,	Warehouse	₹ 30,000/- per month	2 years w.e.f December 1, 2023

Sr. No.	Agreement Date	Name of Lessor	Name of Lessee	Description of Property	Usage Purpose	Rent (In ₹)	Tenure
				Saijpur-Gopalpur-Shahwadi, New Vatva Taluka, Narol, Ahmedabad, Gujarat, 382405			

\* The Rent Agreements have been executed in the name of our director Mr. Niranjana Dwarkaprasad Agarwal, however, the property is being utilized by our Company for which rent is being paid by the Company to the Lessor directly.

### INTELLECTUAL PROPERTY

Following are the details of the Trademarks Registered in the name of our company, in India:

Sr. No.	Brand Name/Logo/ Trademark	Class	Registration/ Application No.	Applicant	Date of Application/Registration	Current Status
1		24	5581632	Katex Exim Private Limited	August 25, 2022	Accepted & Advertised

### Domain Name

Sr. No.	Domain Name and ID	Registrant Name and IANA ID	Creation Date	Registry Expiry Date
1.	Domain name – <a href="https://www.thekatex.com/">https://www.thekatex.com/</a> Domain ID – 2892598770_DOMAIN_COM-VRSN	Name: GoDaddy.com, LLC IANA Id : 146	June 21, 2024	June 21, 2027

### INSURANCE

Our operations are exposed to various risks inherent in our industry, including equipment failure, work accidents, fire, earthquakes, floods, and other force majeure events. We also face risks related to acts of terrorism, explosions, and hazards that could lead to injuries, loss of life, damage to properties and equipment, and environmental harm. Additionally, we may encounter claims related to defects in pipelines during the warranty or defect liability period. To mitigate these uncertainties, we diligently secure insurance coverage for all our projects in accordance with the specific requirements of each project. By obtaining appropriate insurance, we aim to minimize potential financial losses and liabilities associated with unforeseen events or claims. Following are the details of insurance policies obtained by our company.

Sr. No.	Insurance Company	Policy Number	Name of Insured/Proposer	Period of Insurance	Details	Sum assured (in ₹)	Premium Paid (in ₹)
1.	National Insurance Company Limited	301800592310000386	Katex Exim Limited	From 16/03/2024 to 15/03/2025	Burglary Insurance Policy	15,00,00,000	21,240

Sr. No.	Insurance Company	Policy Number	Name of Insured/Proposer	Period of Insurance	Details	Sum assured (in ₹)	Premium Paid (in ₹)
2.	National Insurance Company Limited	301800592310000321	Katex Exim Limited	From 18/01/2024 to 17/01/2025	Burglary Insurance Policy	15,00,00,000	23,364
3.	National Insurance Company Limited	301800112310000218	Katex Exim Limited	From 18/01/2024 to 17/01/2025	STFI and Fire Policy	15,00,00,000	2,13,994
4.	National Insurance Company Limited	301800112310000298	Katex Exim Limited	From 16/03/2024 to 15/03/2025	STFI and Fire Policy	15,00,00,000	1,74,700
5.	National Insurance Company Limited	301800112310000081	Katex Exim Limited	From 25/07/2023 to 24/07/2024	STFI and Fire Policy	17,00,00,000	2,06,417

#### INDEBTEDNESS

The details of facilities availed from various Financial Institution and other parties are as follows. For more details of other indebtedness please refer “*Restated Financial Information*” beginning from page no. 168 of Draft Prospectus.

Sr No.	Banks / Finance Companies	Repayment period & Rate of Interest	Security Details	Sanction amount	Outstanding Balance
					As at December 31, 2023
1	State Bank of India	For a Period of 5 years with a 24 months moratorium and is repayable in 36 equal installments thereafter. Repayment schedule: 24 months (November 2021 to October 2023) Moratorium, 36 Months (November 2023 to October 2026) Installment of Rs. 13.75 Lakhs starting from 15.11.2023 ROI: 9.25%	Under the government guarantee of COVID19 WCTL	495.00	484.60
2	State Bank of India	The Repayment will be done in 36 equal monthly intervals after a moratorium period of 12 months from the date of disbursement of the facility. ROI @ 9.25%	Under the government guarantee of COVID19 WCTL	180.00	23.08
3	Kotak Mahindra Prime Limited (creta)	Repayable in 60 monthly installments commencing from the February 2021.	Hypothecation of vehicle	10.00	4.63

Sr No.	Banks / Finance Companies	Repayment period & Rate of Interest	Security Details	Sanction amount	Outstanding Balance
					As at December 31, 2023
		Interest @ 7.00% annually is payable monthly.			
4	Kotak Mahindra Prime Limited (kia)	Repayable in 60 monthly installments commencing from the March 2021. Interest @ 7.00% annually is payable monthly.	Hypothecation of vehicle	25.00	11.96
5	BMW	Repayable in 48 monthly installments commencing from the December 2021. Interest @ 9.25% annually is payable monthly.	Hypothecation of vehicle	68.00	50.45
6	State Bank of India	Repayable in 60 monthly installments commencing from the March 2021. Interest @ 9.05% annually is payable monthly.		23.00	23.00
7	Karnataka Bank LTD	The facility which has been sanctioned on 28th Dec 2021 is available for 15 months from the date, subject to renewal/review every 12 months, when it may be cancelled / reduced depending upon the conduct and utilization of the advance, or as per the bank's scheme. @ 8.50%	<p>1) Equitable mortgage of Commercial land measuring 2000 Sq. Meters and building constructed thereon, situated at old Khasara No. 1771/1/1 and New Khasara No. 5191/5049 at Village Khatushyam, Tehsil Dataramgarh, Sikar District standing in the name of Mr. Niranjana Agarwal.</p> <p>First Valuation: (Mr. Nagendra Chaudhary on 13.10.2021)</p> <p>[Land: Rs.600.00 lakh + Building: Rs. 1034.00 lakh, Market Value– Rs. 1634.00 lakh, Forced Sale Value: Rs. 1226.00 lakh]</p> <p>Second Valuation: (Mr. Manish Mangal on 24.10.2021)</p> <p>[Land: Rs. 560.00 lakh + Building: Rs. 1049.00 lakh, Market Value – Rs. 1609 lakh, Forced Sale Value: Rs. 1207.00 lakh]</p>	2000.00	-

Sr No.	Banks / Finance Companies	Repayment period & Rate of Interest	Security Details	Sanction amount	Outstanding Balance
					As at December 31, 2023
			<p>CERSAI SEARCH REF: 8630179815678</p> <p>2) Equitable mortgage of Residential Bungalow measuring 339 Sq. yards situated at Survey No. 582/A, 582/B, Sub Plot No. 12A at Mouje Village, Aman Bungalows, Opposite to BSNL office, Near Basant Bahar, Bopal, Ahmedabad standing in the name of Mrs. Sunitadevi Niranjana Agarwal. As per VR dated 24.09.2021 Mr. Bakul N Desai [Land: Rs. 237.00 lakh + Building: Rs. 71.00 lakh, M.V– Rs. 308.00 lakh, FSV: Rs. 2.16 Crore]</p> <p>CERSAI SEARCH REF NO: 9368041507581</p> <p>3) Equitable mortgage of Residential Tenement measuring 110 Sq. Yards (91.97 Sq. Meters) situated at Tenement No. 4, Final Plot No. 27/A, Hissa No. 22, TPS No. 4, Mouje Villa, Shreenath Colony Co.op. House Society Ltd, Opposite to Best High School, Bhairavnath Mandir, Maninagar, Ahmedabad standing in the name of Mrs. Sunitadevi Niranjana Agarwal. As per VR dated 24.09.2021 by Mr. Bakul N Desai [Land: Rs. 99.00 lakh + Building: Rs. 40.00 lakh, MV– Rs. 139.00 lakh, FSV: Rs. 118.00 lakh] CERSAI ASSET ID: 200007442568</p> <p>4) Equitable mortgage of Open Non agricultural Land measuring 36956 Sq. Meters (44199.37 Sq. Yards) situated at Survey No. 1128/1/A, Khata No: 8958, Next to Canal, Near Petrol Pump, Dadusar Road, Opp to Dholka-Bagodara Highway, Dholka, Ahmedabad standing in the name of Mrs. Niranjana Agarwal. As per VR dated 24.09.2021 by Mr. Bakul N Desai [Land: Rs. 2258.00 lakh, M.V–Rs.2258.00 lakh, FSV: Rs. 1919.00</p>		

Sr No.	Banks / Finance Companies	Repayment period & Rate of Interest	Security Details	Sanction amount	Outstanding Balance
					As at December 31, 2023
			lakh] CERSAI SEARCH REF NO: 3980580558891. 5) Fixed Deposits of Rs. 400.00 Lakhs.		
8	State Bank of India	The facility which has been sanctioned on 28th July 2023 is available for 12 months from the date, subject to renewal/review every 12 months, when it may be cancelled / reduced depending upon the conduct and utilization of the advance, or as per the bank's scheme. *Mention Limit is sublimit of overall FBWC limit @ 9.50%	<p>Hypothecation of company's entire current assets including stocks of raw materials stocks in process, finished goods, spares etc. bills/book-debts/receivables and other current asset on pari passu basis with the other bank (i.e Karnataka bank) under multiple banking arrangement.A. Collateral Security</p> <p>1) Equitable Mortgage over Open Multipurpose N. A. Land bearing Block/Survey No.876/O06/002 (old block/survey no: 356 admeasuring 4556 sq. mtrs. Multipurpose N.A. land situated at Mouje: Pladi-Kankaj, Taluka: Daskori in the District Ahmedabad Sub District-11 (Aslali) owned by Katex Exim Pvt Ltd.</p> <p>2) Equitable Mortgage over Open Multipurpose N.A. Land bearing New Survey no. 1418 (old survey no. 176/P) admeasuring 16533 sq. mtrs. Now comprised in city survey record vide City Survey no. NA-1834, Sheet No. NA/99 s taued at mouje: Gagad, Taluka Bavla district Ahmedabad sub district Bavla. owned by Niranjana Dwarkaprasad Agarwal.</p> <p>3) Equitable Mortgage over ALL THAT piece and parcel of Industrial Plot at Khasra No. 1974/2 Vill Amritpura The. Masuda Dist Ajmer. Total area 5018.00 Sq mtr. owned SHRI GOVERDHAN MINERALS LLP.</p> <p>4) Equitable Mortgage over ALL That the property, Bungalow No.7 admeasuring 125.42 Sq. Mtrs. Plot Area and Construction made thereon admeasuring 161.10 Sq. Mtrs. in Shrinath Colony Co.Operative Housing Society Limited, situated on non-agricultural land of City Survey</p>	1000.00	997.12

Sr No.	Banks / Finance Companies	Repayment period & Rate of Interest	Security Details	Sanction amount	Outstanding Balance
					As at December 31, 2023
			<p>No.4547, Final Plot No.27/1 and 27/2, Town Planning Scheme No.4, situate, lying and being at Mouje Rajpur-Hirpur, Taluka Maninagar owned by Niranjana Dwarkaprasad Agarwal.</p> <p>5) Equitable mortgage of Commercial Land measuring 2000 Sq. Mtrs. And building constructed thereon, situated at old Khasara No. 1771/1/1 and New Khasara No. 5191/5049 at Village Khatushyam, Tehsil Dataramgarh, Sikar District standing in the name of Mr. Niranjana Dwarkaprasad Agarwal.</p>		
9	State Bank of India	<p>The facility which has been sanctioned on 28th July 2023 is available for 12 months from the date, subject to renewal/review every 12 months, when it may be cancelled / reduced depending upon the conduct and utilization of the advance, or as per the bank's scheme. *Mention Limit is sublimit of overall FBWC limit @ 6.70%</p>	<p>Hypothecation of company's entire current assets including stocks of raw materials stocks in process, finished goods, spares etc. bills/book-debts/receivables and other current asset on pari passu basis with the other bank (i.e Karnataka bank) under multiple banking arrangement A. Collateral Security</p> <p>1) Equitable Mortgage over Open Multipurpose N. A. Land bearing Block/Survey No.876/O06/002 (old block/survey no: 356 admeasuring 4556 sq. mtrs. Multipurpose N.A. land situated at Mouje: Pladi-Kankaj, Taluka: Daskori in the District Ahmedabad Sub District-11 (Aslali) owned by Katex Exim Pvt Ltd.</p> <p>2) Equitable Mortgage over Open Multipurpose N.A. Land bearing New Survey no. 1418 (old survey no. 176/P) admeasuring 16533 sq. mtrs. Now comprised in city survey record vide City Survey no. NA-1834, Sheet No. NA/99 situated at mouje: Gagad, Taluka Bavla district Ahmedabad sub district Bavla. owned by Niranjana Dwarkaprasad Agarwal.</p>	4390.00	3389.00

Sr No.	Banks / Finance Companies	Repayment period & Rate of Interest	Security Details	Sanction amount	Outstanding Balance
					As at December 31, 2023
			<p>3) Equitable Mortgage over ALL THAT piece and parcel of Industrial Plot at Khasra No. 1974/2 Vill Amritpura The. Masuda Dist Ajmer. Total area 5018.00 Sq mtr. owned SHRI GOVERDHAN MINERALS LLP.</p> <p>4) Equitable Mortgage over ALL That the property, Bungalow No.7 admeasuring 125.42 Sq. Mtrs. Plot Area and Construction made thereon admeasuring 161.10 Sq. Mtrs. in Shrinath Colony Co.Operative Housing Society Limited, situated on non-agricultural land of City Survey No.4547, Final Plot No.27/1 and 27/2, Town Planning Scheme No.4, situate, lying and being at Mouje Rajpur-Hirpur, Taluka Maninagar owned by Niranjana Dwarkaprasad Agarwal.</p> <p>5) Equitable mortgage of Commercial Land measuring 2000 Sq. Mtrs. And building constructed thereon, situated at old Khasara No. 1771/1/1 and New Khasara No. 5191/5049 at Village Khatushyam, Tehsil Dataramgarh, Sikar District standing in the name of Mr. Niranjana Dwarkaprasad Agarwal.</p>		

## KEY INDUSTRY REGULATIONS

*In carrying on our business as described in the section titled "Business Overview" on page 107 of this Draft Prospectus, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the local authorities that are available in the public domain. The regulations and policies 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 be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, see "Government and Other Statutory Approvals" on page 189 of this Draft Prospectus.*

*Our Company is engaged in the business of manufacturing of Sheet sets, Duvet Sets and Pillow pairs. Our Company has an integrated model of production, where we handle all the steps from cutting to shipping of the final product. Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our Company's and Subsidiaries' businesses. Our Company and Subsidiaries are required to obtain and regularly renew certain licenses/registrations and / or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye-laws, acts and policies.*

*Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by our Company and its Indian Subsidiaries:*

### **A. Industry Related Laws and Regulations**

#### ***Textiles 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

#### ***Technology Up-Gradation Fund Scheme***

Ministry of Textiles has been implementing Technology Upgradation Funds Scheme ("TUFS") since 1999 to facilitate technology upgradation of textiles industry in the country. TUFS aims at making available funds to the domestic textile industry of existing units as well as to set up new units with state-of-the-art technology so that its viability and comprehensiveness in the domestic as well as international markets may enhance. TUFS provides for interest reimbursement/capital subsidy/margin money subsidy and has been devised to bridge the gap between the cost of interest and the capital component to ease up the working capital requirement and to reduce the transaction cost, etc. TUFS is an important tool to infuse financial support to the textiles industry and help it capitalize on the vibrant and expanding global and domestic markets, through technology upgradation, cost effectiveness, quality production, efficiency and global competitiveness.

#### ***National Textile Policy, 2000***

The National Textile Policy, 2000 ("NTP 2000") aims to facilitate the growth of the textile industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing and to equip the textile industry to withstand pressures of import penetration and maintain a dominant presence in the domestic market. NTP 2000 aims at developing a strong and vibrant textile industry that can produce quality products at acceptable prices. This 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. Major thrust areas of NTP 2000 includes increase in exports and innovating marketing strategies, product diversification along with quality consciousness, among others. Additionally, certain sector-specific initiatives envisaged under the NTP 2000 include initiatives regarding improving the availability, productivity and quality of raw materials at reasonable prices for the industry, improving the production, productivity and quality of cotton. Initiatives were also proposed for the spinning sector, weaving sector, organized mill industries, power-loom industry, knitting sector, processing and finishing sector for achieving ISO 9000 and ISO 14000 standards. Export-specific reforms were also proposed to be consistent with World Trade Organization norms.

#### ***Gujarat Textile Policy, 2012 (Integrated Approach to Strengthen the Value Chain for the 5 Fs – Farm, Fibre, Fabric, Fashion and Foreign)***

The State of Gujarat introduced the Gujarat Textile Policy, 2012 with an aim to enhance the growth of cotton farmer by

way of better price realization and enable them to withstand the uncertain and price fluctuation of cotton, both in domestic and international market in one hand and to strengthen the entire value chain for the growth and development of textile sector in Gujarat by working on the 5 Fs - Farm, Fibre, Fabric, Fashion (garment) and Foreign (export) on the other hand. Eligible entities will be provided various incentives under the different schemes under the policy. Major schemes under the policy are as follows:

- **Interest Subsidy Scheme**

A maximum interest subsidy of 5% (7% on spinning unit and garment/made-ups unit spinning) has been provided on new plant and machinery, without ceiling, for weaving, knitting, machine carpeting and other textile related activities, also on second hand imported weaving (power loom) with certain conditions, for the period of 5 years. Interest subsidy of 5% on new plant and machinery, without ceiling, for weaving, knitting, machine carpeting and other textile related activities, also on second hand imported weaving (power loom) with certain conditions, for the period of 5 years.

- **Special Concession in Power tariff**

Power Tariff subsidy of @ ₹ 1 per unit in the billed amount of the utility for the units available for a period of 5 years as promotional initiative for cotton spinning and industries with or without preparatory in State of Gujarat.

- **VAT Concession**

Eligible units will also be entitled to refund of VAT paid on purchase of raw materials and remission of VAT/CST collected on final/intermediate product within entire value chain to the extent of 100% the eligible fixed capital investments in plant and machinery within 1 year (2 years in case of investment of more than ₹50000 Lakhs).

- **Support to Technical Textiles**

Eligible entities will be provided a maximum interest subsidy @ 6% per annum for a period of 5 years.

- **Assistance for Energy and Water Conservation and Environment Compliances**

Under the scheme assistance of 20 % of cost of equipment, maximum up to ₹30 Lakhs; which will be applicable separately in each case of Energy Conservation, Water Conservation and Environment Compliance. Assistance of 50% of the fee paid towards Energy Audit, up to maximum ₹ 50,000, which will be applicable separately in each case of audit. This scheme will only be eligible for an existing enterprise for a period of more than 3 years.

- **Assistance for Technology Acquisition and Upgradation**

The enterprise acquiring technology will be provided financial assistance of up to 50% of the investment for technology acquisition / collaboration, with maximum of ₹25 Lakhs per process/product, once during operative period of the scheme.

- **Assistance to Apparel Training Institutions and Trainees**

Under this scheme, financial assistance as reimbursement of training cost with maximum limit of ₹7000 per trainer per week will be provided to apparel training institutions/centers approved by state level committees for imparting training to the trainer at 100% in case of trainers attending autonomous institutions promoted by government or public sector undertaking and at 50% in case of trainers attending other institutions. The training period should not exceed 4 weeks.

- **Training Support to Power Loom Sector**

Under this scheme the trainees of power loom will be given a stipend of ₹2500 per month for a period of 3 months. Allowances towards cost of transport and incidental expenses to weavers @ ₹200 per day for a duration of 2 days and to jobbers @ ₹300 per day for a duration of 6 days will be given.

- **Scheme for Integrated Textile Parks**

Incentives are provided for setting up of Textile and Apparel Park in the state of Gujarat with a provision for location of minimum 20 numbers of manufacturing / service enterprises (minimum 10 for spinning unit). The Park will be provided financial assistance of up to 50% with maximum limit of ₹1000 Lakhs (₹3000 Lakhs for Spinning Park) of total project cost for establishing common infrastructure facilities, excluding land cost.

### ***Gujarat Industrial Policy, 2020***

Gujarat Industrial Policy, 2020 has been introduced to create an enabling business environment facilitated by a single window system, to enable industries to set high quality standards and enhance exports to have a focused approach for industrially underdeveloped areas and facilitate inclusive and balanced regional growth, to promote industries focusing to adopt sustainable, cleaner manufacturing and innovative Industry practices, to strengthen MSMEs and facilitate cluster development, and to strengthen complete value chain across product segment with focus on the objective of an “Atmanirbhar Bharat”. The Gujarat Industrial Policy, 2020 aims to establish a business environment facilitated by a single window system to encourage industries to set high quality standards, facilitates inclusive and balanced regional growth, sustainable manufacturing and innovative industry practices. Additionally, the policy intends to strengthen MSME’s and complete value chain across product segment with an objective of “Atmanirbhar Bharat”. Further, it strengthens R&D, innovation and entrepreneurship, provide increased impetus to certain Thrust Sectors with significant potential for employment, exports, investments etc. and facilitates growth of service sector industries in the State.

The policy provides various measures have undertaken various measures and regulatory reforms to enhance ease of doing business in Gujarat State. It aims to facilitate a process for the speedy issuance of various licenses, clearances and certificates required for setting up a business unit.

This policy shall be valid for a period of 5 years from August 7, 2020.

### ***Textile (Development and Regulation) Order, 2001***

The Textile (Development and Regulation) Order, 2001 (“**Textile Order**”) was brought into force by the Central Government under Section 3 of the Essential Commodities Act, 1955 and repealed the Textile (Development and Regulation) Order, 1993. Under the Textile Order every manufacturer of textiles, textile machinery and every person dealing with textiles shall keep books of accounts, data and other records relating to his business in the matter of production, processing, import, export, supply, distribution, sale, consumption, etc. and shall furnish such returns or information in respect of their business as and when directed by the Textile Commissioner.

The Textile Order further provides that no person shall make any markings on any textiles resembling the brand name or trade name of any other person who has applied for or obtained a registration to that effect under the Trade Marks Act, 1999, except under and limited to the extent of specific authorization by the holder of or applicant for such brand or tradename.

### ***Cotton Control Order, 1986***

The Cotton (Control) Order, 1986 (“**Cotton Order**”) prescribes the maximum quantity of cotton that may be possessed by a manufacturer, a cotton ginning factory, a cotton pressing factory, a cotton ginning and pressing factory and a person (other than a member of a Hindu Undivided Family growing cotton). The Cotton Order establishes the office of the Textile Commissioner as the regulatory body. The Cotton Order further specifies the quality standards that have to be met while picking cotton for the purposes of export and domestic consumption as well as the markings that have to be made on the cotton bale before marketing of the same.

## **B. Employment and Labour Related Laws Regulations**

### ***Factories Act, 1948***

The term ‘factory’, as defined under the Factories Act, 1948 (“**Factories Act**”) includes any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workmen are employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power. Respective State Governments have issued rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act mandates the ‘occupier’ of a factory to ensure the health, safety and welfare of all workers in the factory premises. Further, the occupier” of a factory is also required to ensure (i) the safety and proper maintenance of the factory such that it does not pose health risks to persons in the factory premises; (ii) the safe use, handling, storage and transport of factory articles and substances; (iii) provision of adequate instruction, training and supervision to ensure workers’ health and safety; and (iv) cleanliness and safe working conditions in the factory premises. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

### ***Employees’ Compensation Act, 1923***

The Employees Compensation Act, 1923 (“**EC Act**”) 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 EC Act, the amount of compensation to be paid depends on the nature and severity of the injury. The EC Act also lays down the duties/obligations of an employer and penalties in case 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 7 days of death/serious bodily injury.

#### ***Employees' Provident Funds and Miscellaneous Provisions Act, 1952***

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (“**EPF Act**”) is applicable to factories and establishments employing more than 20 employees, subject to notification by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act frames the Employees Provident Scheme, 1952.

#### ***The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013***

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“**POSH Act**”) was enacted by the Indian Parliament to provide protection against sexual harassment of women at workplace and prevention and redressal of complaints of sexual harassment and for matters connected therewith. The POSH Act makes it mandatory for every organisation to frame an anti-sexual harassment policy. Further, an organisation having 10 or more employees is required to constitute an Internal Complaints Committee to entertain complaints that may be made by an aggrieved woman. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organizing awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

#### ***Gujarat Labour Welfare Fund Act, 1953***

The Gujarat Labour Welfare Fund Act, 1953 (“**Welfare Fund Act**”) read along with Labour Welfare Fund (Gujarat) Rules, 1962 (formed in accordance with Section 19 of the Bombay Labour Welfare Fund Act, 1953) (“**Welfare Fund Rules**”) provides for the constitution of a fund comprising of all fines realized from employees, all unpaid accumulations, any contribution paid under Section 6B, any interest paid under Section 6C, any voluntary donations, any fund transferred under Section 7(5), any sum borrowed under Section 8, any loan, grant-in-aid or subsidy paid by the State Government or any local authority or statutory corporation, all sums received in any other manner or from any other source. Section 6B of the Welfare Fund Act provides for employers' contribution at the rate of six rupees every six months, for each employee and employees' contribution at the rate of three rupees every six months, for each employee. Further, as per the Welfare Fund Act, read with Rule 3AA of the Welfare Fund Rules made thereunder provide for an establishment register to be maintained.

In addition to the abovementioned labour laws, the following labour-related legislations are also applicable to our Company:

- i) Apprentices Act, 1961;
- ii) Contract Labour (Regulation and Abolition) Act, 1970;
- iii) Payment of Gratuity Act, 1972;
- iv) Payment of Bonus Act, 1965;
- v) Maternity Benefit Act, 1961;
- vi) Minimum Wages Act, 1948;
- vii) Payment of Wages Act, 1936;
- viii) Industrial Disputes Act, 1947;
- ix) Trade Unions Act, 1926;
- x) Industrial Employment (Standing Orders) Act, 1946;
- xi) Equal Remuneration Act, 1976; and
- xii) Child Labour (Prohibition and Regulation) Act, 1986.

In order to rationalize and reform all labour laws in India, the Indian Government has notified the following labour codes which are yet to come into force as on the date of this Prospectus, which are as follows:

#### ***Code on Wages, 2019***

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and propose to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The provisions of this code will be brought into force on a date to be notified by the appropriate government.

#### ***Occupational Safety, Health and Working Conditions Code, 2020***

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the InterState Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the appropriate government.

#### ***Code on Social Security, 2020***

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the appropriate government.

### **C. Environmental Laws Regulations**

#### ***Environment (Protection) Act, 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. 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 the 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 stipulates that 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.

#### ***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 a facility generating hazardous waste to dispose of such waste without harming the environment. The term "hazardous waste" has been defined in the Hazardous Waste Rules and any person who has control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an "occupier". Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the

improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

#### **D. Intellectual Property Related Laws Regulations**

##### ***Trademarks Act, 1999***

The Trademarks Act, 1999 (“**Trademarks Act**”) governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. Indian law permits the registration of trademarks for both goods and services. As per the provisions of the Trademarks Act, an application for trademark registration may be made with the relevant Trade Marks Registry by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trademarks Act. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks among others. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. It also seeks to simplify the law relating to the transfer of ownership of trademarks by assignment or transmission and to bring the law in line with international practices.

##### ***Patents Act, 1970***

The Patents Act, 1970 (“**Patents Act**”) governs the patent regime in India. A patent under the Patents Act is an intellectual property right relating to inventions and grant of exclusive right, for limited period of 20 years, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling and importing the patented product or process or produce that product. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognize product patents as well as process patents. In addition to the broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria.

##### ***Designs Act, 2000***

The Designs Act, 2000 (“**Designs Act**”) protects any visual design of objects that are not purely utilitarian. An industrial design consists of the creation of a shape, configuration or composition of pattern or colour, or combination of pattern and colour in three-dimensional form containing aesthetic value. The Design Act provides an exclusive right to apply a design to any article in any class in which the design is registered.

#### **E. Taxation Related Laws and Regulations**

##### ***The Customs Act, 1962***

All the provisions relating to customs applicable on import/export of goods in/from India are consolidated under the Indian Customs Act, 1962. Customs duties are levied on the goods at the rates specified in the Schedules of the Customs Tariff Act, 1975. The Taxable event is import into or export from India. Export duties (Second Schedule) are levied at present on a limited number of items but import duties are levied at present on almost all items except a few. The said Act also provides for valuation of imported goods and export goods along with assessment procedure for proper implementation of the provisions.

##### ***Gujarat State Tax on Profession, Trades, Callings and Employment Act, 1976 and The Gujarat State Tax on Professions Traders, Callings and Employments Rules, 1976***

Professional tax in Gujarat is governed by the Gujarat Panchayats, Municipalities, Municipal Corporation and State Tax on Professions, Traders, Callings and Employment Act, 1976 and rules of 1976. All registered partnership firms, all factory owners, all shops or establishment owners (if the shop has employed on an average five employees per day during the year), all businesses covered under the definition of ‘dealer’ defined in the Gujarat Value Added Tax Act, 2003 whose annual turnover is more than ₹ 2.50 lakh, all transport permit holders, money lenders, petrol pump owners, all limited companies, all banks, all district or state level co-operative societies, estate agents, brokers, building contractors, video parlors, video libraries, members of associations registered under Forward Contract Act, members of stock exchange, other professionals, like legal consultants, solicitors, doctors, insurance agents, etc. are covered under this Act. It is duty of the employers to deduct tax from the person earning any salary/wage in the organisations. For the purpose of this act, employer means in relation to an employee earning any salary or wages on regular basis under him, means the person or the officer who is responsible for disbursement of such salary or wages, and includes the head of the office or any establishment as well as the manager or agent of the employer.

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***Central Goods and Services Tax Act, 2017 (“CGST Act”); Integrated Goods and Services Tax Act, 2017 (“IGST Act”); and the various State Goods and Services Acts (collectively “SGST Acts”)***

The Goods and Services Tax (GST) has replaced various erstwhile taxes levied and collected by the Central and State Government like central excise duty, service tax, State VAT, central sales tax, luxury tax etc. GST is applicable on the supply of goods or services as against the earlier concept of excise duty on the manufacture and VAT/CST on sale of goods or Service Tax on provision of services. It is a consumption-based tax. GST is levied by the Centre on intra-State supply of goods and/or services is called the Central GST and that is levied by the States is called the State GST. An Integrated GST under the IGST Act, is levied and collected by the Centre on inter-State supply of goods and services.

As GST is levied on every level of supply chain, thus, to remove cascading effect tax payers are allowed to take credit of taxes paid on inputs and utilise the same for payment of output tax payable on supply of goods or services as per the applicable provisions.

***Income Tax Laws***

The Income Tax Act, 1961 (“IT Act”) which inter alia governs the income tax on different categories of income accrued and received by an Indian company. An Indian company is taxed on its universal income. As per the provisions of the IT Act, the income tax is paid by the companies registered in India on the net profit that it makes from businesses and other incomes. It is taxed at a specific rate as prescribed by the IT Act, subject to the changes in the rates announced, if any, every year.

**F. Foreign Trade and Investment Related Laws and Regulations**

***Foreign Trade (Regulation and Development) Act, 1992***

The Foreign Trade (Regulation and Development) Act, 1992 (“FTA”) is the main legislation concerning foreign trade in India. FTA read along with Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. The FTA seeks to increase foreign trade by regulating imports and exports to and from India. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTA read with the Indian Foreign Trade Policy, 2021-2026 prohibits anybody from undertaking any import or export except under an Importer-Exporter Code number (“IEC”) granted by DGFT. Hence, every entity in India engaged in any activity involving import or export is required to obtain an IEC unless specifically exempted from doing so. IEC shall be valid until it is cancelled by the issuing authority. IEC allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain IEC shall attract penalty under the FTA.

***The Foreign Exchange Management Act, 1999***

Foreign investment in India is governed primarily by the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”), and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (“FEM Rules”) and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment in India has now been entrusted to the concerned administrative ministries/departments.

The aggregate limit shall be the sectoral caps applicable to Indian company as laid out in paragraph 3(b) of Schedule I of FEM Rules, with respect to paid-up equity capital on fully diluted basis or such same sectoral cap percentage of paid-up value of each series of debentures or preference shares or share warrants. Further, all investments 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, will require prior approval of the concerned administrative ministries/departments.

**G. Other Applicable Laws and Regulations**

***Companies Act, 2013***

The Companies Act provides for, among other things, changes to the regulatory framework governing the issue of capital by companies, corporate governance, audit procedures, corporate social responsibility, and remuneration of directors, meetings of directors and shareholders, declaration of dividend, the requirements for independent directors, director’s liability, class action suits, and the inclusion of women directors on the boards of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies.

### ***Competition Act, 2002***

The Competition Act, 2002 (“**Competition Act**”) is an act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The Competition Act deals with prohibition of (i) certain agreements such as anti-competitive agreements; and (ii) abuse of dominant position and regulation of combinations. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Competition Act.

The Competition Commission of India (“**CCI**”) is the market regulator in India established in accordance with the provisions of the Competition Act. The prima facie duty of CCI is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. Further, any combinations, such as merger, amalgamation, acquisition or similar arrangement, which meet a certain asset/turnover threshold as prescribed in the Competition Act mandates CCI approval which involves complex filing requirements. CCI has extra territorial jurisdiction, to investigate, order inquiry and pass order, in respect of the acts taken place outside India which has or may have appreciable adverse effect in India.

### ***Consumer Protection Act, 2019***

The Consumer Protection Act, 2019 (“**COPRA, 2019**”) has been enacted with an intent to protect the interests of consumers and to establish competent authorities in order to timely and effectively administer and settle consumer disputes. COPRA, 2019 provides for establishment of a Central Consumer Protection Authority to regulate, among other things, matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of public and consumers. In order to address the consumer disputes’ redressal mechanism, it provides a mechanism (three tier consumer redressal mechanism at national, state and district levels) for the consumers to file a complaint against a trader or service provider. COPRA, 2019 provides for penalty for, among others, manufacturing for sale or storing, selling or distributing or importing products containing adulterants and for publishing false or misleading advertisements. The scope of the punitive restraint measures employed by the act include both – monetary penalties for amounts as high as ₹ 50 lakh to imprisonment which may extend to life sentences, for distinct offences under COPRA, 2019.

### ***Municipality Laws***

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992 the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the 12<sup>th</sup> Schedule to the Constitution of India. The respective States of India have enacted laws empowering the municipalities to issue trade license for operating stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### ***Electricity Act, 2003***

The Electricity Act, 2003 (“**Electricity Act**”) consolidates the laws relating to generation, transmission, distribution, trading and use of electricity. It lays down provisions in relation to transmission and distribution of electricity. It states that the State Government can specify suitable measures for specifying action to be taken in relation to any electric line or electrical plant, or any electrical appliance under the control of a consumer for the purpose of eliminating or reducing the risk of personal injury or damage to property or interference with its use.

### ***Legal Metrology Act, 2009***

The Legal Metrology Act, 2009 (“**LM Act**”) seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. The LM Act and rules framed thereunder regulate, inter alia, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the license under the LM Act. Any manufacturer dealing instruments for weights and measuring of goods must procure a license from the state department under the LM Act.

### ***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, remedies for breach of contract and the conditions and warranties implied under a contract for the sale of goods.

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***The Micro, Small and Medium Enterprises Development Act, 2006***

The Micro, Small and Medium Enterprises Development Act, 2006 was enacted to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (“MSME”). A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated June 01, 2020 revising definition and criterion and the same has come into effect from July 01, 2020. The notification revised the definitions as “Micro enterprise”, where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; “Small enterprise”, where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; “Medium enterprise”, where the investment in plant and machinery or equipment does not exceed five crore and turnover does not exceed two hundred and fifty crore rupees.

## HISTORY AND CORPORATE STRUCTURE

### COMPANY'S BACKGROUND

Our Company was originally incorporated as “S.A.N.K. Creations Private Limited” as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated December 13, 2017, issued by Registrar of Companies, Central Registration Centre. Subsequently, the name of our company was changed from “S.A.N.K. Creations Private Limited” to “Katex Exim Private Limited”, pursuant to a special resolution passed by our Shareholders in the Extra-Ordinary General Meeting held on February 28, 2019, vide Certificate of Incorporation dated March 7, 2019, issued by Registrar of Companies, Ahmedabad. Thereafter, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated August 2, 2023 and consequently, the name of our Company was changed from “Katex Exim Private Limited” to “Katex Exim Limited” and a fresh certificate of incorporation dated August 10, 2023 was issued to our Company by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U17309GJ2017PLC100133.

Our Company was originally incorporated by Mr. Niranjana Agarwal, being existing promoter, Mr. Aditya Agarwal and Mrs. Sunitadevi Agarwal, being subscribers to Memorandum of Association. The remaining current promoters Mr. Sajal Rakesh Bansal, Mr. Rakesh Kumar Bansal, Mrs. Babita Rakesh Bansal, Mrs. Ankita Sajal Bansal and Rakesh Kumar Bansal - HUF acquired control of our Company in FY 2020-21. Our promoters have a combined experience of more than 10 years in the field of textile industry.

Incorporated in 2017 and based in Ahmedabad, Gujarat, our Company is engaged in the business of manufacturing and sale of Bedsheet Sets, Duvet Bedding and Pillow Pairs. We sale our products in domestic as well as international markets. Our Company is one of the exporters of Bedding Textile. Bedding Textile refers to the textile materials used in making products such as bedsheets, pillow cases, duvet covers and comforters. These textile play a crucial role in determining the comfort, quality and durability of bedding items. Our Company’s manufacturing facility is equipped with necessary technology and machinery to meet international standards. Our manufacturing process adheres to stringent quality standards. Our Manufacturing unit is located at Shree Shyam Industrial Park, Saijpur-Gopalpur-Shahwadi, New Vatva Taluka, Narol, Ahmedabad, Gujarat, India.

We offer a diverse range of bedsheets to cater to different tastes and preferences. This includes different sizes (King, Queen, Twin, Full and Cal King), materials (cotton, poly, Tencel, Modal, Microfiber, Bamboo, etc), thread counts, patterns and colours. Since each fabric has its unique characteristics, while selecting fabric for bedsheets, we consider factors such as customer’s preference, climate, budget and quality to ensure a comfortable and restful sleep experience. Fabric selection is crucial when it comes to making bedsheets, as it directly impacts the comfort, durability and overall quality of the bedding.

### REGISTERED OFFICE:

Registered Office of the Company is presently situated at 55/Ashra Ind. Estate B/h. Mahalaxmi Fabrics, Narol, Ahmedabad – 382405, Gujarat, India. The Registered office of our Company has not been changed except as mentioned below:

Date of Change of Registered office	Registered Office	Reason
April 9, 2019	55/Ashra Ind. Estate B/h. Mahalaxmi Fabrics, Narol, Ahmedabad – 382405, Gujarat, India.	Administrative Convenience

### KEY AWARDS, CERTIFICATIONS, ACCREDITATIONS AND RECOGNITIONS

For Key Awards, Certifications, Accreditations please refer to the section “*Business Overview*” on Page no 107 of this Draft Prospectus.

### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

#### AUTHORIZED SHARE CAPITAL

The following changes have been made in the Authorized Share Capital of our Company since inception:

Date of Amendment	Particulars
On Incorporation	Authorized Share Capital of ₹ 1.00 Lakh (Rupees One Lakh Only) consisting of 10000 (Ten Thousand) Equity Shares of ₹ 10/-each.

January 21, 2020	Increase in Authorized Share Capital from ₹ 1.00 Lakh (Rupees One Lakh Only) consisting of 10000 (Ten Thousand) Equity Shares of ₹ 10/-each to ₹ 500.00 Lakhs (Rupees Five Hundred Lakh Only) consisting of 5000000 (Fifty Lakh) Equity Shares of ₹ 10/-each.
December 1, 2020	Increase in Authorized Share Capital from ₹ 500.00 Lakh (Rupees Five Hundred Lakh Only) consisting of 5000000 (Fifty Lakh) Equity Shares of ₹ 10/-each to ₹ 900.00 Lakh (Rupees Nine Hundred Lakh Only) consisting of 9000000 (Ninety Lakh) Equity Shares of ₹ 10/-each.
March 1, 2023	Increase in Authorized Share Capital from ₹ 900.00 Lakh (Rupees Nine Hundred Lakh Only) consisting of 9000000 (Ninety Lakh) Equity Shares of ₹ 10/-each to ₹ 1000.00 Lakh (Rupees Thousand Lakh Only) consisting of 10000000 (One Crore) Equity Shares of ₹ 10/-each.
December 11, 2023	Increase in Authorized Share Capital from ₹ 1000.00 Lakh (Rupees Thousand Lakh Only) consisting of 10000000 (One Crore) Equity Shares of ₹ 10/-each to ₹ 2000.00 Lakh (Rupees Thousand Lakh Only) consisting of 20000000 (Two Crore) Equity Shares of ₹ 10/-each.
June 12, 2024	Increase in Authorized Equity Share Capital from ₹ 2000.00 Lakh (Rupees Two Thousand Lakh Only) divided into 20000000 Equity Shares of ₹ 10/- each to ₹ 2400.00 (Rupees Twenty Four Hundred Lakh Only) divided into 24000000 Equity Shares of ₹ 10/- each

### **NAME CLAUSE**

The following changes have been made in Name Clause of our company since its inception:

<b>Date of Shareholder's Approval</b>	<b>Particulars</b>
August 2, 2023	The Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated August 2, 2023 and consequently, the name of Company was changed from "Katex Exim Private Limited" to "Katex Exim Limited", vide fresh certificate of incorporation dated September 4, 2023.
February 28, 2019	The name of our company was changed from "S.A.N.K. Creations Private Limited" to "Katex Exim Private Limited", pursuant to a special resolution passed by our Shareholders in the Extra-Ordinary General Meeting held on February 28, 2019, vide Certificate of Incorporation dated March 7, 2019, issued by Registrar of Companies, Ahmedabad.

### **OBJECT CLAUSE**

No changes have been made in Object Clause of our company since its inception:

### **MAJOR EVENTS**

Except mentioned herein below, there are no major events in the company since its incorporation:

<b>Year</b>	<b>Key Events/Milestone/Achievement</b>
2017	Incorporation of Company in the name and style of "S.A.N.K. Creations Private Limited"
2023	Conversion of our Company from Private Limited to Public Limited

### **OTHER DETAILS REGARDING OUR COMPANY**

For information on our activities, services, growth, technology, marketing strategy, our standing with reference to our prominent competitors and customers, please refer to sections titled "**Business Overview**", "**Industry Overview**" and "**Management's Discussion and Analysis of Financial Conditions and Results of Operations**" beginning on page no. 107, 91 and 170 respectively of this Draft Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled "**Our Management**" and "**Capital Structure**" beginning on page nos. 139 and 54 respectively of this Draft Prospectus.

### **RAISING OF CAPITAL IN FORM OF EQUITY OR DEBT**

For details regarding our capital raising activities through equity or debt, please see the section entitled "**Capital Structure**" and "**Restated Financial Information**" on page nos. 54 and 168 respectively of this Draft Prospectus.

## **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS AND CONVERSION OF LOANS INTO EQUITY**

There have been no defaults or rescheduling of borrowings with financial institutions/banks in respect of our current borrowings from lenders. None of our outstanding loans have been converted into equity shares.

## **HOLDINGS AND JOINT VENTURES OF THE COMPANY**

As on the date of this Draft Prospectus, our Company does not have Holding Company or Joint Venture Company

## **SUBSIDIARIES OF THE COMPANY**

As on the date of this Draft Prospectus, our company does not have any Subsidiary.

## **INJUNCTION AND RESTRAINING ORDER**

Our company is not under any injunction or restraining order, as on date of filing of this Draft Prospectus.

## **MANAGERIAL COMPETENCE**

For managerial Competence, please refer to the section *“Our Management”* on Page no. 139 of this Draft Prospectus.

## **MATERIAL ACQUISITIONS / AMALGAMATIONS / MERGERS/ REVALUATION OF ASSETS/DIVESTMENT OF BUSINESS/UNDERTAKING IN LAST TEN YEARS**

There has been no Material Acquisitions/Amalgamations/Mergers/Revaluation of Assets/Divestment of Business/Undertaking in last ten years.

## **TOTAL NUMBER OF SHAREHOLDERS OF OUR COMPANY**

As on the date of filing of this Draft Prospectus, the total numbers of equity shareholders are 10 (Ten). For more details on the shareholding of the members, please see the section titled *“Capital Structure”* at page no. 54 of this Draft Prospectus.

## **MAIN OBJECTS AS SET OUT IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The objects for which our Company is established are:

- a) To carry on the business of manufacturing, buying, selling, exporting, importing and dealing in all types of Textile clothes in India and/or abroad.

## **SHAREHOLDERS' AGREEMENTS**

Our Company has not entered into any shareholders agreement as on the date of filing this Draft Prospectus.

## **OTHER AGREEMENTS**

As on the date of this Draft Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered as on the date of this Draft Prospectus.

## **JOINT VENTURE AGREEMENTS**

Our Company has not entered into any joint venture agreement as on the date of this Draft Prospectus.

## **COLLABORATION AGREEMENTS**

Our Company has not entered into any collaboration agreement as on the date of this Draft Prospectus.

## **STRATEGIC PARTNERS**

Our Company is not having any strategic partner as on the date of filing this Draft Prospectus.

## **FINANCIAL PARTNERS**

Our Company has not entered into any financial partnerships with any entity as on the date of filing of this Draft Prospectus.

## OUR MANAGEMENT

In accordance with Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15. Our Company currently has 4 (Four) Directors on our Board, out of which 1 (One) is Executive Director, 1 (One) is Non-Executive Director and 2 (Two) are Independent Directors.

1. Mr. Sajal Rakesh Bansal - Chairman & Managing Director
2. Mr. Niranjana Dwarkaprasad Agarwal - Non-Executive Director
3. Ms. Monika Shekhawat - Independent Director
4. Mr. Aayush Kamleshbhai Shah - Independent Director

The following table sets forth the details regarding our Board of Directors of our Company as on the date of filing of this Draft Prospectus:

Sr. No.	Details of Director		Other Directorships/Designated Partner
1.	<b>Name</b>	Sajal Rakesh Bansal	<ul style="list-style-type: none"> <li>➤ RSK Industries Private Limited</li> <li>➤ RSB Enterprises Private Limited</li> <li>➤ KPG Enterprise Recyclers LLP</li> </ul>
	<b>DIN</b>	02259352	
	<b>Father's Name</b>	Mr. Rakesh Jugalkishor Bansal	
	<b>Address</b>	D/259, Near Water Tank, Kaliyabid, Bhavnagar – 364002, Gujarat, India	
	<b>Date of Birth</b>	April 19, 1990	
	<b>Age</b>	34 Years	
	<b>Designation</b>	Chairman & Managing Director, Chief Financial Officer	
	<b>Occupation</b>	Business	
	<b>Experience</b>	He is having an experience of more than 3 years in the Textile Industry.	
	<b>Qualifications</b>	He holds a degree of Bachelor of Commerce from Gujarat University and a degree of Chartered Accountant from the Institute of Chartered Accountants of India.	
	<b>Nationality</b>	Indian	
	<b>Date of Appointment</b>	<p>Initially, pursuant to approval of Board of Directors in their meeting held on September 25, 2020 he was appointed as Additional Director with effect from September 25, 2020.</p> <p>Further, pursuant to approval of members in the Annual General Meeting held on December 30, 2020, he was regularized and appointed as Director with effect from December 30, 2020</p> <p>Thereafter, pursuant to the approval of members in the Extra Ordinary General Meeting held January 5, 2024, his designation was changed from Director to Managing Director for a period of 5 (five) years with effect from January 5, 2024.</p> <p>Further, pursuant to approval of Board of Directors in their meeting held on June 6, 2024, he was also appointed as Chief Financial Officer with effect from June 1, 2024.</p>	
	<b>Term of Appointment and date of</b>	He holds office for a period of 5 (five) years with effect from January 5, 2024 and is liable to retire by rotation.	

Sr. No.	Details of Director		Other Directorships/Designated Partner
	<b>expiration of current term of office.</b>		
2.	<b>Name</b>	Mr. Niranjan Dwarkaprasad Agarwal	<ul style="list-style-type: none"> <li>➤ Shri Laxminarayan Weaving Private Limited</li> <li>➤ Kalsun Investment Consultancy Private Limited</li> <li>➤ D K Agarwal Buildcon Private Limited</li> <li>➤ Odles E-Commerce Private Limited</li> <li>➤ Aadi Texworld Private Limited</li> <li>➤ Kalahridhaan Trendz Limited</li> <li>➤ White Gate Infrastructure LLP</li> <li>➤ Shri Goverdhan Minerals LLP</li> </ul>
	<b>DIN</b>	00413530	
	<b>Father's Name</b>	Mr. Dwarkaprasad Keshoram Agarwal	
	<b>Address</b>	4, Shrinath Colony, Bhairavnath Rd, Maninagar, Ahmedabad-380008, Gujarat, India	
	<b>Date of Birth</b>	May 4, 1963	
	<b>Age</b>	61 Years	
	<b>Designation</b>	Non-Executive Director	
	<b>Occupation</b>	Business	
	<b>Experience</b>	He is having an experience of more than 7 years in the textile industry.	
	<b>Qualifications</b>	He has completed his Higher Secondary Education from Rajkiya Uchh Madhyamik School, Taranagar, Rajasthan.	
	<b>Nationality</b>	Indian	
	<b>Date of Appointment</b>	Initially, he was appointed as an Executive Director at the time of Incorporation of the Company i.e. on December 13, 2017. Further, pursuant to approval of members in the Extra Ordinary General Meeting held on January 5, 2024, his designation was changed from Executive Director to Non-Executive Director with effect from January 5, 2024.	
<b>Term of Appointment and date of expiration of current term of office.</b>	He holds office as a Non-Executive Director with effect from January 5, 2024 and is liable to retire by rotation.		
3.	<b>Name</b>	Ms. Monika Shekhawat	<ul style="list-style-type: none"> <li>➤ Spazio Formulations Limited</li> <li>➤ Akash Infra-Projects Limited</li> </ul>
	<b>DIN</b>	07710330	
	<b>Fathers' Name</b>	Narendrasingh Meghraj Sankhla	
	<b>Address</b>	Plot No-133/2, Sector-1/B, Gandhinagar – 382007, Gujarat	
	<b>Date of Birth</b>	June 28, 1990	
	<b>Age</b>	34 Years	
	<b>Designation</b>	Independent Director	
	<b>Occupation</b>	Professional	
	<b>Experience</b>	She is having an experience of 10 years in secretarial and Company law related compliances as a Practising Company Secretary	

Sr. No.	Details of Director		Other Directorships/Designated Partner
	<b>Qualifications</b>	She holds a degree of Bachelor of Commerce and degree of Bachelor of Laws from Gujarat University. She also holds degree of Company Secretary from The Institute of Company Secretaries of India.	
	<b>Nationality</b>	Indian	
	<b>Date of Appointment</b>	Pursuant to the approval of members in the Extra-Ordinary General Meeting held on January 5, 2024, she was appointed as an Independent Director of the Company for a period of 5 (five) years with effect from January 5, 2024.	
	<b>Term of Appointment and date of expiration of current term of office.</b>	She holds office for a period of 5 (five) years with effect from January 5, 2024 and is not liable to retire by rotation.	
4.	<b>Name</b>	Mr. Aayush Kamleshbhai Shah	<ul style="list-style-type: none"> <li>➤ Siddhi Cotspin Limited</li> <li>➤ Dcg Cables &amp; Wires Limited</li> <li>➤ Iel Limited</li> <li>➤ Fonebox Retail Limited</li> </ul>
	<b>DIN</b>	10149440	
	<b>Fathers' Name</b>	Mr. Kamleshbhai Kanaiyalal Shah	
	<b>Address</b>	901, Gulmohar Heights, Opp. Madhur Hall, Anandnagar Cross Road, Satellite, Ahmedabad – 380015, Gujarat	
	<b>Date of Birth</b>	September 26, 1991	
	<b>Age</b>	32 Years	
	<b>Designation</b>	Independent Director	
	<b>Occupation</b>	Service	
	<b>Experience</b>	He is having an experience of more than 8 years in secretarial and Company law related compliances.	
	<b>Qualifications</b>	He holds a degree of Bachelor of Commerce and Bachelor of Laws (Special) from Gujarat University. He also holds degree of Company Secretary from The Institute of Company Secretaries of India.	
	<b>Nationality</b>	Indian	
	<b>Date of Appointment</b>	Pursuant to the approval of members in the Extra-Ordinary General Meeting held on January 5, 2024, he was appointed as an Independent Director of the Company for a period of 5 (five) years with effect from January 5, 2024.	
	<b>Term of Appointment and date of expiration of current term of office.</b>	He holds office for a period of 5 (five) years with effect from January 5, 2024 and is not liable to retire by rotation.	

#### BRIEF PROFILE OF OUR DIRECTORS

##### Sajal Rakesh Bansal

Sajal Rakesh Bansal, aged 34 years, Chairman & Managing Director, Chief Financial Officer and Promoter of our Company. He holds a degree of Bachelor of Commerce from Gujarat University and a degree of Chartered Accountant

from the Institute of Chartered Accountants of India. He is having an experience of more than 3 years in the Textile Industry. He manages overall marketing of the Company and also looks after Accounting and taxation matters of the Company. He is actively involved in formulation, business development and implementation of business strategies.

#### **Niranjan Dwarkaprasad Agarwal**

Niranjan Dwarkaprasad Agarwal, aged 61 years, is a Non-Executive Director and Promoter of our Company. He has completed his Higher Secondary Education from Rajkiya Uchh Madhyamik School, Taranagar, Rajasthan. He is having an experience of more than 7 years in the textile industry. He manages Manufacturing and Product Designing Department of the Company.

#### **Monika Shekhawat**

Monika Shekhawat, aged 34 years is an Independent Director of our Company. She holds a degree of Bachelor of Commerce and degree of Bachelor of Laws from Gujarat University. She also holds degree of Company Secretary from The Institute of Company Secretaries of India. She is having an experience of 10 years in secretarial and Company law related compliances as a Practising Company Secretary.

#### **Aayush Kamleshbhai Shah**

Aayush Kamleshbhai Shah, aged 32 years is an Independent Director of our Company. He holds a degree of Bachelor of Commerce and Bachelor of Laws (Special) from Gujarat University. He also holds degree of Company Secretary from The Institute of Company Secretaries of India. He is having an experience of more than 8 years in secretarial and Company law related compliances.

### **CONFIRMATIONS**

As on the date of the Draft Prospectus

- A. None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.
- B. None of the Promoters, persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- C. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) up to the date of filing of this Draft Prospectus.
- E. None of Promoters or Directors of our Company are a fugitive economic offender.
- F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.

### **RELATIONSHIP BETWEEN OUR DIRECTORS, KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT**

There is no relationship between any of the Directors, Key Managerial Personnel or Senior Management of our Company as on the date of filing of Draft Prospectus.

### **ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS AND OTHERS**

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above-mentioned Directors was selected as director or member of senior management.

### **SERVICE CONTRACTS WITH DIRECTORS**

Our Company has not entered into any service contracts with our Directors, which provide for benefits upon the termination of their employment. However, our Company has entered employment agreement with Managing Director dated January 23, 2024.

### **BORROWING POWERS OF THE BOARD OF DIRECTORS**

Pursuant to a special resolution passed at an Extra Ordinary General Meeting of our Company held on January 5, 2024 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time,

any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 250 Crores.

#### **COMPENSATION AND BENEFITS TO THE MANAGING DIRECTOR IS AS FOLLOWS: -**

<b>Name</b>	<b>Sajal Rakesh Bansal</b>
<b>Designation</b>	<b>Chairman &amp; Managing Director, Chief Financial Officer</b>
<b>Date of Appointment/ Change in Designation</b>	Initially, pursuant to approval of Board of Directors in their meeting held on September 25, 2020 he was appointed as Additional Director with effect from September 25, 2020.  Further, pursuant to approval of members in the Annual General Meeting held on December 30, 2020, he was regularized and appointed as Director with effect from December 30, 2020  Thereafter, pursuant to the approval of members in the Extra Ordinary General Meeting held January 5, 2024, his designation was changed from Director to Managing Director for a period of 5 (five) years with effect from January 5, 2024.  Further, pursuant to approval of Board of Directors in their meeting held on June 6, 2024, he was also appointed as Chief Financial Officer with effect from June 1, 2024.
<b>Period</b>	5 (five) years with effect from January 5, 2024.
<b>Salary</b>	Upto ₹ 24 Lakh Per Annum
<b>Bonus</b>	
<b>Perquisite/Benefits</b>	
<b>Commission</b>	Nil
<b>Compensation/ remuneration paid during the F.Y. 2023-24</b>	₹ 24 Lakh

#### **BONUS OR PROFIT-SHARING PLAN FOR THE DIRECTORS**

Currently, Our Company does not have any bonus or profit-sharing plan for our Directors. In future, Discretionary bonus may be paid as may be decided by Nomination and Remuneration Committee / Board of Directors, depending upon the performance of the Directors, working of the Company and other relevant factors subject to Maximum of annual salary within the limits laid down under Para A of Section II of Part II of Schedule V of the Companies Act, 2013.

#### **CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO OUR DIRECTORS**

As on the date of this Draft Prospectus, there is no contingent or deferred compensation payable to our Directors which does not form a part of their remuneration.

#### **REMUNERATION PAID OR PAYABLE TO OUR DIRECTORS BY OUR SUBSIDIARY OR ASSOCIATE COMPANY**

As on the date of this Draft Prospectus, our Company has neither subsidiary nor associate company.

#### **SITTING FEES PAYABLE TO NON-EXECUTIVE DIRECTORS**

Pursuant to resolution passed by our Board of Directors in their meeting held on January 5, 2024, our Independent Directors are entitled to receive sitting fees of ₹ 36, 000 annually for attending every meeting of Board of Directors and the Committees attended by them during the F.Y 2023-24.

#### **SHAREHOLDING OF DIRECTORS**

The shareholding of our directors as on the date of this Draft Prospectus are as follows:

Sr. No.	Name of Directors	No. of Equity Shares held	Designation
1.	Sajal Rakesh Bansal	979200	Chairman & Managing Director
2.	Niranjan Dwarkaprasad Agarwal	3156001	Non-Executive Director
3.	Monika Shekhawat	Nil	Independent Director
4.	Aayush Kamleshbhai Shah	Nil	Independent Director

## INTEREST OF DIRECTORS

The Executive director of our Company may be deemed to be interested to the extent of fees, payable to them for attending meetings of the Board or Committee if any as well as to the extent of other remuneration and/or reimbursement of expenses payable to them as per the applicable laws.

Our Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and committees thereof, the re-imbusement of expenses payable to them, as approved by our Board. Further, the Non-Executive Director is interested to the extent of remuneration paid by the Company to him and also payment of interest on unsecured loan, if any in future. For more details, please refer *“Annexure titled Related Party & Transactions”* under Chapter titled *“Restated Financial Information”* beginning on page 168 of the Draft Prospectus.

Our Directors may also be deemed to be interested to the extent of Equity Shares held by them and their immediate relatives in our Company and also to the extent of any dividend payable to them and other distributions in respect of such shareholding in our Company. For details regarding the shareholding of our Directors in our Company, please see *“Capital Structure”* and *“Our Management”* on page 54 and 139.

Our Directors may be deemed to be interested in the contracts, transactions, agreements/ arrangements entered into or to be entered into by our Company with any entity which is promoted by them or in which they are members, or in which they hold directorships or any partnership firm in which they are partners in the ordinary course of business. For further details, please see *“Annexure titled Related Party & Transactions”* in the chapter titled *“Restated Financial Information”* beginning on page 168 and *“Our Promoter and Promoter Group”* on page 152.

Except as stated under *“Annexure titled Related Party & Transactions”* under Chapter titled *“Restated Financial Information”* beginning on page 168 of the Draft Prospectus, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of the Draft Prospectus in which our directors are interested directly or indirectly.

### Interest of our Directors in the promotion/formation of our Company

Except for Mr. Niranjan Dwarkaprasad Agarwal, our Non-Executive Director, none of our Directors were involved in the promotion and formation of our Company.

### Interest of our Directors in property

Except as mentioned in the chapter titled *“Business Overview”* beginning on page no. 107, none of our Directors are interested in any property acquired or proposed to be acquired of our Company.

### Other interest

No sum has been paid or agreed to be paid to our Directors or to any firms or companies in which they may be partners or members respectively, in cash or shares or otherwise by any person either to induce him / her to become, or to qualify him/ her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

Except mentioned below, none of our Directors have been associated with any Company/LLP that has been struck-off by the registrar of companies or the Ministry of Corporate Affairs.

Name of the Director	Designation	Name of the companies
Sajal Rakesh Bansal	Designated Partner	RSK Steel LLP

## CHANGES IN THE BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Name of Director	Date of Event	Nature of Event	Reason for the changes in the Board of Director
Aditya Niranjana Agarwal	June 1, 2024	Resignation	Resignation from the post of Non-Executive Director due to personal reasons with effect from June 1, 2024. The same was noted and accepted in the Board Meeting held on June 6, 2024.
Sajal Rakesh Bansal	January 5, 2024	Change in Designation	Pursuant to the approval of members in the Extra-Ordinary General Meeting held on January 5, 2024, his designation was changed from Director to Managing Director for a period 5 (five) years with effect from January 5, 2024.
Niranjana Dwarkaprasad Agarwal	January 5, 2024	Change in Designation	Further, pursuant to approval of members in the Extra Ordinary General Meeting held on January 5, 2024, his designation was changed from Executive Director to Non-Executive Director with effect from January 5, 2024.
Aditya Niranjana Agarwal	January 5, 2024	Change in Designation	Further, pursuant to approval of members in the Extra Ordinary General Meeting held on January 5, 2024, his designation was changed from Executive Director to Non-Executive Director with effect from January 5, 2024.
Monika Shekhawat	January 5, 2024	Change in Designation	Pursuant to the approval of members in the Extra-Ordinary General Meeting held on January 5, 2024, she was appointed as an Independent Director of the Company for a period of 5 (five) years with effect from January 5, 2024.
Aayush Kamleshbhai Shah	January 5, 2024	Change in Designation	Pursuant to the approval of members in the Extra-Ordinary General Meeting held on January 5, 2024, he was appointed as an Independent Director of the Company for a period of 5 (five) years with effect from January 5, 2024.

## CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges.

As on date of this Draft Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the requirements 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 of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 are not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. In spite of certain regulations and schedules of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 is not applicable to our Company, our Company endeavours to comply with the good Corporate Governance and accordingly certain exempted regulations have been compiled by our Company.

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.

### Composition of Board of Directors

Currently our Board is consisting of 4 (Four) directors out of which 1 (One) is Executive Director, 1 (One) is Non-Executive Director and 2 (Two) are Independent Directors.

Composition of Board of Directors is set forth in the below mentioned table:

Sr. No.	Name of Directors	Designation	Status	DIN
1.	Sajal Rakesh Bansal	Managing Director	Executive	02259352
2.	Niranjan Dwarkaprasad Agarwal	Non-Executive Director	Non-Executive	00413530
3.	Monika Shekhawat	Independent Director	Non-Executive	07710330
4.	Aayush Kamleshbhai Shah	Independent Director	Non-Executive	10149440

### **Constitution of Committees**

Our company has constituted the following Committees of the Board;

1. **Audit Committee**
2. **Stakeholders Relationship Committee**
3. **Nomination and Remuneration Committee**

Details of composition, terms of reference etc. of each of the above committees are provided hereunder:

#### **1. Audit Committee:**

The Board of Directors of our Company has, in pursuance to provisions of Section 177 of the Companies Act, 2013 and rules made thereunder, as amended from time to time, read with SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, as applicable, in its meeting held on June 11, 2024 constituted Audit Committee.

The constitution of the Audit Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Aayush Kamleshbhai Shah	Chairman	Independent Director
Monika Shekhawat	Member	Independent Director
Niranjan Dwarkaprasad Agarwal	Member	Non-Executive Director

Our Company Secretary cum Compliance officer shall act as the secretary of the Committee.

### **Terms of Reference**

The Role of Audit Committee not limited to but includes:

1. The recommendation for the appointment, re-appointment and, if required, the replacement or removal of the auditor, their remuneration and fixation of terms of appointment of the Auditors of the Company;
2. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
3. Examination of financial statement and auditors' report thereon including interim financial result before submission to the Board of Directors for approval;
  - a. Matters required to be included in the director's responsibility statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report.
4. Approval or any subsequent modification of transactions of the Company with related party;

Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company subject to such conditions as may be prescribed under the Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof;

Provided further that in case of transaction, other than transactions referred to in section 188 of Companies Act 2013 or any subsequent modification(s) or amendment(s) thereof, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board;

Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee;

5. Reviewing, with the management, and monitoring the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
6. Scrutiny of Inter-corporate loans and investments;
7. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc. on the listed entity and its shareholders;
8. Reviewing and discussing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
9. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
10. Valuation of undertakings or assets of the company, where ever it is necessary;
11. Evaluation of internal financial controls and risk management systems and reviewing, with the management, performance of statutory & internal auditors, and adequacy of the internal control systems;
12. 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 and discussion with internal auditors of any significant findings and follow up there on;
13. 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;
14. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
15. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
16. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate; and
17. Carrying out any other function as assigned by the Board of Directors & other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

#### **Review of Information**

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iii. Internal audit reports relating to internal control weaknesses; and
- iv. The appointment, removal and terms of remuneration of the Internal Auditor.

## Powers of Committee

- i. To investigate any activity within its terms of reference;
- ii. To seek information from any employees;
- iii. To obtain outside legal or other professional advice; and
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

## Quorum and Meetings

The committee shall meet at least four times in a financial year and not more than 120 days shall elapse between any two meetings. The quorum of the meeting of the Audit Committee shall be one third of total members of the Audit Committee or 2, whichever is higher, subject to minimum two Independent Director shall be present at the Meeting.

## 2. Stakeholders Relationship Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013 and rules made thereunder, as amended from time to time, read with SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, as applicable, in its meeting held on June 11, 2024 constituted Stakeholders Relationship Committee.

The constitution of the Stakeholders Relationship Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Aayush Kamleshbhai Shah	Chairman	Independent Director
Monika Shekhawat	Member	Independent Director
Niranjan Dwarkaprasad Agarwal	Member	Non-Executive Director

Our Company Secretary and Compliance officer shall act as the secretary of the Committee.

## Terms of Reference

To supervise and ensure;

- i. Resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- ii. Review of measures taken for effective exercise of voting rights by shareholders;
- iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- v. Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

## Quorum and Meetings

The Stakeholders Relationship Committee shall meet atleast once in a financial year. The quorum shall be one third of total members of the Stakeholders Relationship Committee or 2 members, whichever is higher.

## 3. Nomination and Remuneration Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013 and rules made thereunder, as amended from time to time, read with SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, as applicable, in its meeting held on June 11, 2024 constituted Nomination and Remuneration Committee.

The constitution of the Nomination and Remuneration Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Aayush Kamleshbhai Shah	Chairman	Independent Director
Monika Shekhawat	Member	Independent Director
Niranjan Dwarkaprasad Agarwal	Member	Non-Executive Director

Our Company Secretary and Compliance officer shall act as the secretary of the Committee.

**Terms of reference**

**Role of Nomination and Remuneration Committee shall include but not limited to: -**

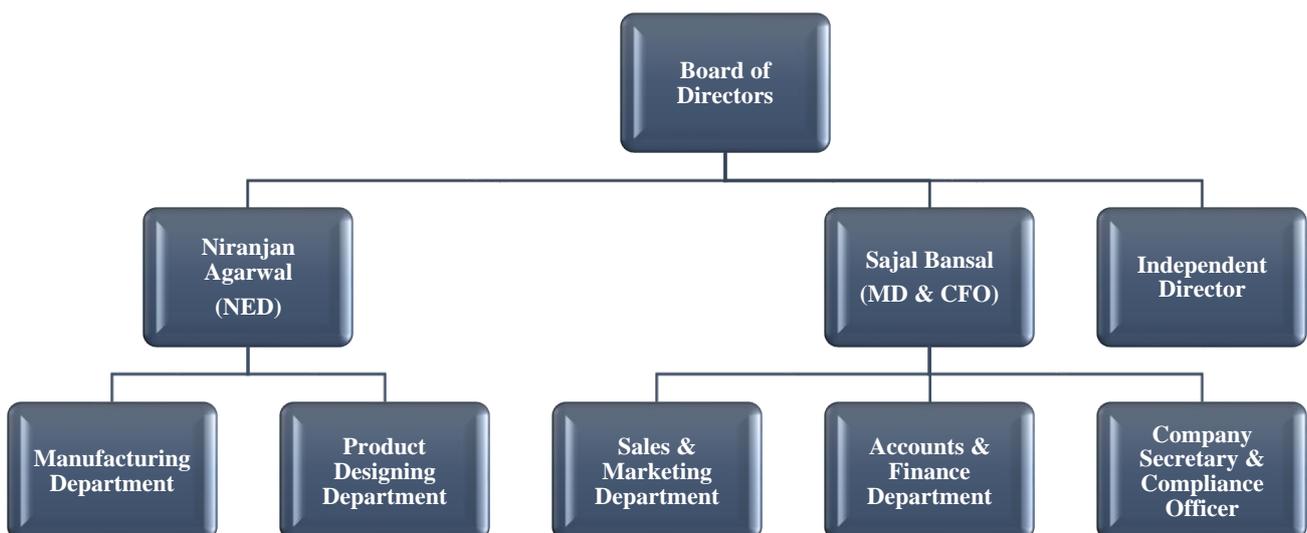
- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a) use the services of an external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) Consider the time commitments of the candidates.
- iii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iv. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- v. 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;
- vi. recommend to the board, all remuneration, in whatever form, payable to senior management;
- vii. Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

**Quorum and Meetings**

The Committee is required to meet at least once in a financial year. The quorum necessary for a meeting of the Nomination and Remuneration Committee is one third of total members of the Nomination and Remuneration Committee or 2 members, whichever is higher, including atleast one independent director in attendance.

**MANAGEMENT ORGANIZATION STRUCTURE**

The Management Organization Structure of the company is depicted from the following chart:



## OUR KEY MANAGERIAL PERSONNEL

In addition to Sajal Rakesh Bansal, Chairman and Managing Director, Chief Financial Officer, whose details are provided under the section titled “*Brief Profile of our Directors*” in the chapter titled “*Our Management*” beginning on page 139 the details of our other Key Managerial Personal is as follows:

Name, Designation and Date of Joining		Qualification	Previous Employment	Remuneration paid in F.Y. 2023-24 (₹ in Lakhs)
<b>Name</b>	Ms. Shivani Mittal	She holds a degree of Company Secretary from Institute of Company Secretaries of India	NMS Petrochem Limited	0.47
<b>Designation</b>	Company Secretary cum Compliance Officer			
<b>Date of Appointment</b>	January 5, 2024			
<b>Overall Experience</b>	She is having an experience of 10 months in the field of secretarial compliances.			

## CHANGES IN THE KEY MANAGERIAL PERSONNEL

Except as mentioned below, there are no other changes in the Key Managerial Personnel in the last three years preceding the date of filing this Draft Prospectus:

Name of Key Managerial Personnel	Date of Event	Nature of Event	Reason for the changes
Sajal Rakesh Bansal	June 1, 2024	Appointment	Pursuant to approval of Board of Directors in their meeting held on June 6, 2024, he was appointed as a Chief Financial Officer of the Company with effect from June 1, 2024.
Harnish Kamleshbhai Kothari	June 1, 2024	Resignation	Resignation from the post of Chief Financial Officer due to personal reasons with effect from June 1, 2024. The same was noted and accepted in the Board Meeting held on June 6, 2024.
Sajal Rakesh Bansal	January 5, 2024	Change in Designation	Pursuant to the approval of members in the Extra-Ordinary General Meeting held on January 5, 2024, his designation was changed from Director to Managing Director for a period of 5(five) years with effect from January 5, 2024.
Ms. Shivani Mittal	January 5, 2024	Appointment	Appointed as Company Secretary cum Compliance Officer of the Company with effect from January 5, 2024.
Harnish Kamleshbhai Kothari	June 16, 2023	Appointment	Appointed as a Chief Financial Officer of the Company with effect from June 16, 2023.

## SENIOR MANAGEMENT IN OUR COMPANY

Except as disclosed under the section “*Our Key Managerial Personnel*” in the chapter titled “*Our Management*” beginning on page 139, there are no other Senior Management in our Company.

## BONUS OR PROFIT-SHARING PLAN FOR THE KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Currently, our Company does not have any bonus or profit-sharing plan for our Key Managerial personnel and Senior Management.

## PAYMENT OF BENEFIT TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

No amount or benefit (non-salary related) was paid or given to our Key Managerial Personnel and Senior Management, within the two (2) preceding years or is intended to be paid or given to our Key Managerial Personnel and Senior Management, other than in the ordinary course of employment.

#### **STATUS OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

All the Key Managerial Personnel and Senior Management mentioned above are on the payrolls of our Company as permanent employees.

#### **ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS**

There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned personnel have been recruited.

#### **SERVICE CONTRACTS WITH OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

Our Key Managerial Personnel and Senior Management are governed by the terms of their respective employment letters / resolutions of our Board on their terms of appointment. None of our Key Managerial Personnel and Senior Management have entered into a service contract with our Company, entitling them to any benefits upon termination of employment.

#### **RETIREMENT AND TERMINATION BENEFIT**

Except for applicable statutory benefits, none of our Key Managerial Personnel and Senior Management would receive any benefits on their retirement or on termination of their employment with our Company

#### **CONTINGENT AND DEFERRED COMPENSATION PAID OR PAYABLE TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

As on the date of this Draft Prospectus, there is no contingent or deferred compensation payable to our Key Managerial Personnel and Senior Management that does not form part of their remuneration.

#### **RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

None of our Key Managerial Personnel and Senior Management are related to each other or to any of our Directors.

#### **ATTRITION OF KEY MANAGERIAL PERSONAL VIS-À-VIS INDUSTRY**

The rate of attrition of our Key Managerial Personnel and Senior Management is not high in comparison to the industry in which we operate.

#### **EMPLOYEE STOCK OPTION SCHEME**

As on the date of filing of Draft Prospectus, our company does not have any ESOP Scheme for its employees.

#### **INTEREST OF OUR KEY MANAGERIAL PERSONS AND SENIOR MANAGEMENT**

Our Key Managerial Personnel and Senior Management do not have any interest in our Company other than (i) as stated in *“Annexure titled Related Party & Transaction”* in the chapter titled *“Restated Financial Information”* on page 168, respectively; or (ii) to the extent of 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 course of business. The Key Managerial Personnel and Senior Management may also be deemed to be interested to the extent of dividend payable to them and other distributions in respect of Equity Shares held by them in our Company.

#### **LOANS GIVEN/AVAILED BY DIRECTORS/ KEY MANAGERIAL PERSONNEL OF OUR COMPANY**

For details of unsecured loan taken from or given to our Directors/KMPs/SMPs and for details of transaction entered by them in the past see *“Annexure titled Related Party & Transaction”* in the chapter titled *“Restated Financial Information”* on page 168.

#### **SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL**

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Draft Prospectus.

Sr. No.	Name of Key Management Personnel	No. Equity Shares held	Category/ Status
1.	Mr. Sajal Rakesh Bansal	979200	Managing Director, Chief Financial Officer

## OUR PROMOTERS AND PROMOTERS GROUP

### Promoters of Our Company are:

1. Mr. Sajal Rakesh Bansal
2. Mr. Niranjana Dwarkaprasad Agarwal
3. Mr. Rakesh Kumar Bansal
4. Mrs. Babita Bansal
5. Mrs. Ankita Sajal Bansal
6. Rakesh Kumar Bansal - HUF

For details of the Capital build-up of our Promoters in our Company, see chapter titled “*Capital Structure*” beginning on page no. 54 of this Draft Prospectus.

The details of our Promoters are as follows:

### INDIVIDUAL PROMOTERS

INDIVIDUAL PROMOTERS	
	<p><b>MR. SAJAL RAKESH BANSAL</b></p> <p>Sajal Rakesh Bansal, aged 34 years, Chairman &amp; Managing Director, Chief Financial Officer and Promoter of our Company. He holds a degree of Bachelor of Commerce from Gujarat University and a degree of Chartered Accountant from the Institute of Chartered Accountants of India. He is having an experience of more than 3 years in the Textile Industry. He manages overall marketing of the Company and also looks after Accounting and taxation matters of the Company. He is actively involved in formulation, business development and implementation of business strategies.</p>
<b>Date of Birth</b>	April 19, 1990
<b>Age</b>	34 Years
<b>PAN</b>	AQKPB1622M
<b>Educational Qualification</b>	He holds a degree of Bachelor of Commerce from Gujarat University and a degree of Chartered Accountant from the Institute of Chartered Accountants of India.
<b>Experience in Business/Employment</b>	He is having an experience of more than 3 years in the Textile Industry.
<b>Present Residential Address</b>	D/259, Near Water Tank, Kaliyabid, Bhavnagar – 364002, Gujarat, India
<b>Position/posts held in the past</b>	<p>Initially, pursuant to approval of Board of Directors in their meeting held on September 25, 2020 he was appointed as Additional Director with effect from September 25, 2020.</p> <p>Further, pursuant to approval of members in the Annual General Meeting held on December 30, 2020, he was regularized and appointed as Director with effect from December 30, 2020</p> <p>Thereafter, pursuant to the approval of members in the Extra Ordinary General Meeting held January 5, 2024, his designation was changed from Director to Managing Director for a period of 5 (five) years with effect from January 5, 2024.</p> <p>Further, pursuant to approval of Board of Directors in their meeting held on June 6, 2024, he was also appointed as Chief Financial Officer with effect from June 1, 2024.</p>

<b>Directorship held</b>	<ul style="list-style-type: none"> <li>• RSK Industries Private Limited</li> <li>• RSB Enterprises Private Limited</li> <li>• KPG Enterprise Recyclers LLP</li> </ul>
<b>Other Ventures</b>	<ul style="list-style-type: none"> <li>• Sajal Rakesh Bansal HUF</li> </ul>

	<p><b>MR. NIRANJAN DWARKAPRASAD AGARWAL</b></p> <p>Niranjana Dwarkaprasad Agarwal, aged 61 years, is a Non-Executive Director and Promoter of our Company. He has completed his Higher Secondary Education from Rajkiya Uchh Madhyamik School, Taranagar, Rajasthan. He is having an experience of more than 7 years in the textile industry. He manages Manufacturing and Product Designing Department of the Company.</p>
	<p><b>Date of Birth</b></p> <p>May 4, 1963</p>
<p><b>Age</b></p> <p>61 Years</p>	
<p><b>PAN</b></p> <p>ADFP1858G</p>	
<p><b>Educational Qualification</b></p> <p>He has completed his Higher Secondary Education from Rajkiya Uchh Madhyamik School, Taranagar, Rajasthan.</p>	
<p><b>Experience in Business/Employment</b></p> <p>He is having an experience of more than 7 years in the textile industry.</p>	
<p><b>Present Residential Address</b></p> <p>4, Shrinath Colony, Bhairavnath Road, Maninagar, Ahmedabad - 380008, Gujarat</p>	
<p><b>Position/posts held in the past</b></p> <p>Initially, he was appointed as an Executive Director at the time of Incorporation of the Company i.e. on December 13, 2017.</p> <p>Further, pursuant to approval of members in the Extra Ordinary General Meeting held on January 5, 2024, his designation was changed from Executive Director to Non-Executive Director with effect from January 5, 2024.</p>	
<p><b>Directorship held</b></p>	<ul style="list-style-type: none"> <li>• Shri Laxminarayan Weaving Private Limited</li> <li>• Kalsun Investment Consultancy Private Limited</li> <li>• D K Agarwal Buildcon Private Limited</li> <li>• Odles E-Commerce Private Limited</li> <li>• Aadi Texworld Private Limited</li> <li>• Kalahridhaan Trendz Limited</li> <li>• White Gate Infrastructure LLP</li> <li>• Shri Goverdhan Minerals LLP</li> </ul>
<p><b>Other Ventures</b></p>	<ul style="list-style-type: none"> <li>• Niranjana Dwarkaprasad HUF</li> <li>• Dwarkesh Bhawan</li> <li>• Manish Garments</li> <li>• Dwarkesh Corporation</li> </ul>


**MR. RAKESH KUMAR BANSAL**

Mr. Rakesh Kumar Bansal, aged 60 years, is a Promoter of our Company. He has completed his Secondary Education from Haryana School of Education Board. He is having an experience of more than 15 years as a Director in the field of Iron and Steel Industry.

<b>Date of Birth</b>	April 19, 1964
<b>Age</b>	60 Years
<b>PAN</b>	AAOPB8544L
<b>Educational Qualification</b>	He has completed his Secondary Education from Haryana School of Education Board.
<b>Experience in Business/Employment</b>	He is having an experience of more than 15 years as a Director in the field of Iron and Steel Industry.
<b>Present Residential Address</b>	D-259, Near Water Tank, Kaliyabid, Bhavnagar- 364002, Gujarat
<b>Position/posts held in the past</b>	Nil
<b>Directorship held</b>	<ul style="list-style-type: none"> <li>• RSK Industries Private Limited</li> <li>• Noiaty Dealers Private Limited</li> <li>• KPG Enterprise Recyclers LLP</li> </ul>
<b>Other Ventures</b>	<ul style="list-style-type: none"> <li>• Rakesh Kumar Bansal - HUF</li> </ul>


**MRS. BABITA BANSAL**

Mrs. Babita Bansal, aged 53 years, is a Promoter of our Company. She has completed her Middle Examination from Haryana School of Education Board. She is having an experience of more than 10 years as a Director in the field of Iron and Steel Industry.

<b>Date of Birth</b>	February 14, 1971
<b>Age</b>	53 Years
<b>PAN</b>	ABJPB2519D
<b>Educational Qualification</b>	She has completed her Middle Examination from Haryana School of Education Board
<b>Experience in Business/Employment</b>	She is having an experience of more than 10 years as a Director in the field of Iron and Steel Industry.
<b>Present Residential Address</b>	D-259, Near Water Tank, Kaliyabid, Bhavnagar - 364002, Gujarat
<b>Position/posts held in the past</b>	Nil
<b>Directorship held</b>	<ul style="list-style-type: none"> <li>• RSK Industries Private Limited</li> </ul>

	<ul style="list-style-type: none"> <li>• KPG Enterprise Recyclers LLP</li> </ul>
<b>Other Ventures</b>	Nil

	<p><b>MRS. ANKITA SAJAL BANSAL</b></p> <p>Mrs. Ankita Sajal Bansal, aged 33 years, is a Promoter of our Company. She holds a degree of Bachelor of Commerce from Gujarat University and Master of Business Administration from Nirma University, Ahmedabad, Gujarat. She is a housewife and hence does not have any Business Experience.</p>
<b>Date of Birth</b>	March 2, 1991
<b>Age</b>	33 Years
<b>PAN</b>	CAMPB4790C
<b>Educational Qualification</b>	She holds a degree of Bachelor of Commerce from Gujarat University and Master of Business Administration from Nirma University, Ahmedabad, Gujarat.
<b>Experience in Business/Employment</b>	She is a housewife and hence does not have any Business Experience.
<b>Present Residential Address</b>	D-259, Near Water Tank, Kaliyabid, Bhavnagar - 364002, Gujarat
<b>Position/posts held in the past</b>	Nil
<b>Directorship held</b>	Nil
<b>Other Ventures</b>	Nil

## HUF - PROMOTER

### 1. Rakesh Kumar Bansal - HUF

Rakesh Kumar Bansal – HUF was originally formed on March 17, 1986 by Rakesh Kumar Bansal, karta of Rakesh Kumar Bansal – HUF. The members of Rakesh Kumar Bansal – HUF are as follows:

1. Babita Rakesh Bansal
2. Sajal Rakesh Bansal
3. Rhythm Rakesh Bansal
4. Ankita Sajal Bansal
5. Shivani Rhythm Bansal
6. Hridhaan Sajal Bansal
7. Aisha Rhythm Bansal

As on the date of Draft Prospectus, no business activity is carried out by Rakesh Kumar Bansal HUF.

## DECLARATION

We declare and confirm that the details of the permanent account numbers, bank account numbers, passport numbers, Aadhar card number and driving license numbers of our Promoters are being submitted along with filing of this Draft Prospectus with the Stock Exchange on which the specified securities are proposed to be listed.

## CHANGE IN THE CONTROL OR MANAGEMENT OF THE ISSUER IN LAST FIVE YEARS

There has been no change in control and management of our Company since Incorporation.

## **MATERIAL GUARANTEES GIVEN BY OUR PROMOTERS**

There are no material guarantees given by the Promoters to third parties with respect to specified securities or borrowings of the Company as on the date of this Draft Prospectus.

## **INTEREST OF OUR PROMOTERS**

- Except as stated in “*Annexure titled Related Party & Transaction*” under chapter titled “*Restated Financial Information*” beginning on Page No. 168 of this Draft Prospectus and to the extent of compensation, remuneration / sitting fees to be paid, Perquisites to be given, reimbursement of expenses to be made in accordance with their respective terms of appointment and to the extent of their shareholding and benefits, if any, arise on the shareholding, our Promoters do not have any other interest in our business.
- Further, our Promoters may be deemed to be interested to the extent of the payments made by our Company, if any, to the Group entities and payment to be made by our Company to the Group Entities. For the payments that are made by our Company to certain Group entities, please refer “*Annexure titled Related Party & Transaction*” under chapter titled “*Restated Financial Information*” beginning on Page No. 168 of this Draft Prospectus.
- Our Promoters, Directors or Group Companies do not have any interest in any property acquired by our Company in the preceding three years before filing this Draft Prospectus. Further, they do not have any interest in any property to be acquired by our Company till the date of this Draft Prospectus.
- Except as otherwise as stated in this Draft Prospectus, we have not entered into any contract, agreements or arrangements during the preceding three years from the date of this Draft Prospectus in which Promoters are directly or indirectly interested.

## **PAYMENT OF BENEFITS TO OUR PROMOTERS**

Except as stated in “*Annexure titled Related Party & Transaction*” under section titled “*Restated Financial Information*” beginning on Page No. 168 of this Draft Prospectus, there has been no payment of benefits to our Promoters in the two years preceding the filing of this Draft Prospectus. Further, our Company may enter into transaction with or make payment of benefit to the Promoters Directors or Promoters’ Group, towards remunerations as decided by Board of Directors.

## **CONFIRMATIONS**

Our Company and Promoters confirm that they have not been declared as wilful defaulters or Fraudulent Borrowers by the RBI or by any other government authority and there are no violations of securities laws committed by them in the past or are currently pending against them or restraining period are continued.

Further, our Promoters, Promoters Group or Directors have not been directly or indirectly, debarred from accessing the capital market or have not been restrained by any regulatory authority, directly or indirectly from acquiring the securities.

Additionally, our Promoters, Promoters Group or Directors do not have direct or indirect relation with the companies, its Promoters and Whole-time Director, which are compulsorily delisted by any recognized stock exchange or the companies which is debarred from accessing the capital market by the Board.

Also, our Promoters or Directors are not a fugitive economic offender.

We and our Promoters, Group Entities, and Companies promoted by the Promoters confirm that:

- No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past one year against us; and
- There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs during the past three years.

The details of outstanding litigation including its nature and status are disclosed in the section titled “*Outstanding Litigation and Material Developments*” beginning on Page No. 185 of this Draft Prospectus.

## **DISASSOCIATION OF PROMOTERS IN THE LAST THREE YEAR:**

None of our Promoters have disassociated themselves from any Company or Firm during the preceding three years.

## **RELATIONSHIP OF PROMOTERS WITH EACH OTHER AND WITH OUR DIRECTORS**

Except as disclosed herein, none of our Promoter(s) are related to any of our Company’s directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Name of Promoter	Name of Director	Relationship
Mr. Rakesh Kumar Bansal	-	Mr. Rakesh Kumar Bansal is spouse Mrs. Babita Bansal
Mrs. Babita Bansal	-	Mrs. Babita Bansal is spouse of Mr. Rakesh Kumar Bansal
Mr. Rakesh Kumar Bansal	Mr. Sajal Rakesh Bansal	Mr. Rakesh Kumar Bansal is father of Mr. Sajal Rakesh Bansal.
Mrs. Babita Bansal	Mr. Sajal Rakesh Bansal	Mrs. Babita Bansal is mother of Mr. Sajal Rakesh Bansal.
Mrs. Ankita Sajal Bansal	Mr. Sajal Rakesh Bansal	Mrs. Ankita Sajal Bansal is spouse of Mr. Sajal Rakesh Bansal
Mr. Rakesh Kumar Bansal	-	Mr. Rakesh Kumar Bansal is father in law of Mrs. Ankita Sajal Bansal
Mrs. Babita Bansal	-	Mrs. Babita Bansal is mother in law of Mrs. Ankita Sajal Bansal
Mr. Niranjan Dwarkaprasad Agarwal	-	Mr. Niranjan Dwarkaprasad Agarwal is father of Mrs. Ankita Sajal Bansal.
Mr. Niranjan Dwarkaprasad Agarwal	Mr. Sajal Rakesh Bansal	Mr. Niranjan Dwarkaprasad Agarwal is father in law of Mr. Sajal Rakesh Bansal.

In addition to our Promoters named above, the following individuals and entities form a part of the Promoters' Group:

**a. Natural persons who are part of our Individual Promoter Group:**

Relationship with Promoter	Mr. Sajal Rakesh Bansal	Mr. Niranjan Dwarkaprasad Agarwal	Mr. Rakesh Kumar Bansal	Mrs. Babita Bansal	Mrs. Ankita Bansal
Father	Rakesh Kumar Bansal	Late Dwarkaprasad Keshoram Agarwal	Late Jugal Kishor Bansal	Late Jagdishprasad Mangalsai Singhal	Niranjan Dwarkaprasad Agarwal
Mother	Babita Bansal	Late Kalavatidevi Agarwal	Late Shantidevi Bansal	Late Kladevi J Singhal	Sunitadevi Niranjan Agarwal
Spouse	Ankita Bansal	Sunitadevi Niranjan Agarwal	Babita Bansal	Rakesh Kumar Bansal	Sajal Rakesh Bansal
Brother(s)	Rhythm Rakesh Bansal	Santoshkumar Dwarkaprasad Agarwal	Jaybhagwan Bansal	Mukesh Kumar	Aditya Niranjanlal Agarwal
		Nareshkumar Dwarkaprasad Agarwal	Shree Kishan Bansal	Manojkumar Jagdishkumar Singhal	
Sister(s)	-	-	Andra Jindal	-	-
			Geeta Devi		
Son(s)	Hridhaan Bansal	Aditya Niranjanlal Agarwal	Sajal Rakesh Bansal	Sajal Rakesh Bansal	Hridhaan Bansal
			Rhythm Rakesh Bansal	Rhythm Rakesh Bansal	
Daughter(s)	-	Ankita Sajal Bansal	-	-	-
Father-in-Law	Niranjan Dwarkaprasad Agarwal	Late Raghunathprasad Kamaram Nathani	Late Jagdishprasad Mangalsai Singhal	Late Jugal Kishor Bansal	Rakesh Kumar Bansal
Mother-in-Law	Sunitadevi Niranjan Agarwal	Late Tarbini Devi Nathani	Late Kladevi J Singhal	Late Shantidevi Bansal	Babita Bansal

Relationship with Promoter	Mr. Sajal Rakesh Bansal	Mr. Niranjan Dwarkaprasad Agarwal	Mr. Rakesh Kumar Bansal	Mrs. Babita Bansal	Mrs. Ankita Bansal
Brother-in-Law	Aditya Niranjallal Agarwal	-	Mukesh Kumar	Jaybhagwan Bansal	Rhythm Rakesh Bansal
			Manojkumar Jagdishkumar Singhal	Shree Kishan Bansal	
Sister-in-Law	-	-	-	Andra Jindal	-
				Geeta Devi	

**b. Companies related to our Promoter Company: Not Applicable as our Promoters is not Company.**

Nature of Relationship	Name of Entities
Subsidiary or holding company of Promoter Company.	Not Applicable
Any Body corporate in which promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the promoter (Body Corporate).	Not Applicable

**c. Companies, Proprietary concerns, HUF's related to our Promoters**

Nature of Relationship	Name of Entities
Any Body Corporate in which twenty percent or more of the equity share capital is held by promoters or an immediate relative of the promoters or a firm or HUF in which promoters or any one or more of his immediate relatives are a member.	<ol style="list-style-type: none"> <li>1. Kalahridhaan Trendz Limited</li> <li>2. Shri Laxminarayan Weaving Private Limited</li> <li>3. Kalsun Investment Consultancy Private Limited</li> <li>4. D K Agarwal Buildcon Private Limited</li> <li>5. Odles E-Commerce Private Limited</li> <li>6. Aadi Texworld Private Limited</li> <li>7. RSB Enterprise Private Limited</li> <li>8. Noiatty Dealers Private Limited</li> <li>9. White Gate Infrastructure LLP</li> <li>10. Shri Goverdhan Minerals LLP</li> <li>11. KPG Enterprise Recyclers LLP</li> <li>12. Sajal Rakesh Bansal HUF</li> <li>13. Niranjan Dwarkaprasad HUF</li> <li>14. Shree Kishan Bansal (HUF)</li> </ol>
Any Body corporate in which Body Corporate as provided above holds twenty percent or more of the equity share capital.	<ol style="list-style-type: none"> <li>1. RSK Industries Private Limited</li> </ol>
Any Hindu Undivided Family or Firm in which the aggregate shareholding of the promoters and their immediate relatives is equal to or more than twenty percent.	<ol style="list-style-type: none"> <li>1. Manish Garments</li> <li>2. Dwarkesh Bhawan</li> <li>3. Aditya Exim</li> <li>4. Aditya Corporation</li> <li>5. Panghat Plastic Containers</li> <li>6. Hind Pipes and Containers</li> <li>7. Dwarkesh Corporation</li> <li>8. SKB Alloys</li> </ol>

**d. Person whose shareholding is aggregated under the heading "Shareholding of the Promoters Group"**

NAME OF ENTITIES / PERSON
NIL

For further details on our Group Companies refer Chapter titled ***"Information with respect to Group Companies/Entities"*** beginning on page no. **Error! Bookmark not defined.** of this Draft Prospectus.

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## **SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY**

For details of the shareholding of our Promoters and members of our Promoter Group as on the date of this Draft Prospectus and lock-in of Promoters' shareholding (including Promoters' contribution), refer Chapter titled "*Capital Structure*" beginning on page no. 54 of this Draft Prospectus.

## INFORMATION WITH RESPECT TO GROUP COMPANIES / ENTITIES

The definition of “Group Companies” pursuant to the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, to include companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards and also other companies as are considered material by the Board.

Pursuant to a Board resolution dated June 28, 2024 our Board has identified companies with which there were related party transactions, during the period for which financial information is disclosed to identify other companies which are considered material to be identified as group companies, pursuant to which the following entities are identified as Group Companies of our Company:

1. Kalahridhaan Trendz Limited
2. RSK Industries Private Limited

Except as stated above, there are no companies falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group companies.

As per sub clause A of Clause 13 of Schedule VI of SEBI (ICDR) Regulations, 2018, we are providing the financial information of our group companies.

### 1. Kalahridhaan Trendz Limited (“KTL”)

#### ***Brief Corporate Information***

Kalahridhaan Trendz Limited was incorporated on May 27, 2016 under the Companies Act, 2013 pursuant to fresh certificate of incorporation issued by Registrar of Companies, Central Registration Centre. Subsequently, the Company was converted into a public limited Company and consequently the name of the Company was changed to “Kalahridhaan Trendz Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated November 27, 2017. Further the Company got listed on SME platform of National Stock Exchange of India Limited (NSE Emerge) on February 23, 2024. The CIN of KTL is L17299GJ2016PLC092224. The Registered office of KTL is situated at 57 Ashra Industrial Estate B/H Mahalaxmi Fabrics Near Narol Cross Road, Ahmedabad -382405, Gujarat, India.

#### ***Current Nature of Activities / Business Activities***

KTL is currently engaged in the business of manufacturing and trading of fabric with embroidery works, trading of grey cloths, purchase of grey cloth and printing and dyeing for preparing suiting, shirting and dress materials for sale in the B2B market only.

#### ***Board of Directors***

As on date of this Draft Prospectus, the following are the Directors of KTL:

Sr. No.	Name	Designation	DIN
1.	Aditya Niranjn Lal Agarwal	Whole-time director	07511136
2.	Niranjn Dwarkaprasad Agarwal	Managing Director	00413530
3.	Sunitadevi Agarwal	Director	02635438
4.	Drashti Laxmikant Solanki	Director	10136197
5.	Ankitkumar Surendrakumar Agrawal	Director	10118085
6.	Bharatkumar Dipakbhai Chaudhary	Director	08638911

#### ***Capital Structure***

As on the date of this Draft Prospectus, the authorised share capital of KTL is ₹ 18,00,00,000 divided into 18000000 Equity Shares of ₹ 10/- each. The issued, subscribed and paid-up Equity share capital of KTL is ₹ 17,18,70,000 divided into 17187000 Equity Shares of ₹ 10/- each.

#### ***Financial Information***

The brief financial details of KTL derived from its audited financial statements for Fiscals 2023, 2022 and 2021 are set forth below:

(₹ in lakhs Except Value per Shares)

Particulars	For the Financial Year Ended on		
	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	609.45	609.45	609.45
Other Equity	1202.78	536.77	290.56
Net worth	1812.23	1146.22	900.01
Total Revenue (including other income)	18417.01	18390.46	13235.91
Profit / (Loss) after tax	666.01	246.20	110.54
Earnings per Share (face value of ₹ 10/- each)	10.93	4.04	1.81
Diluted Earnings per Share (face value of ₹ 10/- each)	10.93	4.04	1.81
Net Asset value per share (₹)	29.74	18.81	14.77

### Shareholding Pattern

The shareholding pattern of KTL as on the date of this Draft Prospectus is mentioned below:

Sr. No.	Shareholder's Name	No. of Equity Shares	Percentage (%)
1	Niranjan Dwarkaprasad Agarwal	6866129	39.95
2	Sunita Niranjan Agarwal	2414034	14.05
3	Aditya Niranjanlal Agarwal	2447898	14.24
4	<b>Public</b>	5458939	31.76
	<b>TOTAL</b>	<b>17187000</b>	<b>100.00</b>

The face value of Equity Shares is ₹10/- each

### Nature and extent of interest of our Promoter

Our promoters hold 39.95% Equity Shares in KTL. Further, our promoter namely Nirbhaynarayan Singh also hold directorship in KTL.

## 2. RSK Industries Private Limited (“RSK”)

### Brief Corporate Information

RSK Industries Private Limited was incorporated on April 5, 2010 under the Companies Act, 1956 pursuant to fresh certificate of incorporation issued by Assistant Registrar of Companies, Gujarat Dadra and Nagar Havelli. The CIN of RSK is U27100GJ2010PTC060158. The registered office of RSK is situated at B-102,LEELA EFCEE, Opp. Rocks N Logs, Waghawadi Road, Bhavnagar - 364002, Gujarat, India.

### Current Nature of Activities / Business Activities

RSK is currently engaged in the business of manufacturing, producing, exporting, importing, dealing in and trading in all kinds, types, nature and description of iron and steel, ferrous and non ferrous metals including bars, angles, sheets, plates, coils, pipes, strips, wires, ropes, powder, ignots, billets, moulds and castings, both made of ferrous and non ferrous metals and business of rolling and rerolling mills and furnace.

### Board of Directors

As on date of this Draft Prospectus, the following are the Directors of RSK:

Sr. No.	Name	Designation	DIN
1.	Rakesh Kumar Bansal	Managing Director	02201982
2.	Sajal Rakesh Bansal	Director	02259352
3.	Babita Bansal	Director	02992427
4.	Rhythm Rakesh Bansal	Director	07376629

### Capital Structure

As on the date of this Draft Prospectus, the authorised share capital of RSK is ₹ 4,00,00,000 divided into 4000000 Equity Shares of ₹ 10/- each. The issued, subscribed and paid-up Equity share capital of RSK is ₹ 3,75,00,000 divided into 3750000 Equity Shares of ₹ 10/- each.

### Financial Information

The brief financial details of RSK derived from its audited financial statements for Fiscals 2023, 2022 and 2021 are set forth below:

(₹ in lakhs Except Value per Shares)

Particulars	For the Financial Year Ended on		
	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	375.00	375.00	375.00
Other Equity	1291.41	1196.20	855.06
Net worth	1666.41	1571.20	1230.06
Total Revenue (including other income)	7781.11	7418.56	5106.12
Profit / (Loss) after tax	95.22	341.14	328.08
Earnings per Share (face value of ₹ 10/- each)	2.54	9.10	8.75
Diluted Earnings per Share (face value of ₹ 10/- each)	2.54	9.10	8.75
Net Asset value per share (₹)	44.44	41.90	32.80

### Shareholding Pattern

The shareholding pattern of RSK as on the date of this Draft Prospectus is mentioned below:

Sr. No.	Shareholder's Name	No. of Equity Shares held	Percentage (%)
1	Rakesh Kumar Bansal	492400	13.13
2	Babita Bansal	100000	2.67
3	Rhythm Bansal	33800	0.90
4	RSB Enterprise Private Limited	3090000	82.40
5	Sajal Bansal	33800	0.90
	<b>TOTAL</b>	<b>375000</b>	<b>100.00</b>

### Nature and extent of interest of our Promoter

Our promoters hold 16.70% Equity Shares in RSK. Further, our promoter namely Rakesh Kumar Bansal, Babita Bansal and Sajal Bansal also hold directorship in RSK.

### OTHER ENTITIES

1. KPG Enterprise Recyclers LLP
2. Manish Garments
3. Aditya Exim

#### 1. KPG Enterprise Recyclers LLP ("KPG")

##### Brief Corporate Information

KPG Enterprise Recyclers LLP is an LLP which was registered on March 11, 2019, through conversion of firm into LLP vide the certificate of registration on conversion of KPG Enterprise to KPG Enterprise Recyclers LLP issued by Central Registration Centre, under the provisions of the Limited Liability Partnership Act, 2008. Presently, registered office of KPG is situated at B-102, LEELA EFCEE, Beside Aksharwadi Temple, Waghawadi Road, Bhavnagar -364002, Gujarat, India. The Limited Liability Partnership Identification number of KPG is AAO-4909.

### **Current Nature of Activities / Business Activities**

KPG is currently engaged in the business of ship breaking and ship recycling, purchasing various types of old ships for scrap, scrapping them and selling the scrap and components thereof and importing, exporting vessels machinery, other machinery, spare parts, accessories and trading activity in iron & steel and any other business related to it.

### **Designated Partners**

Sr. No	Name	Designations	DIN
1.	Rakesh Kumar Bansal	Designated Partner	02201982
2.	Sajal Rakesh Bansal	Designated Partner	02259352
3.	Babita Bansal	Designated Partner	02992427
4.	Rhythm Rakesh Bansal	Designated Partner	07376629

### **Partners Contribution**

Sr. No	Name	Partners Contribution	% of Contribution
1.	Rakesh Kumar Bansal	52,000	26.00
2.	Sajal Rakesh Bansal	46,000	23.00
3.	Babita Bansal	52,000	26.00
4.	Rhythm Rakesh Bansal	46,000	23.00
5.	RSK Industries Private Limited	4,000	2.00
<b>Total</b>		<b>2,00,000</b>	<b>100.00</b>

### **Financial Information**

The brief financial details of KPG derived from its audited financial statements for Fiscals 2023, 2022 and 2021 are set forth below:

Particulars	For the Financial Year Ended on		
	March 31, 2023	March 31, 2022	March 31, 2021
Capital	2493.85	2035.89	1.00
Total Sales (including other income)	5412.97	9881.80	11392.70
Profit / (Loss) after tax	32.52	323.14	534.13

### **Nature and extent of interest of our Promoter**

Our Promoters Mr. Sajal Rakesh Bansal holds 23.00 %, Mr. Rakesh Kumar Bansal holds 26.00 % and Mrs. Babita Bansal holds 26.00% interest in KPG. Further, our promoter namely Rakesh Kumar Bansal, Babita Bansal and Sajal Bansal are also designated partner in KPG.

## **2. Manish Garments (“MG”)**

### **Brief Corporate Information**

Manish Garments is a partnership firm constituted vide partnership deed executed on July 15, 2006 under the Partnership Act, 1932. The registered office of MG is situated at 8, Shreeji Warehouse, Nr. Asopalav Hotel, Narol Sarkhej Highway Road, Narol, Ahmedabad – 382405, Gujarat, India.

### **Current Nature of Activities / Business Activities**

MG is currently engaged in the business of manufacturing and trading of cloth business, stitching and embroidery business of all types of cloth and garments, trading of colour and chemicals and export and import of colour chemicals, cloth and garments and commission agents.

### **Partners**

Sr. No	Name	Designations
1.	Niranjan Dwarkaprasad Agarwal	Partner
2.	Aditya Niranjan Agarwal	Partner
3.	Sunitadevi Niranjan Agarwal	Partner

4.	Yash Naresh Agarwal	Partner
5.	Hitesh Punamji Prajapati	Partner
6.	Maheshkumar Nathmal Sharma	Partner
7.	Rishik Rajesh Agarwal	Partner

#### Partners Contribution

Sr. No	Name	Partners Contribution	% of Contribution
1.	Niranjan Dwarkaprasad Agarwal	2,15,000	43.00
2.	Aditya Niranjan Agarwal	2,55,000	51.00
3.	Sunitadevi Niranjan Agarwal	28,000	5.6
4.	Yash Naresh Agarwal	500	0.1
5.	Hitesh Punamji Prajapati	500	0.1
6.	Maheshkumar Nathmal Sharma	500	0.1
7.	Rishik Rajesh Agarwal	500	0.1
<b>Total</b>		<b>5,00,000</b>	<b>100.00</b>

#### Financial Information

The brief financial details of MG derived from its audited financial statements for Fiscals 2023, 2022 and 2021 are set forth below:

Particulars	For the Financial Year Ended on		
	March 31, 2023	March 31, 2022	March 31, 2021
Capital	1918.01	1162.44	829.52
Total Sales (including other income)	9345.54	5451.05	5001.58
Profit / (Loss) after tax	257.69	115.49	55.88

#### Nature and extent of interest of our Promoter

Our Promoters Mr. Niranjan Dwarkaprasad Agarwal holds 43.00% in MG.

### 3. Aditya Exim (“AE”)

#### Brief Corporate Information

Aditya Exim is a proprietorship firm of Mr. Aditya Niranjan Agarwal. The principal place of business of AE is situated at 47, Ashra Industrial Estate and Warehouse, Nr. Hotel Inter, B/h. Mahalaxmi Fabrics, Narol, Ahmedabad – 382405, Gujarat.

#### Current Nature of Activities / Business Activities

AE is currently engaged in the business of processing of grey fabrics i.e. dying and printing on job work basis as well as trading of the said goods.

#### Financial Information

The brief financial details of AE derived from its audited financial statements for Fiscals 2023, 2022 and 2021 are set forth below:

Particulars	For the Financial Year Ended on		
	March 31, 2023	March 31, 2022	March 31, 2021
Capital	435.60	372.03	376.84
Total Sales (including other income)	3841.49	2590.93	2293.15
Profit / (Loss) after tax	63.57	91.12	2330.52

#### Nature and extent of interest of our Promoter

Since it is proprietorship firm of Aditya Niranjan Agarwal, none of our promoter hold interest in AE.

Financial details of our group companies are available on website of our company under investor tab. Website of our Company is [www.thekatex.com](http://www.thekatex.com)

## **PENDING LITIGATIONS**

The details of Outstanding Litigation against our Company and Group Companies, please refer to Chapter titled “*Outstanding Litigations and Material Developments*” on the Page no. 185 of this Draft Prospectus.

## **GENERAL DISCLOSURE**

- Except otherwise mentioned herein above, none of our Group Companies of which Securities are listed on any stock exchange has made any public and/or rights issue of securities to the public in the preceding three years.
- None of the above-mentioned Group Companies is in defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies/Entities.
- Our Group Company has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.
- Our Group Company has not been identified as a Willful Defaulter or Fraudulent Borrower.

## **COMMON PURSUITS**

Our Group company namely Kalahridhaan Trendz Limited is not engaged in the similar line of business as that of our company. Although the main object does not restrict it to enter into our same line of business. As a result, conflict of interest may arise in allocating business opportunities amongst our company and in circumstances where our respective interest diverges. Further, our Company has not entered into separate non-compete agreement in order to avoid the conflict of interest envisaged with our group company.

## **BUSINESS INTERESTS AMONGST OUR COMPANY AND GROUP COMPANIES/ENTITIES /ASSOCIATE COMPANIES**

### **Existing**

Except as mentioned under “*Annexure titled Related Party & Transactions*” under Chapter titled “*Restated Financial Information*” beginning on page 168 of the Draft Prospectus, there is no business interest among Group Companies.

## **RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP COMPANY/ENTITY AND ITS SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY**

For details, please refer Chapter titled “*Restated Financial Information*” beginning on page 168 of the Draft Prospectus, there is no business interest among Group Companies.

## **CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS**

Except as mentioned under the paragraph Changes in Significant Accounting Policies, under Chapter titled “*Restated Financial Information*” on page 168 of this Draft Prospectus, there have been no changes in the accounting policies in the last three years.

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### **OUR SUBSIDIARY**

Our Company does not have any subsidiary as on the date of this Draft Prospectus.

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## DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on few number of factors, including but not limited, net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings and applicable taxes by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. As on the date of this Draft Prospectus, our Company does not have a formal dividend policy.

Upon the listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

Our Company has not declared any dividends during the last three financial years. Further, our Company has not declared any dividend in the current fiscal. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in future. For details in relation to the risk involved, please refer section titled “*Risk Factors*” beginning on Page No. 24 of this Draft Prospectus.

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**SECTION IX – FINANCIAL STATEMENTS**  
**RESTATED FINANCIAL INFORMATION**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page Nos.</b>
1	Restated Financial Information	FS 1 to FS 37

## **INDEPENDENT AUDITOR'S REPORT ON RESTATED FINANCIAL INFORMATION**

**To,  
The Board of Directors,  
KATEX EXIM LIMITED  
55, Ashra Industrial Estate  
Near Narol Cross Road  
Ahmedabad Gujarat-382405**

Dear Sirs,

1. We have examined the attached Restated Financial Statements of Katex Exim Limited (hereinafter referred to as “the Company”), comprising, the Restated Statement of Assets and Liabilities as at December 31, 2023, March 31, 2023, 2022 and 2021 the Restated Statements of Profit and Loss and the Restated Cash Flow Statement for the years ended at December 31, 2023, March 31, 2023, 2022 and 2021, the Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the “Restated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on 28/06/2024, for the purpose of inclusion in the Draft Prospectus/ Prospectus (“Draft Prospectus/Prospectus”) prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares (“SME IPO”) prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”);
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
2. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Prospectus/Prospectus to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Ahmedabad in connection with the proposed SME IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Annexure IV of the Restated Financial Information. The Board of Directors responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Companies Act, (ICDR) Regulations and the Guidance Note.

3. We, M/S PIYUSH KOTHARI & ASSOCIATES, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and holds the peer review certificate dated 13.08.2021 valid till 31/08/2025.
4. We have examined such Restated Financial Information taking into consideration:
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 24/06/2024 in connection with the proposed IPO of the Company;
  - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
5. These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the Group for the year ended, December 31, 2023, March 31, 2023, 2022 and 2021 which has been approved by the Board of Directors.
6. For the purpose of our examination, we have relied on:
  - a) Auditor’s report issued by Company’s previous auditors, M/s. A. S. GUPTA & ASSOCIATES, Chartered Accountants dated September 10, 2021, September 01, 2022 and July 01,2023 on the financial statements of the Company for F.Y. 2020-21, 2021-22 and 2022-23 respectively and accordingly reliance has been placed on financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them. However we have re-audited financial statements of the Company for F.Y. 2022-23 and issued audit report dated April 29, 2024 under requirements of Companies Act, (ICDR) Regulations.
7. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the audit report submitted by the Previous Auditors for the respective year, we report that the Restated Financial Information have been made after incorporating:
  - a) Adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the period ended March 31,2023;
  - b) Adjustments for prior period and other material amounts in the respective financial years to which they relate.
  - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments;

- d) There are no audit qualifications in the Audit Reports issued by the Statutory Auditors for the financial year ended on March 31, 2023, March 31, 2022 and March 31, 2021 which would require adjustments in this Restated Financial Statements of the Company.
  - e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV to this report.
  - f) There are no revaluation reserves, which needed to be disclosed separately in the Restated Financial Statements in the respective financial years.
8. We have also examined the following Notes to the Restated financial information of the Company set out in the Annexure V, prepared by the management and approved by the Board of Directors for the year ended on March 31, 2023, March 31, 2022 and March 31, 2021

**Annexure V - Notes to the Restated Financial Information:**

- a) Restated Statement of Share Capital, as appearing in Note I.1 to this report;
- b) Restated Statement of Reserves & Surplus, as appearing in Note I.2 to this report;
- c) Restated Statement of Long Term Borrowings as appearing in Note I.3 to this report;
- d) Restated Statement of Deferred Tax (Assets) / Liabilities as appearing in Note I.5 to this report;
- e) Restated Statement of Short term borrowings as appearing in Note I.7 to this report;
- f) Restated Statement of Trade Payables as appearing in Note I.8 to this report;
- g) Restated Statement of Other Current Liabilities as appearing in Note I.9 to this report;
- h) Restated Statement of Short Term Provisions as appearing in Note I.10 to this report;
- i) Restated Statement of Property, Plant & Equipment and Intangible Assets as appearing in Note I.11 to this report;
- j) Restated Statement of Preliminary Expenses as appearing in Note I.12 to this report;
- k) Restated Statement of Inventories as appearing in Note I.15 to this report;
- l) Restated Statement of Trade Receivables as appearing in Note I.16 to this report;
- m) Restated Statement of Cash and Cash Equivalents as appearing in Note I.17 to this report;
- n) Restated Statement of Short term Loans and Advances as restated as appearing in Note I.18 to this report;
- o) Restated Statement of Other Current Assets as appearing in Note I.19 to this report;
- p) Restated Statement of Revenue from Operations as appearing in Note II.1 to this report;
- q) Restated Statement of Other Income as appearing in Note II.2 to this report;
- r) Restated Statement of Cost of Material Consumed as appearing in Note II.3 to this report;
- s) Restated Statement of Change in Inventories as appearing in Note II.4 to this report;
- t) Restated Statement of Employee Benefit Expenses as appearing in Note II.5 to this report;
- u) Restated Statement of Finance Cost as appearing in Note II.6 to this report;
- v) Restated Statement of Depreciation and amortisation expense as appearing in Note I.11 to this report;
- w) Restated Statement of Other Expenses as appearing in Note II.7 to this report;
- x) Restated Statement of Tax Shelter as appearing in Note VIII to this report ;
- y) Restated Statement of Mandatory Accounting Ratios as appearing in Note VI to this report;
- z) Ratio Analysis as appearing in note VI to this report.
- aa) Restated Statement of Related Party Transactions as appearing in Note V.19 to this report ;
- bb) Capitalization Statement as appearing in Note VII to this report;

9. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. In our opinion, the above financial information contained in Annexure I to III of this report read with the respective Significant Accounting Policies and Notes to Restated Financial Statements as set out in Annexure IV AND V are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, SEBI ICDR Regulations and Guidance Note.
12. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For M/S PIYUSH KOTHARI & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.: 140711W**

Sd/-

**CA Piyush Kothari**  
**Partner**  
**Membership No. 158407**  
**Place: Ahmedabad**  
**Date: June 28, 2024**  
**UDIN: 24158407BKBIIY6967**

## STATEMENT OF ASSETS &amp; LIABILITIES, AS RESTATED

(₹ in Lakhs)

	Particulars	Note	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>I</b>	<b>EQUITY AND LIABILITIES</b>					
	1. Shareholders' funds					
	(a) Share Capital	I.1	950.00	900.00	900.00	900.00
	(b) Reserves and surplus	I.2	1,636.68	691.40	320.41	118.03
	<b>Sub Total Shareholders Funds (A)</b>		<b>2,586.68</b>	<b>1,591.40</b>	<b>1,220.41</b>	<b>1,018.03</b>
	2. Non-current liabilities					
	(a) Long-term borrowings	I.3	889.27	856.58	653.38	161.69
	(b) Other Non-current Liabilities	I.4	-	-	-	-
	(c) Deferred Tax liability	I.5	13.04	8.93	6.35	3.27
	(d) Long-term provisions	I.6	-	-	-	-
	<b>Sub Total Non Current Liabilities (B)</b>		<b>902.31</b>	<b>865.51</b>	<b>659.73</b>	<b>164.97</b>
	3. Current liabilities					
	(a) Short-term borrowings	I.7	4,434.50	4,677.84	4,689.48	2,705.99
	(b) Trade payables	I.8				
	i) Due to MSME		-	-	-	-
	ii) Due to Others		406.74	745.90	452.41	637.20
	(c) Other current liabilities	I.9	206.05	303.94	303.98	501.56
	(d) Short-term provisions	I.10	422.99	221.31	126.56	46.99
	<b>Sub Total Current Liabilities (C)</b>		<b>5,470.28</b>	<b>5,949.00</b>	<b>5,572.43</b>	<b>3,891.75</b>
	<b>TOTAL (A+B+C)</b>		<b>8,959.27</b>	<b>8,405.90</b>	<b>7,452.57</b>	<b>5,074.75</b>
<b>II.</b>	<b>ASSETS</b>					
	<b>1. Non-current assets</b>					
	(a) Property, Plant and Equipment and Intangible assets					
	(i) Property, Plant and Equipment	I.11	321.92	254.36	251.74	134.22
	(ii) Capital work-in-progress		-	-	-	-
	(b) Preliminary Expenses	I.12	1.92	4.00	6.77	9.30
	(c) Long-term loans and advances	I.13	-	-	-	-
	(d) Deferred Tax Assets	I.5	-	-	-	-
	(e) Non Current Assets	I.14	-	-	-	-
	<b>Total Non Current Assets (A)</b>		<b>323.84</b>	<b>258.36</b>	<b>258.50</b>	<b>143.52</b>
	<b>2. Current assets</b>					
	(a) Inventories	I.15	4,437.06	2,378.83	1,298.13	1,935.27
	(b) Trade receivables	I.16	3,218.62	3,536.78	2,169.53	2,261.07
	(c) Cash and Bank Balances	I.17	223.19	477.97	462.25	9.10
	(d) Short-term loans and advances	I.18	295.31	1,163.88	2,790.63	78.72
	(e) Other Current Assets	I.19	461.24	590.08	473.53	647.06
	<b>Total Current Assets (B)</b>		<b>8,635.42</b>	<b>8,147.54</b>	<b>7,194.06</b>	<b>4,931.22</b>
	<b>TOTAL (A+B)</b>		<b>8,959.27</b>	<b>8,405.90</b>	<b>7,452.57</b>	<b>5,074.75</b>

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

As per our report of even date attached  
**M/S PIYUSH KOTHARI & ASSOCIATES**  
Chartered Accountants  
Firm's Registration No: 140711W

For and on behalf of the Board of Directors  
**KATEX EXIM LIMITED**  
CIN: U17309GJ2017PLC100133

Sd/-  
**PIYUSH KOTHARI**  
Partner  
M No.158407  
UDIN:24158407BKBHYY6967

Sd/-  
**Niranjan Agarwal**  
Director  
DIN: 00413530

Sd/-  
**Sajal Bansal**  
Managing Director & CFO  
DIN: 02259352

Sd/-  
**Shivani Mittal**  
CS  
EISPM8004A

Place: Ahmedabad  
Date : 28.06.2024

FS - 5

Place: Ahmedabad  
Date : 28.06.2024

Place: Ahmedabad  
Date : 28.06.2024

Place: Ahmedabad  
Date : 28.06.2024

**KATEX EXIM LIMITED**  
**ANNEXURE - II**  
**STATEMENT OF PROFIT & LOSS, AS RESTATED**

(₹ in Lakhs)

	Particulars	Note	For the Period / Year Ended On			
			December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
I	Revenue from operations	II.1	13,615.66	12,096.41	14,102.87	9,335.78
II	Other Income	II.2	111.53	217.31	187.44	107.94
III	<b>Total Income (I+II)</b>		<b>13,727.19</b>	<b>12,313.72</b>	<b>14,290.31</b>	<b>9,443.72</b>
	<b>Expenses:</b>					
	(a) Cost of materials consumed	II.3	10,012.82	8,400.98	9,850.04	6,281.91
	(b) Changes in inventories of finished goods and work-in- progress	II.4	(2,501.98)	(677.57)	42.03	352.19
	(c) Purchases of stock-in-trade		-	-	-	-
	(d) Employee benefits expense	II.5	148.22	171.67	94.30	65.70
	(e) Finance costs	II.6	570.41	461.20	244.41	114.96
	(f) Depreciation and amortisation expense		16.94	18.49	12.74	8.41
	(g) Other expenses	II.7	4,404.02	3,426.11	3,762.70	2,499.91
IV	<b>Total expenses</b>		<b>12,650.43</b>	<b>11,800.89</b>	<b>14,006.21</b>	<b>9,323.07</b>
V	<b>Profit /(Loss) before tax and Exceptional Items (III-IV)</b>		<b>1,076.75</b>	<b>512.83</b>	<b>284.10</b>	<b>120.65</b>
VI	<b>Exceptional Items</b>	II.8	-	-	-	-
VII	<b>Profit/(Loss) before tax (V-VI)</b>		<b>1,076.75</b>	<b>512.83</b>	<b>284.10</b>	<b>120.65</b>
VIII	<b>Tax expense:</b>					
	(a) Current tax expense		277.35	139.27	78.65	32.71
	Less: MAT credit setoff		-	-	-	-
	(b) Short/(Excess) provision of tax for earlier years		-	-	-	-
	(c) Deferred tax charge/(credit)		4.11	2.57	3.08	2.10
	(d) (Less): MAT Credit Entitlement					-
			<b>281.46</b>	<b>141.84</b>	<b>81.73</b>	<b>34.81</b>
IX	<b>Profit after tax for the year (VII-VIII)</b>		<b>795.29</b>	<b>370.99</b>	<b>202.37</b>	<b>85.83</b>
XII	<b>Earnings per share (face value of ₹ 10/- each):</b>	II.9				
	(a) Basic (in ₹)		4.65	2.23	1.22	0.74
	(b) Diluted (in ₹)		4.65	2.23	1.22	0.74

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

As per our report of even date attached

M/S PIYUSH KOTHARI & ASSOCIATES  
Chartered Accountants  
Firm's Registration No: 140711W

For and on behalf of the Board of Directors  
KATEX EXIM LIMITED  
CIN: U17309GJ2017PLC100133

Sd/-  
PIYUSH KOTHARI  
Partner  
M No.158407  
UDIN:24158407BKBHIIY6967

Sd/-  
Sajal Bansal  
Managing Director & CFO  
DIN: 02259352

Sd/-  
Niranjan Agarwal  
Director  
DIN: 00413530

Sd/-  
Shivani Mittal  
CS  
EISPM8004A

Place: Ahmedabad  
Date : 28.06.2024

**KATEX EXIM LIMITED**  
**ANNEXURE - III**  
**STATEMENT OF CASH FLOW, AS RESTATED**

(₹ in Lakhs)

Particulars	For the Period / Year Ended On			
	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before Extraordinary items	1,076.75	512.83	284.10	120.65
Adjustment For:				
(a) Depreciation and Amortization	16.94	18.49	12.74	8.41
(b) Finance Charges	570.41	461.20	244.41	114.96
(c) (Gain)/Loss on Sale of Assets	-	-	-	-
(d) Provision for Gratuity	0.62	1.51	1.71	1.12
(e) Interest & Other income	-	-	-	-
(f) Preliminary Expenses written off	2.08	2.77	2.77	2.72
Operating Profit before Working Capital Changes	<b>1,666.81</b>	<b>996.81</b>	<b>545.73</b>	<b>247.86</b>
Adjustment For :				
(a) (Increase)/Decrease in Inventories	(2,058.23)	(1,080.70)	637.14	(537.45)
(b) (Increase)/Decrease in Trade Receivables	318.16	(1,367.25)	91.54	(400.77)
(c) (Increase)/Decrease in Short-Term Loans & Advances	868.57	1,510.19	(2,711.91)	(45.65)
(d) (Increase)/Decrease in Other Assets	128.84	-	173.53	(171.60)
(e) Increase /(Decrease) in Trade Payables	(339.16)	293.49	(184.79)	(1,253.20)
(f) Increase /(Decrease) in Other Current Liabilities	(97.89)	(0.04)	(197.58)	62.20
(g) Increase /(Decrease) in Short Term Provisions	201.05	93.24	77.85	31.35
<b>CASH GENERATED FROM OPERATIONS</b>	<b>688.14</b>	<b>445.75</b>	<b>(1,568.49)</b>	<b>(2,067.26)</b>
Less : Direct Taxes paid (Net of Refund)	(277.35)	(139.27)	(78.65)	(31.35)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	<b>410.79</b>	<b>306.48</b>	<b>(1,647.14)</b>	<b>(2,098.61)</b>
NET CASH FROM OPERATING ACTIVITIES (A)	<b>410.79</b>	<b>306.48</b>	<b>(1,647.14)</b>	<b>(2,098.61)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
(a) Purchase of Fixed Assets	(84.50)	(21.11)	(130.25)	(64.27)
(b) Sale of Fixed Assets	-	-	-	-
(c) (Increase) / Decrease in Investment	-	-	-	-
(d) (Increase) / Decrease in Long term loans and advances	-	-	-	-
(e) (Increase) / Decrease in Non Current Assets	-	-	-	-
(f) (Increase) / Decrease in Non Current Investment	-	-	-	-
(f) (Increase) / Decrease in Preliminary Expenses capitalised	-	-	(0.24)	(5.67)
NET CASH FROM INVESTING ACTIVITIES (B)	<b>(84.50)</b>	<b>(21.11)</b>	<b>(130.49)</b>	<b>(69.94)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
(a) Proceeds From Issuance of Share-Capital	200.00	-	-	749.00
(a) Proceeds From Long Term Borrowing	32.69	203.20	491.69	(148.93)
(c) Increase / ( Decrease ) in Long Term Provisions	-	-	-	-
(d) Transfer of reserves due to demerger	-	-	-	-
(e) Interest Paid	(570.41)	(461.20)	(244.41)	(114.96)
(f) Increase /(Decrease) in Short Term Borrowings	(243.34)	(11.64)	1,983.49	1,610.53
NET CASH FLOW IN FINANCING ACTIVITIES (C)	<b>(581.06)</b>	<b>(269.65)</b>	<b>2,230.77</b>	<b>2,095.64</b>
NET INCREASE IN CASH & CASH EQUIVALENTS (A)+(B)+(C)	(254.77)	15.72	453.15	(72.91)
OPENING BALANCE – CASH & CASH EQUIVALENT	477.98	462.25	9.10	82.01
CLOSING BALANCE - CASH & CASH EQUIVALENT	<b>223.19</b>	<b>477.98</b>	<b>462.25</b>	<b>9.10</b>

As per our Report of even date

**M/S PIYUSH KOTHARI & ASSOCIATES**  
Chartered Accountants  
Firm's Registration No: 140711W

**For and on Behalf of the Board**  
**KATEX EXIM LIMITED**  
CIN: U17309GJ2017PLC100133

Sd/-  
**PIYUSH KOTHARI**  
Partner  
M No.158407  
UDIN:24158407BKBHYY6967

Sd/-  
**Sajal Bansal**  
Managing Director & CFO  
DIN: 02259352

Sd/-  
**Niranjan Agarwal**  
Director  
DIN: 00413530

Sd/-  
**Shivani Mittal**  
CS  
EISPM8004A

FS 7

Place: Ahmedabad  
Date : 28.06.2024

## **1. Corporate Information**

KATEX EXIM LIMITED (formerly known as S.A.N.K. CREATIONS PRIVATE LIMITED) ("the Company") was incorporated on 13/12/2017 as a Limited company domiciled in India. The company is primarily engaged in the business of manufacturing and sale of Bedsheet Sets, Duvet Bedding and Pillow Pairs.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

### **(A) Basis of preparation: -**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared as a going concern on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

### **(B) Use of estimates**

In preparing the Company's financial statements in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

### **(C) Tangible Assets and Depreciation:**

Tangible Assets are stated at cost of acquisition (net of CENVAT, wherever applicable) as reduced by accumulated depreciation. All costs including financial cost till commencement of commercial production are capitalized for qualifying assets.

When Tangible Assets are disposed or retired, their cost is removed from the financial statements. The gain or loss arising on the disposal or retirement is determined as the difference between sales proceeds and the carrying amount of the Asset and is recognized in Statement of Profit and Loss for the relevant financial year.

#### **Depreciation:**

Depreciation is provided on Written Down Aalue Method on the basis of useful life of assets as specified under Schedule II of the Depreciation is not provided on Land.

### **(D) Intangible Assets & Amortization Intangible Assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization. All costs, including financing costs in respect of qualifying assets till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalized.

The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised as income or expenses in the Statement of Profit and Loss in the year or disposal.

#### **Amortization**

Intangible assets are amortised on a straight - line basis over a period of five years. 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 is considered by the management. The amortization period and the amortization method are reviewed at least at each reporting date. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

### **(E) Inventories:**

Inventories are valued at "Lower of cost or net realizable value". Cost in respect of Raw Materials is computed on average actual cost basis. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make sale.

Cost in respect of process and finished goods are computed on weighted average basis method. Finished goods and process stock includes cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition.

**(F) Revenue recognition**

i) Sales of goods are net of trade discounts & return but exclusive of Goods and Service Tax (GST). Revenue is recognised when practically all risk and rights connected with ownership have been transferred to the buyer. This usually occurs upon dispatch, after the price has been determined and collection of the sales proceeds is reasonably certain.

ii) Revenue from maintenance contract services is recognized when the services are due as per the terms of Agreements.

iii) Revenue from Installation Fees is recognized only when the equipment is installed and accepted by the customer.

**iv) Interest Income**

Interest Income is recognized on accrual basis.

**v) Nxport Incentives**

Nxport entitlements under Duty Drawback Scheme are recognized in the

Statement of Profit & Loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made.

**vi) Insurance Claim**

Insurance and other claims are accounted for as and when admitted by the appropriate authority.

**(G) Foreign Currency Transactions /Exchange Fluctuation**

Transactions in foreign currencies are recorded in Indian rupees using the rates of exchange prevailing on the date of the transactions. At each balance sheet date, monetary balances are reported in Indian Rupees at the rates of exchange prevailing at the Balance Sheet date. All realized or unrealized exchange adjustment gains or losses are dealt with in the Statement of Profit and Loss.

Exchange difference is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the report period and the corresponding foreign currency amount translated at the later of the dates of inception of the forward exchange contract and the last reporting date. Such exchange difference rate recognised in the Statement of profit and loss in the reporting period in which the exchange rates.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**(H) Employee Benefits**

Company's contribution to provident funds and Nmployee's State Insurance are charged to profit & Loss Account. The company provides for gratuity as per the actuarial valuation.

**(I) Provision for Current and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provision of the Income Tax Act, 1961.

Deferred Tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or subsequently enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is virtual certainty that the assets will be realized in future.

**(J) Investments**

Long term investments are stated at cost. Provision is made for any diminution in the value of the long-term investments, if such decline is other than temporary. The Company does not have any current investments.

**(K) Borrowing Cost:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets, whenever applicable, till the assets are ready for their intended use. A qualifying asset is one which necessarily takes substantial period to get ready for intended use. All other borrowing costs are charged to revenue accounts. Capitalization of borrowing cost is suspended when active development is interrupted.

**(L) Segment Reporting**

The Company operates only in one segment. Hence segment reporting is not applicable.

**(M) Impairment**

The management periodically assesses, using external and internal sources whether there is an indication that an asset may be impaired. If an asset is impaired, the Company recognizes an impairment loss as the excess of the carrying amount of the asset over the recoverable amount. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amounts.

**(N) Earning per Share**

Basic earnings per share is calculated by dividing net profit after tax for the year attributable to Nquity Shareholders of the company by the weighted average number of Nquity Shares outstanding during the year. For the purpose of calculating Diluted Nquity per share, the net profit or loss for the period attributable to Nquity Shareholders (after adjustment for Diluted earnings) and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential Nquity.

**(O) Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

A disclosure for a contingent liability is made when there is a possible or present obligation that may, but probably will not require an outflow of resources.

Contingent Assets are neither recognized nor disclosed in the financial statements.

**(P) Goods and Service Tax (GST):**

GST credit on materials purchased for production / service availed for production

/ input service are taken into account at the time of purchase and GST credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired.

The GST credits so taken are utilized for payment of duty on goods sold. The unutilized GST credit is carried forward in the books.

(Q) Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles.

(R ) Previous year figures have been regrouped and rearranged to make it comparable with the current year figures. Figures in brackets denotes previous year figures.

**ADDITIONAL NOTES TO RESTATED FINANCIAL INFORMATION****ANNEXURE V.1- Long Term Employee Benefits [AS-15]**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services is entitled to gratuity on terms as per the provisions of the Payment of Gratuity Act, 1972. The scheme is unfunded.

Accounting Standard (AS) – 15 issued by ICAI is Mandatory. The Company has accounted for Long Term employee Benefits based on Actuarial Valuation report.

Particulars	Gratuity			
	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>i) Net employee expense/(benefit).</b>				
Current service cost	1.39	1.89	1.45	0.56
Interest cost on benefit obligation	0.25	0.18	0.07	0.01
Past service cost	-	-	-	-
Net Actuarial (gain)/loss recognized in the year	(1.01)	(0.55)	0.19	0.54
<b>Total employer expenses recognized in the Statement of Profit and Loss</b>	<b>0.62</b>	<b>1.51</b>	<b>1.71</b>	<b>1.12</b>
<b>ii) Benefit Asset/(Liability)</b>				
Defined benefit obligation	5.14	4.51	3.00	1.29
Fair Value of plan assets	-	-	-	-
<b>Benefit Asset/ (liability)</b>	<b>5.14</b>	<b>4.51</b>	<b>3.00</b>	<b>1.29</b>
<b>ii) Benefit Asset/(Liability)</b>				
Current Liability				
Non-Current Liability				
<b>Benefit Asset/ (liability)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>iii) Movement in benefit liability</b>				
Opening defined benefit obligation	4.51	3.00	1.29	0.17
Current service cost	1.39	1.89	1.45	0.56
Interest Cost	0.25	0.18	0.07	0.01
Plan Amendments Cost/(Credit)	-	-	-	-
Benefits paid	-	-	-	-
Actuarial (gains)/losses on obligation	(1.01)	(0.55)	0.19	0.54
<b>Closing benefit obligation</b>	<b>5.14</b>	<b>4.51</b>	<b>3.00</b>	<b>1.29</b>
<b>iv) The principal actuarial assumption are as follows</b>				
Discount rate	7.21%	7.31%	6.09%	5.58%
Salary increase	6.00%	6.00%	6.00%	6.00%
Withdrawal rates	20.00%	20.00%	20.00%	20.00%
Normal age of retirement	58	58	58	58
<b>v) Amounts for the current year and previous period are as follows</b>				
<b>Gratuity</b>				
Defined Benefit Obligation	5.14	4.51	3.00	1.29
Plan Assets	-	-	-	-
Surplus/(Deficit)	5.14	4.51	3.00	1.29

**ANNEXURE V.2- LOAN TAKEOVER**

Previously in FY 2022-2023 company having working capital limit of Rs 2000.00 Lakhs from Karnataka Bank which has been taken over by State bank of India on 28th July 2023 by additional limit of Rs. 1800.00 Lakhs.

**ANNEXURE V.3- Deferred Tax Asset / Liability: [AS-22]**

The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS) - 22.

Particulars	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Opening Net Deferred Tax Liability	8.93	6.35	3.27	1.17
Reversal of Deferred Tax Liability	-	-	-	-
Deferred Taxes (Debited) / Credited to the Statement of Profit & Loss	2.24	2.58	3.08	2.10
<b>Closing Net Deferred Tax Liability</b>	<b>11.17</b>	<b>8.93</b>	<b>6.35</b>	<b>3.27</b>

**ANNEXURE V.4- BASIC AND DILUTED EARNINGS PER SHARE**

Particulars		1st April 23 - 31st Dec 23	2022-2023	2021-2022	2020-2021
Profit after Tax	Rs. In Lakhs	795.29	370.99	202.37	85.83
Equity shares at the end of the year (Post Bonus) of Rs. 10/- each	Nos.	1,70,99,999	1,65,99,999	1,65,99,999	1,65,99,999
Weighted average number of Equity shares	Nos.	1,70,99,999	1,65,99,999	1,65,99,999	1,15,95,396
Basic earnings per share	Rupees	4.65	2.23	1.22	0.74
Diluted Earning per Share	Rupees	4.65	2.23	1.22	0.74

**ANNEXURE V.5- Earning and Expenditure in Foreign currency**

Particulars	Currency	1st April 23 - 31st Dec 2023	2022-2023	2021-2022	2020-2021
Earnings in Foreign Currency*	USD	1,22,90,489.98	1,13,40,917.07	1,45,87,631.13	1,24,18,982.44
Expenditure in Foreign Currency**	USD	1,35,716.09	-	16,800.00	4,292.40
	Euro	-	2,000.00	-	-
	Pound	245.02	113.25	-	-

\* Earning shows in the particular year is the relevant to export sale proceed by the company. \*\* Expenditure in foreign currency shows the full amount, import purchase, Commission expenses paid during the particular year by the company

**ANNEXURE V.6-**

The company has opted for new Income Tax regime u/s 115BAA from the Financial Year 2019 - 20, as it is view of the management that the same is more beneficial to the company. Moreover, management is also having the view that company will not be able to utilize the MAT credit and hence the same has also been written off during the year.

**ANNEXURE V.7- Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments. The Company at present is engaged in the Business of manufacturing and sale of Bedsheet Sets, Duvet Bedding and Pillow Pairs. In view of above, primary and secondary reporting disclosures for business/ geographical segment as envisaged in AS -17 are not applicable to the Company.

**ANNEXURE V.8- Company has not received the declaration from its all vendors regarding their status under Micro, Small and Medium Enterprises**

Medium Enterprises Development Act, 2006 and hence disclosures has been made only for the parties from whome the declaration has been received. In respect of other vendors from whom declaration has not been received disclosure has not been made for those which have not been received disclosure has not been made.

**ANNEXURE V.9 -**

Medium Enterprises Development Act, 2006 and hence disclosures has been made only for the parties from whome the declaration has been received. In respect of other vendors from whom declaration has not been received disclosure has not been made for those which have not been received disclosure has not been made.

**ANNEXURE V.10 -** Party's Balance with respect to the Trade Receivables, Trade & Other Payables, Loans & advances are subject to confirmation/reconciliation. In the opinion of management , the same are receivable/ payable as stated in the books of accounts. Hence, no effect on the profitability due to the same for the year under review.

**ANNEXURE V.11 -** Corporate Social Responsibility (CSR) is not applicable to the Company and hence details not provided.

**ANNEXURE V.12 -** There are no direct personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

**ANNEXURE V.13 -** Previous year's figure have been regrouped/rearranged whenever necessary to conform to the current year's presentation.

**ANNEXURE V.14** There are no pending registration / satisfaction of charges with ROC.

**ADDITIONAL NOTES TO RESTATED FINANCIAL INFORMATION**

**ANNEXURE V.15- Additional regulatory information**

**Details of crypto currency or virtual currency**

The Company has neither traded nor invested in Crypto currency or Virtual Currency during the period ended on December 31, 2023 and for the year ended March 31, 2023, 2022 & 2021.. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

**Compliance with approved scheme of arrangements**

Company is not engaged in any scheme of arrangements.

**Undisclosed income**

During the Periods, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**Relationship with struck off companies**

The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the period ended on December 31, 2023 and for the year ended March 31, 2023, 2022 & 2021.

**Compliance with numbers of layers of companies**

The Company is in compliance with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the period ended on December 31, 2023 and for the year ended March 31, 2023, 2022 & 2021.

**Utilisation of borrowed funds and share premium**

During the year ended on March 31, 2023, 2022 & 2021, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

During the period ended on December 31, 2023 and for the year ended March 31, 2023, 2022 & 2021, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

No proceeding have been initiated nor pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (45 of 1988) and rules made thereunder.

**ANNEXURE V.16- Non-adjustment Items:**

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

**ANNEXURE V.17- Material Adjustments****In Profit and Loss Account****(Rs in Lakhs)**

Particulars	For the FY ended			
	December 31st, 2023	31-03-2023	31-03-2022	31-03-2021
<b>Profit After Tax as per Books of Accounts</b>	796.55	371.95	205.63	<b>88.51</b>
Adjustment for provision of Depreciation	-	-	-	-
Adjustment for provision of Income Tax	1.23	0.55	(1.55)	(1.36)
Adjustment for provision of Deferred Tax	(1.86)	0.01	0.00	(0.20)
Adjustment for provision of Gratuity	(0.62)	(1.51)	(1.71)	(1.12)
<b>Profit After Tax as per Restated</b>	<b>795.29</b>	<b>370.99</b>	<b>202.37</b>	<b>85.83</b>

The impact of the above has been suitably incorporated in the restated balance sheet.

**In Reserves & Surplus****(Rs in Lakhs)**

Particulars	For the FY ended			
	December 31st, 2023	31-03-2023	31-03-2022	31-03-2021
<b>Total Equity as per Books of Accounts</b>	2,595.00	1,598.45	1,226.51	1,020.88
Adjustment in Opening balance	(7.06)	(6.10)	(2.84)	(0.17)
Adjustment in Profit & Loss accounts	(1.26)	(0.96)	(3.26)	(2.68)
<b>Share Holders Funds as per Restated</b>	<b>2,586.68</b>	<b>1,591.40</b>	<b>1,220.41</b>	<b>1,018.03</b>

**ANNEXURE V.18 - Material Regroupings:**

Appropriate regroupings have been made in the Restated Balancesheet, Restated Statement of Profit and Loss and Restated Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per AS. Financial information of the Company for the period ended December 31,2023 prepared in accordance with Schedule III of Companies Act, 2013, requirements of applicable AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2018, as amended.

**Change in classification of Export incentives from Other income to Other Operating Revenues.****(Rs in Lakhs)**

Particulars	For the FY ended			
	December 31st, 2023	31-03-2023	31-03-2022	31-03-2021
Export Incentives	1,023.94	929.22	1,130.19	816.46

## Statement of Related Party &amp; Transactions :

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

Sr. No	Name of the Related Party	Relationship
1	Aditya Exim	Entities in which Key Management Personnel (KMP)/relative of KMP exercise significant influence/ or is trustee
2	Manish Garments	
3	Kalahridhaan Trendz Limited	
4	KPG Enterprise Recyclers LLP	
5	RSK Industries Pvt. Ltd	
1	Niranjan Agarwal	Key Managerial Personnel
2	Aditya Agarwal	Key Managerial Personnel
3	Rakesh Bansal	Relative of KMP
4	Sajal Bansal	Key Managerial Personnel

(₹ in Lakhs)

Transactions during the year:	For the Period / Year Ended on			
	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Sales</b>				
Aditya Exim	0.00	130.98	3.95	0.00
Kalahridhaan Trendz Limited	0.00	0.00	0.00	0.99
KPG Enterprise Recyclers LLP	0.00	105.64	0.00	0.00
RSK Industries Pvt. Ltd	0.00	0.47	0.00	0.00
Manish Garment	11.43	0.00	0.00	0.00
<b>Purchase</b>				
Aditya Exim	0.00	120.84	147.19	48.22
Kalahridhaan Trendz Limited	0.00	137.04	0.00	542.50
Manish Garment	147.17	65.58	0.00	234.75
<b>Rent Expenses</b>				
Kalahridhaan Trendz Limited	0.00	0.00	0.00	0.00
<b>Interest Expense</b>				
KPG Enterprise Recyclers LLP	0.00	0.00	0.00	17.27
Niranjan Agarwal	0.00	0.00	0.00	0.00
Aditya Agarwal	0.00	0.00	0.00	0.00
Rakesh Bansal	0.00	0.00	0.00	0.00
Manish Garments	0.00	0.00	0.00	0.00
RSK Industries Pvt. Ltd	0.00	0.00	5.18	0.00
<b>Remuneration</b>				
Niranjan Agarwal	0.00	12.00	12.00	12.00
Aditya Agarwal	0.00	0.00	0.00	0.00
Rakesh Bansal	0.00	0.00	0.00	0.00
Sajal Bansal	1.20	0.00	0.00	0.00
<b>Loan Taken</b>				
Niranjan Agarwal	36.29	270.25	29.75	0.00
Rakesh Bansal	0.00	0.00	0.00	0.00
Sajal Bansal	0.00	0.00	0.00	0.00
KPG Enterprise Recyclers LLP	0.00	0.00	0.00	0.00
RSK Industries Pvt. Ltd	0.00	0.00	200.00	0.00
<b>Loan Repaid</b>				
Manish Garments	0.00	0.00	0.00	0.00
Niranjan Agarwal	0.00	0.00	0.00	0.00
Rakesh Bansal	0.00	0.00	0.00	0.00
Sajal Bansal	0.00	0.00	0.00	0.00
KPG Enterprise Recyclers LLP	0.00	0.00	0.00	327.90
RSK Industries Pvt. Ltd	0.00	0.00	200.00	0.00

Outstanding Balance (Receivables)/Payable	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Loan</b>				
Niranjan Agarwal	336.29	300.00	29.75	-
Rakesh Bansal	-	-	-	-
Sajal Bansal	-	-	-	-
KPG Enterprise Recyclers LLP	-	-	-	-
RSK Industries Pvt. Ltd	-	-	-	-
<b>Remuneration Payable</b>				
Niranjan Agarwal	-	-	-	-
Aditya Agarwal	-	-	-	-
Rakesh Bansal	-	-	-	-
<b>Trade Receivable</b>				
Aditya Exim	-	-	-	-
Kalahridhaan Trendz Limited	-	-	-	-
KPG Enterprise Recyclers LLP	-	-	-	-
RSK Industries Pvt. Ltd	-	-	-	-
<b>Trade Payable</b>				
Aditya Exim	-	-	0.71	-
Kalahridhaan Trendz Limited	-	-	-	-
Manish Garment	-	-	-	-

#### ANNEXURE –V.20

##### Statement of Dividends

No Dividend Paid in last three years.

#### ANNEXURE –V.21

##### Changes in the Significant Accounting Policies

There have been no changes in the accounting policies of the company for the period disclosed in the restated financial statement.

#### ANNEXURE –V.22

##### Contingent Liabilities:

The list of books of accounts maintained is based on information provided by the assessee and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.

a.Claims against the Company (including unasserted claims) not acknowledged as debt:

Particulars	As at December 31st, 2023	As at March 31, 2023	(₹ in Lakhs)	
			As at March 31, 2022	As at March 31, 2021
Related to Direct Tax Matters	4.38	1.18	1.16	0.23
TDS 2023-2024	3.20	-	-	-
TDS 2022-2023	0.02	0.02	-	-
TDS 2021-2022	0.93	0.93	0.93	-
TDS 2020-2021	0.23	0.23	0.23	0.23
Related to Indirect Tax Matters	-	-	-	-

Note: In April 2024, Katex Exim Ltd has provided Corporate guarantee to SBI for CC facility of Kalahridhaan Trendz Ltd amounting to Rs. 35 crores.

Note: In May 2024, Katex Exim Ltd has been issued GST notice for ITC mismatch demanding Rs. 43.73 lacs.

(₹ in Lakhs)

Capital Commitment	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Estimated value of contracts in capital account remaining to be executed (net of capital advance)	-	-	-	-

(₹ in Lakhs)

Auditors Remuneration	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Audit fees	1.00	1.50	1.00	0.75

(₹ in Lakhs)

Managerial Remuneration	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Niranjan Agarwal	-	12.00	12.00	12.00
Sajal bansal	1.20	-	-	-
<b>Total</b>	<b>1.20</b>	<b>12.00</b>	<b>12.00</b>	<b>12.00</b>

As per our Report of even date  
**M/S PIYUSH KOTHARI & ASSOCIATES**  
Chartered Accountants  
Firm's Registration No: 140711W

For and on behalf of the Board of Directors  
**KATEX EXIM LIMITED**  
CIN: U17309GJ2017PLC100133

Sd/-  
**PIYUSH KOTHARI**  
Partner  
M No.158407  
UDIN:24158407BKBHYY6967  
Place: Ahmedabad  
Date : 28.06.2024

Sd/-  
**Sajal Bansal**  
Managing Director & CFO  
DIN: 02259352  
Place: Ahmedabad  
Date : 28.06.2024

Sd/-  
**Niranjan Agarwal**  
Director  
DIN: 00413530  
Place: Ahmedabad  
Date : 28.06.2024

Sd/-  
**Shivani Mittal**  
CS  
EISPM8004A  
Place: Ahmedabad  
Date : 28.06.2024

## Restated Statement of Share Capital

(₹ in Lakhs)

Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Authorised Capital*</b>				
No. of Equity Shares of ₹ 10/- each	2,00,00,000	1,00,00,000	90,00,000	90,00,000
Authorised Equity Share Capital In Rs.	2,000.00	1,000.00	900.00	900.00
<b>Issued, Subscribed &amp; Fully Paid up#</b>				
No. of Equity Shares of ₹ 10/- each	95,00,000	90,00,000	90,00,000	90,00,000
Issued, Subscribed & Fully Paid up Share Capital In Rs.	950.00	900.00	900.00	900.00
<b>Total</b>	<b>950.00</b>	<b>900.00</b>	<b>900.00</b>	<b>900.00</b>

\*Company has increased authorised capital of the Company from Rs. 900 Lakh divided into 90 Lakhs Equity Shares of Rs. 10 each to Rs. 1000 Lakhs divided into 100 Lakhs Equity Shares of Rs. 10 Each in the extra-ordinary General Meeting of Shareholders of the company held on March 01, 2023. Further Company has increased authorised capital of the Company from Rs. 1000 Lakh divided into 100 Lakhs Equity Shares of Rs. 10 each to Rs. 2000 Lakhs divided into 200 Lakhs Equity Shares of Rs. 10 Each in the extra-ordinary General Meeting of Shareholders of the company held on November 01, 2023.

#Company has allotted 5,00,000 Right Equity Shares of Rs. 40 each (10 Rs Face value And 30 Rs as Security Premium on April 04, 2023).

## Reconciliation of the number of shares outstanding is set out below:-

Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Number of Shares	Number of Shares	Number of Shares	Number of Shares
<b>Shares outstanding at the beginning of the year</b>	90,00,000	90,00,000	90,00,000	15,10,000
Add:-Shares Issued during the year				
Fresh Issue	5,00,000	-	-	74,90,000
Bonus Shares Issued	-	-	-	-
Less:Shares bought back during the year				
<b>Shares outstanding at the end of the year</b>	<b>95,00,000</b>	<b>90,00,000</b>	<b>90,00,000</b>	<b>90,00,000</b>

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The company has not proposed any dividend during preceding financial year. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

## Details of Shareholders holding more than 5 % shares:-

Name of Shareholder	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Niranjan Agarwal</b>				
Number of Shares	20,03,334	15,03,334	15,03,334	15,03,334
% of Holding	21.09%	16.70%	16.70%	16.70%
<b>Aditya Agarwal</b>				
Number of Shares	29,93,333	29,93,333	29,93,333	29,93,333
% of Holding	31.51%	33.26%	33.26%	33.26%
<b>Rakesh Bansal</b>				
Number of Shares	12,51,000	12,51,000	12,51,000	12,51,000
% of Holding	13.17%	13.90%	13.90%	13.90%
<b>Babita Bansal</b>				
Number of Shares	12,51,000	12,51,000	12,51,000	12,51,000
% of Holding	13.17%	13.90%	13.90%	13.90%
<b>Rakeshkumar Bansal HUF</b>				
Number of Shares	9,01,000	9,01,000	9,01,000	9,01,000
% of Holding	9.48%	10.01%	10.01%	10.01%
<b>Sajal Bansal</b>				
Number of Shares	5,44,000	5,44,000	5,44,000	5,44,000
% of Holding	5.73%	6.04%	6.04%	6.04%
<b>Rhythm Bansal</b>				
Number of Shares	4,51,000	4,51,000	4,51,000	4,51,000
% of Holding	4.75%	5.01%	5.01%	5.01%

**Details of promoters holding shares:-**

Name of Shareholder	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Niranjan Agarwal</b>				
Number of Shares	20,03,334	15,03,334	15,03,334	15,03,334
% of Holding	21.09%	16.70%	16.70%	16.70%
<b>Aditya Agarwal</b>				
Number of Shares	29,93,333	29,93,333	29,93,333	29,93,333
% of Holding	31.51%	33.26%	33.26%	33.26%
<b>Rakesh Bansal</b>				
Number of Shares	12,51,000	12,51,000	12,51,000	12,51,000
% of Holding	13.17%	13.90%	13.90%	13.90%
<b>Babita Bansal</b>				
Number of Shares	12,51,000	12,51,000	12,51,000	12,51,000
% of Holding	13.17%	13.90%	13.90%	13.90%
<b>Rakeshkumar Bansal HUF</b>				
Number of Shares	12,51,000	12,51,000	12,51,000	12,51,000
% of Holding	13.17%	13.90%	13.90%	13.90%
<b>Sajal Bansal</b>				
Number of Shares	9,01,000	9,01,000	9,01,000	9,01,000
% of Holding	9.48%	10.01%	10.01%	10.01%
<b>Rhythm Bansal</b>				
Number of Shares	5,44,000	5,44,000	5,44,000	5,44,000
% of Holding	5.73%	6.04%	6.04%	6.04%
<b>Ankita Bansal</b>				
Number of Shares	1,000	1,000	1,000	1,000
% of Holding	0.01%	0.01%	0.01%	0.01%

## Annexure - I.2

## Restated Statement of Reserves And Surplus

(₹ in Lakhs)

Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>a. Securities Premium Account</b>				
Opening balance	-	-	-	-
(+) For the current year	150.00			
<b>Securities premium at end of the year</b>	150.00	-	-	-
<b>b. Surplus in Statement of Profit &amp; Loss A.</b>				
Opening balance	691.40	320.41	118.03	32.20
(+) Net Profit For the current year	795.29	370.99	202.37	85.83
: Less Bonus Shares Issued	-	-	-	-
<b>Net Surplus in Statement of Profit and Loss</b>	<b>1,486.68</b>	<b>691.40</b>	<b>320.41</b>	<b>118.03</b>
<b>Total</b>	<b>1,636.68</b>	<b>691.40</b>	<b>320.41</b>	<b>118.03</b>

## Annexure - I.3

## Restated Statement of Long Term Borrowings

(₹ in Lakhs)

Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>				
<b>(a) Term loans</b>				
Working Capital Term Loan	507.68	567.72	632.51	241.58
Vehicle Loan (Secured By hypothecation of the Vehicle)	89.32	78.17	94.65	37.04
<b>(b) From Bank and NBFCs</b>	-	-	-	-
<b>Total Secured Term Loans</b>	<b>597.00</b>	<b>645.89</b>	<b>727.16</b>	<b>278.61</b>
<b>(c) Unsecured Loan</b>				
Directors	336.29	300.00	29.75	-
iii) Less: Current Maturities of Long Term Debts	(44.02)	(89.31)	(103.53)	(116.92)
<b>Total</b>	<b>889.27</b>	<b>856.58</b>	<b>653.38</b>	<b>161.69</b>

**KATEX EXIM LTD****Annexure: L3a - Repayment Terms****Long Term Borrowing**

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

Banks / Finance Companies	Repayment period & Rate Of Interest	Security Details	Sanction amount	Outstanding Balance
				As at December 31, 2023
State Bank of India	For a Period of 5 years with a 24 months moratorium and is repayable in 36 equal installments thereafter. Repayment schedule : 24 months (November 2021 to October 2023) Moratorium, 36 Months (November 2023 to October 2026) Installment of Rs. 13.75 Lakhs starting from 15.11.2023 ROI : 9.25% (EBLR + 10 bps)	Under the government guarantee of COVID19 WCTL	495.00	484.60
State Bank of India	The Repayment will be done in 36 equal monthly intervals after a moratorium period of 12 months from the date of disbursement of the facility. ROI @ 9.25% (EBLR + 10 bps)	Under the government guarantee of COVID19 WCTL	180.00	23.08
Kotak Mahindra Prime Limited (creta)	Repayable in 60 monthly installments commencing from the February 2021. Interest @ 7.00% anually is payable monthly.	Hypothecation of vehicle	10.00	4.63
Kotak Mahindra Prime Limited (kia)	Repayable in 60 monthly installments commencing from the March 2021. Interest @ 7.00% anually is payable monthly.	Hypothecation of vehicle	25.00	11.96
BMW Financial services (BMW car)	Repayable in 48 monthly installments commencing from the December 2021. Interest @ 9.25% anually is payable monthly.	Hypothecation of vehicle	68.00	50.45
State Bank of India (Innova)	Repayable in 60 monthly installments commencing from the January 2024. Interest @ 9.05% anually is payable monthly. (MCLR (8.55%) + 50 bps)	Hypothecation of vehicle	23.00	22.28
<b>Total Long term borrowings</b>				<b>597.00</b>

**Annexure - I.4****Restated Statement of Other Non-Current Liabilities****(₹ in Lakhs)**

Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Security Deposit	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Annexure - I.5****Restated Statement of Deferred Tax Liability/(Assets)****(₹ in Lakhs)**

Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Deferred Tax Liability</b>				
On account of timing difference in Net block as per books & as per Income Tax	8.93	6.35	3.27	1.17
Addition	4.11	2.57	3.08	2.10
<b>Deferred Tax Assets</b>				
On account of timing difference in retirement and other benefits				
<b>Total</b>	<b>13.04</b>	<b>8.93</b>	<b>6.35</b>	<b>3.27</b>

**Annexure - I.6****Restated Statement of Long Term Provisions****(₹ in Lakhs)**

Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Provisions for Gratuity				
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Annexure - I.7****Restated Statement of Short Tem Borrowings****(₹ in Lakhs)**

Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b><u>Loan repayable on demand</u></b>				
(a) Working Capital Loan	4,390.48	4,588.53	4,585.95	2,589.07
(b) Current Maturity of long term debt	44.02	89.31	103.53	116.92
<b><u>Unsecured</u></b>				
(a) Loans from Directors	-	-	-	-
<b>Total</b>	<b>4,434.50</b>	<b>4,677.84</b>	<b>4,689.48</b>	<b>2,705.99</b>

**Annexure: I.7a - Repayment Terms****Short Term Borrowing**

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

Banks / Finance Companies	Repayment period & Rate Of Interest	Sanction amount	Outstanding	Security Details
			As at December 31, 2023	
State Bank of India	The facility which has been sanctioned on 28th July 2023. *Mentioned Limit is sublimit of CC from overall FBWC limit of Rs. 4390 lacs. @ 9.50% (EBLR (9.15%) + 35 bps spread)	1000.00	997.12	<p><b><u>A. Primary Security</u></b> Hypothecation of company's entire current assets including stocks of raw materials stocks in process, finished goods, spares etc. bills/book-debts/receivables and other current asset.</p> <p><b><u>A. Collateral Security</u></b>  <b>1)</b> Equitable Mortgage over Open Multipurpose N. A. Land bearing Block/Survey No.876/O06/002 (old block/survey no: 356 admeasuring 4556 sq. mtrs. Multipurpose N.A. land situated at Mouje: Pladi-Kankaj, Taluka: Daskori in the District Ahmedabad Sub District-11 (Aslali) owned by Katex Exim Pvt Ltd.  <b>2)</b> Equitable Mortgage over Open Multipurpose N.A. Land bearing New Survey no. 1418 (old survey no. 176/P) admeasuring 16533 sq. mtrs. Now comprised in city survey record vide City Survey no. NA-1834, Sheet No. NA/99 s taud at mouje: Gagad, Taluka Bavla district Ahmedabad sub district Bavla. owned by Niranjan Dwarkaprasad Agarwal.  <b>3)</b> Equitable Mortgage over ALL THAT piece and parcel of Industrial Plot at Khasra No. 1974/2 Vill Amritpura The. Masuda Dist Ajmer. Total area 5018.00 Sq mtr. owned SHRI GOVERDHAN MINERALS LLP.  <b>4)</b> Equitable Mortgage over ALL That the property, Bungalow No.7 admeasuring 125.42 Sq. Mtrs. Plot Area and Construction made thereon admeasuring 161.10 Sq. Mtrs. in Shrinath Colony Co.Operative Housing Society Limited, situated on non-agricultural land of City Survey No.4547, Final Plot No.27/1 and 27/2, Town Planning Scheme No.4, situate, lying and being at Mouje Rajpur-Hirpur, Taluka Maninagar owned by Niranjan Dwarkaprasad Agarwal.  <b>5)</b> Equitable mortgage of Commercial Land measuring 2000 Sq. Mtrs. And building constructed thereon, situated at old Khasara No. 1771/1/1 and New Khasara No. 5191/5049 at Village Khatushyam, Tehsil Dataramgarh, Sikar District standing in the name of Mr. Niranjan Dwarkaprasad Agarwal.</p>
State Bank of India	The facility which has been sanctioned on 28th July 2023. *Mention Limit is sublimit of EPC from overall FBWC limit of Rs. 4390 lacs. @ 6.70% (EBLR (9.15%) +55 bp spread - 300 bps Interest Subvention scheme)	3390.00	3393.36	
		4390.00	4,390.48	Total Short term borrowings

Note: Previously in FY 2022-2023 company had working capital limit of Rs 2000.00 Lakhs from Karnataka Bank which has been taken over by State bank of India on 28th July 2023.

Note: Additional Unsecured EPC facility of Rs. 500 lacs from Yes bank has been availed by Katex Exim Ltd. Against personal guarantees of Promoters of company @11.25%(EBLR + 425bps) in January 2024.

## Annexure - I.8

## Restated Statement of Trade Payable

(₹ in Lakhs)

Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Micro, Small and Medium Enterprises	-	-	-	-
Others	406.74	745.90	452.41	637.20
<b>Total</b>	<b>406.74</b>	<b>745.90</b>	<b>452.41</b>	<b>637.20</b>

## (a) Ageing schedule:

## Balance as at December 31, 2023

(₹ in Lakhs)

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	406.74	-	-	-	406.74
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>406.74</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>406.74</b>

## Balance as at 31st March 2023

(₹ in Lakhs)

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	745.90	-	-	-	745.90
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>745.90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>745.90</b>

## Balance as at 31st March 2022

(₹ in Lakhs)

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	452.41	-	-	-	452.41
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>452.41</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>452.41</b>

## Balance as at 31st March 2021

(₹ in Lakhs)

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	637.20	-	-	-	637.20
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>637.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>637.20</b>

## (b) Dues payable to Micro and Small Enterprises\*:

(₹ in Lakhs)

Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Principal amount remaining unpaid to any supplier as at the year end	-	-	-	-
Interest due on the above mention principal amount remaining unpaid to any	-	-	-	-
Amount of the interest paid by the Company in terms of Section 16	-	-	-	-
Amount of the interest due and payable for the period of delay in making payment but without adding the interest specified under the MSMED Act	-	-	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-	-

\*Medium Enterprises Development Act, 2006 and hence disclosures has been made only for the parties from whom the declaration has been received. In respect of other vendors from whom declaration has not been received disclosure has not been made for those which have not been received disclosure has not been made.

**Annexure - I.9****Restated Statement of Other Current Liabilities****(₹ in Lakhs)**

<b>Particulars</b>	<b>As at December 31st, 2023</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Advances from Customers	21.06	-	41.96	27.13
Duties and taxes Payable	14.86	43.91	9.43	12.63
Creditors for Capital Goods	11.61	12.62	0.92	7.20
Expense Payable	150.20	247.41	251.67	454.60
Other Current Liabilities	8.33	-		
<b>Total</b>	<b>206.05</b>	<b>303.94</b>	<b>303.98</b>	<b>501.56</b>

**Annexure - I.10****Restated Statement Short Term Provisions****(₹ in Lakhs)**

<b>Particulars</b>	<b>As at December 31st, 2023</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Provision for Gratuity	5.14	4.51	3.00	1.29
Provision for tax- Net of Advance Tax	417.85	216.80	123.56	45.71
<b>Total</b>	<b>422.99</b>	<b>221.31</b>	<b>126.56</b>	<b>46.99</b>

Annexure - I.11  
Restated Statement of Property Plant & Equipment

(₹ in Lakhs)

	Fixed Assets	Gross Block				Accumulated Depreciation					Net Block	
		Balance as at 1 April 2023	Additions	Disposals	Balance as at December 31, 2023	Balance as at 1 April 2023	Dep.fund Adjstmt.	Depreciation charge for the year	On disposals	Balance as at December 31, 2023	Balance as at December 31, 2023	Balance as at 31 March 2023
I.	<b>Property Plant &amp; Equipment</b>											
1	Factory Land	31.97	6.41	-	38.38	-	-	-	-	-	38.38	31.97
2	Building	13.64	-	-	13.64	-	-	0.03	-	0.03	13.61	13.64
3	Plant and Equipment	92.26	28.65	-	120.91	14.15	-	6.72	-	20.87	100.05	78.12
4	Tools & Equipment	-	-	-	-	-	-	-	-	-	-	-
5	Vehicle	127.53	30.68	-	158.21	13.53	-	5.81	-	19.34	138.87	114.00
6	Electrical Installation	6.37	4.91	-	11.28	1.89	-	0.72	-	2.61	8.67	4.48
7	Computers	2.92	0.13	-	3.05	2.81	-	0.02	-	2.83	0.21	0.10
8	Furniture and Fixtures	10.89	7.90	-	18.79	2.82	-	1.22	-	4.04	14.75	8.07
9	Office Equipment	10.54	5.82	-	16.36	6.56	-	2.42	-	8.98	7.38	3.98
	<b>Total Tangible Assets</b>	<b>296.12</b>	<b>84.50</b>	<b>-</b>	<b>380.62</b>	<b>41.76</b>	<b>-</b>	<b>16.94</b>	<b>-</b>	<b>58.70</b>	<b>321.92</b>	<b>254.36</b>
	<b>Previsou Year</b>	<b>275.01</b>	<b>21.11</b>	<b>-</b>	<b>296.12</b>	<b>23.28</b>	<b>-</b>	<b>18.49</b>	<b>-</b>	<b>41.76</b>	<b>254.36</b>	<b>251.74</b>
II.	<b>Capital Work In Progress</b>											
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total</b>	<b>296.12</b>	<b>84.50</b>	<b>-</b>	<b>380.62</b>	<b>41.76</b>	<b>-</b>	<b>16.94</b>	<b>-</b>	<b>58.70</b>	<b>321.92</b>	<b>254.36</b>

I.11.1	Ageing Schedule of Capital Work In Progress :	Amount in CWIP for a period of				
Particulars	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total	
Projects in Progress	-	-	-	-	-	

(₹ in Lakhs)

	Fixed Assets	Gross Block				Accumulated Depreciation					Net Block	
		As At 01-Apr-2022	Purchase during the period	Disposals	As At 31-Mar-23	Upto 01-Apr-2022	Dep.fund Adjstmt.	For the period	Disposals	Upto 31-Mar-23	As At 31-Mar-23	As At 31-Mar-2022
I.	<b>Property Plant &amp; Equipment</b>											
1	Factory Land	31.85	0.12	-	31.97	-	-	-	-	-	31.97	31.85
2	Building	13.64	-	-	13.64	-	-	-	-	-	13.64	13.64
3	Plant and Equipment	72.74	19.52	-	92.26	9.24	-	4.91	-	14.15	78.12	63.51
4	Tools & Equipment	-	-	-	-	-	-	-	-	-	-	-
5	Vehicle	127.53	-	-	127.53	4.47	-	9.06	-	13.53	114.00	123.06
6	Electrical Installation	5.96	0.41	-	6.37	1.32	-	0.57	-	1.89	4.48	4.64
7	Computers	2.92	-	-	2.92	2.03	-	0.78	-	2.81	0.10	0.88
8	Furniture and Fixtures	10.07	0.82	-	10.89	1.80	-	1.02	-	2.82	8.07	8.27
9	Office Equipment	10.30	0.24	-	10.54	4.42	-	2.14	-	6.56	3.98	5.88
	<b>Total Tangible Assets</b>	<b>275.01</b>	<b>21.11</b>	<b>-</b>	<b>296.12</b>	<b>23.28</b>	<b>-</b>	<b>18.49</b>	<b>-</b>	<b>41.76</b>	<b>254.36</b>	<b>251.74</b>
	<b>Previous Year</b>	<b>144.76</b>	<b>130.25</b>	<b>-</b>	<b>275.01</b>	<b>10.54</b>	<b>-</b>	<b>12.74</b>	<b>-</b>	<b>23.28</b>	<b>251.74</b>	<b>134.22</b>
II.	<b>Capital Work In Progress</b>											
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

I.11.2	Ageing Schedule of Capital Work In Progress :	Amount in CWIP for a period of				
Particulars	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total	
Projects in Progress	-	-	-	-	-	

	Fixed Assets	Gross Block				Accumulated Depreciation					Net Block	
		As At 01-Apr-2021	Purchase during the period	Disposals	As At 31-Mar-22	Upto 01-Apr-2021	Dep.fund Adjstmt.	For the period	Disposals	Upto 31-Mar-22	As At 31-Mar-22	As At 31-Mar-2021
<b>I.</b>	<b>Tangible Assets</b>											
1	Factory Land	-	31.85	-	31.85	-	-	-	-	-	31.85	-
2	Building	-	13.64	-	13.64	-	-	-	-	-	13.64	-
3	Plant and Equipment	66.03	6.71	-	72.74	4.77	-	4.47	-	9.24	63.51	61.26
4	Tools & Equipment	-	-	-	-	-	-	-	-	-	-	-
5	Vehicle	51.60	75.93	-	127.53	0.73	-	3.74	-	4.47	123.06	50.87
6	Electrical Installation	5.96	-	-	5.96	0.76	-	0.56	-	1.32	4.64	5.20
7	Computers	2.70	0.22	-	2.92	1.13	-	0.90	-	2.03	0.88	1.57
8	Furniture and Fixtures	8.50	1.57	-	10.07	0.83	-	0.97	-	1.80	8.27	7.67
9	Office Equipment	9.97	0.33	-	10.30	2.32	-	2.10	-	4.42	5.88	7.65
	<b>Total Tangible Assets</b>	<b>144.76</b>	<b>130.25</b>	<b>-</b>	<b>275.01</b>	<b>10.54</b>	<b>-</b>	<b>12.74</b>	<b>-</b>	<b>23.28</b>	<b>251.74</b>	<b>134.22</b>
	<b>Previous Year</b>	<b>80.49</b>	<b>64.27</b>	<b>-</b>	<b>144.76</b>	<b>2.13</b>	<b>-</b>	<b>8.41</b>	<b>-</b>	<b>10.54</b>	<b>134.22</b>	<b>78.36</b>
	<b>Capital Work In Progress</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total</b>	<b>144.76</b>	<b>130.25</b>	<b>-</b>	<b>275.01</b>	<b>10.54</b>	<b>-</b>	<b>12.74</b>	<b>-</b>	<b>23.28</b>	<b>251.74</b>	<b>134.22</b>

I.11.3 Ageing Schedule of Capital Work In Progress :		Amount in CWIP for a period of				
Particulars	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total	
Projects in Progress	-	-	-	-	-	

	Fixed Assets	Gross Block				Accumulated Depreciation					Net Block	
		As At 01-Apr-2020	Addition	Disposal	As At 31-Mar-21	Upto 01-Apr-2020	Dep.fund Adjstmt.	For the period	Disposals	Upto 31-Mar-20	As At 31-Mar-21	As At 31-Mar-2020
<b>I.</b>	<b>Tangible Assets</b>											
	<b>Freehold/Owe use:</b>											
1	Factory Land	-	-	-	-	-	-	0.00	-	-	-	-
2	Building	-	-	-	-	-	-	0.00	-	-	-	-
3	Plant and Equipment	57.66	8.37	-	66.03	1.03	-	3.74	-	4.77	61.26	56.64
4	Tools & Equipment	-	-	-	-	-	-	0.00	-	-	-	-
5	Vehicle	-	51.60	-	51.60	-	-	0.73	-	0.73	50.87	-
6	Electrical Installation	4.91	1.05	-	5.96	0.24	-	0.52	-	0.76	5.20	4.67
7	Computers	2.25	0.45	-	2.70	0.40	-	0.73	-	1.13	1.57	1.85
8	Furniture and Fixtures	7.21	1.29	-	8.50	0.07	-	0.76	-	0.83	7.67	7.14
9	Office Equipment	8.46	1.51	-	9.97	0.40	-	1.92	-	2.32	7.65	8.06
	<b>Total Tangible Assets</b>	<b>80.49</b>	<b>64.27</b>	<b>-</b>	<b>144.76</b>	<b>2.13</b>	<b>-</b>	<b>8.41</b>	<b>-</b>	<b>10.54</b>	<b>134.22</b>	<b>78.36</b>
	<b>Capital Work In Progress</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total</b>	<b>80.49</b>	<b>64.27</b>	<b>-</b>	<b>144.76</b>	<b>2.13</b>	<b>-</b>	<b>8.41</b>	<b>-</b>	<b>10.54</b>	<b>134.22</b>	<b>78.36</b>

I.11.4 Ageing Schedule of Capital Work In Progress :		Amount in CWIP for a period of				
Particulars	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total	
As at 30.06.2023	-	-	-	-	-	
As at 31.03.2023	-	-	-	-	-	

Annexure - I.12						
Restated Statement of Preliminary Expenses						
(₹ in Lakhs)						
Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021		
Preliminary Expenses (to the extent not written off)	1.92	4.00	6.77	9.30		
<b>Total</b>	<b>1.92</b>	<b>4.00</b>	<b>6.77</b>	<b>9.30</b>		
<b>Annexure - I.13</b>						
Restated Statement of Long-term loans and advances						
(₹ in Lakhs)						
Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021		
a. Capital Advances	-	-	-	-		
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Annexure - I.14</b>						
Restated Statement of Non Current Asset						
(₹ in Lakhs)						
Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021		
Security Deposits	-	-	-	-		
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Annexure - I.15</b>						
Restated Statement of Inventories (Valued at Cost or NRV which ever is lower)						
(₹ in Lakhs)						
Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021		
a. Raw Materials and components	993.11	1,436.86	1,033.72	425.57		
b. Work-in-progress	2,349.21	571.54	-	1,203.27		
c. Finished goods	1,094.74	370.43	264.40	306.43		
d. Stores and spares	-	-	-	-		
e. Waste	-	-	-	-		
<b>Total</b>	<b>4,437.06</b>	<b>2,378.83</b>	<b>1,298.13</b>	<b>1,935.27</b>		
<b>Annexure - I.16</b>						
Restated Statement of Trade receivables						
(₹ in Lakhs)						
Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021		
Unsecured Undisputed Trade Receivable - considered good	3,218.62	3,536.78	2,169.53	2,261.07		
<b>Total</b>	<b>3,218.62</b>	<b>3,536.78</b>	<b>2,169.53</b>	<b>2,261.07</b>		
<b>Aging of receivables</b>						
As at December 31, 2023						
Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed</b>						
Trade receivables - Considered good	3,218.62	-	-	-	-	3,218.62
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Disputed</b>						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Total</b>	<b>3,218.62</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,218.62</b>

As at 31/03/2023						
Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed</b>						
Trade receivables - Considered good	3,536.78					3,536.78
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Disputed</b>						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Total</b>	<b>3,536.78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,536.78</b>

As at 31/03/2022						
Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed</b>						
Trade receivables - Considered good	2,169.53					2,169.53
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Disputed</b>						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Total</b>	<b>2,169.53</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,169.53</b>

As at 31/03/2021						
Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed</b>						
Trade receivables - Considered good	2,261.07					2,261.07
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Disputed</b>						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Total</b>	<b>2,261.07</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,261.07</b>

#### Annexure - I.17

##### Restated Statement of Cash and Bank Balance

(₹ in Lakhs)

Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Cash and Cash Equivalents</b>				
Bank Balance				
(i) In current accounts and Debit Balance of OD Account	22.10	51.97	58.18	9.03
(ii) In fixed deposit*	200.00	425.10	404.05	-
	-	-	-	-
Cash on Hand	1.09	0.90	0.02	0.07
<b>Total</b>	<b>223.19</b>	<b>477.97</b>	<b>462.25</b>	<b>9.10</b>

\*FDR Against Bank Guarantee, Lien of FD of Rs. 200 lacs is created as bank guarantee in favour of SBI for CC of Kalahridhaan Trendz Limited

#### Annexure - I.18

##### Restated Statement of Short Term Loans And Advances

(₹ in Lakhs)

Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Advance to Suppliers	295.31	1,163.88	2,790.33	78.72
Staff Loan/Advance	-	-	0.30	-
Advance to Related Parties	-	-	-	-
<b>Total</b>	<b>295.31</b>	<b>1,163.88</b>	<b>2,790.63</b>	<b>78.72</b>

#### Annexure - I.19

##### Restated Statement of Other current assets

(₹ in Lakhs)

Particulars	As at December 31st, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Prepaid Expenses	-	-	-	-
Prepaid Insurance Expenses	2.05	-	-	-
Prepaid Interest Expenses	-	-	-	-
Accrued Interest on FDR	-	-	-	-
Duties & Taxes Receivable	12.66	82.18	50.68	16.74
Income Tax Refundable	-	-	-	-
Balance With Government Authorities	414.58	486.04	422.85	613.62
Other Advances	31.95	21.86	-	16.70
<b>Total</b>	<b>461.24</b>	<b>590.08</b>	<b>473.53</b>	<b>647.06</b>

## Annexure - II.1

## Restated Statement of Revenue from operations

(₹ in Lakhs)

Particulars	For the Period / Year Ended On			
	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Sale of products	12,591.71	11,167.20	12,972.69	8,519.33
Sales of Services				
Other Operating Revenue	1,023.94	929.22	1,130.19	816.46
<b>Total</b>	<b>13,615.66</b>	<b>12,096.41</b>	<b>14,102.87</b>	<b>9,335.78</b>
<b>Note:</b>				
<b>(i) Sale of products comprises following :</b>				
Domestic sales	2,538.34	1,971.41	2,304.28	407.98
Export sales	10,053.37	9,195.79	10,668.40	8,111.35
Export sales - SEZ	-	-	-	-
<b>Total</b>	<b>12,591.71</b>	<b>11,167.20</b>	<b>12,972.69</b>	<b>8,519.33</b>
<b>(ii) Other Operating Revenue comprises:-</b>				
Export Incentive	1,020.82	918.83	1,090.46	816.33
Job work Charges	3.12	10.39	39.73	0.13
<b>Total</b>	<b>1,023.94</b>	<b>929.22</b>	<b>1,130.19</b>	<b>816.46</b>

## Annexure - II.2

## Restated Statement of Other income

(₹ in Lakhs)

Particulars	For the Period / Year Ended On			
	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Interest on FDR	8.57	23.24	4.50	-
Foreign Exchange Fluctuation	102.96	194.07	150.18	107.94
Sundry Debit balance Written Off	-	-	-	-
Baddebts Recovered	-	-	-	-
Other Interest	-	-	-	-
Freight on Sales	-	-	-	-
Insurance Claim Received	-	-	30.45	-
Export Incentive	-	-	-	-
Other Income	-	-	2.31	-
<b>Total</b>	<b>111.53</b>	<b>217.31</b>	<b>187.44</b>	<b>107.94</b>

## Annexure - II.3

## Restated Statement of Cost of materials consumed

(₹ in Lakhs)

Particulars	For the Period / Year Ended On			
	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Inventories at the beginning of the year	1,436.86	1,033.72	1,628.84	739.20
Add: Purchases during the year	9,569.07	9,020.16	9,292.89	7,310.95
	<b>11,005.93</b>	<b>10,053.88</b>	<b>10,921.73</b>	<b>8,050.15</b>
Less: Others	-	216.04	37.96	139.41
Less: Closing stock at the end of the year	993.11	1,436.86	1,033.72	1,628.84
<b>Cost of materials consumed</b>	<b>10,012.82</b>	<b>8,400.98</b>	<b>9,850.04</b>	<b>6,281.91</b>

## Annexure - II.4

## Restated Statement of Changes in inventories of finished goods and work-in-progress

(₹ in Lakhs)

Particulars	For the Period / Year Ended On			
	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Inventories at the end of the year:</b>				
(a) Finished goods	2,349.21	370.43	264.40	306.43
(b) Work-in-progress	1,094.74	571.54	-	-
(c) Scrap	-	-	-	-
(d) Packing Material	-	-	-	-
	<b>3,443.95</b>	<b>941.97</b>	<b>264.40</b>	<b>306.43</b>
<b>Inventories at the beginning of the year:</b>				
(a) Finished goods	370.43	264.40	306.43	337.01
(b) Work-in-progress	571.54	-	-	321.61
(c) Scrap	-	-	-	-
(d) Packing Material	-	-	-	-
	<b>941.97</b>	<b>264.40</b>	<b>306.43</b>	<b>658.62</b>
<b>Net (increase) / decrease</b>	<b>(2,501.98)</b>	<b>(677.57)</b>	<b>42.03</b>	<b>352.19</b>

**Annexure - II.5****Restated Statement of Employee benefits expense**

(₹ in Lakhs)

Particulars	For the Period / Year Ended On			
	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
(a) Salaries and wages	137.92	150.89	72.30	46.64
(b) Directors Remunerations	1.20	12.00	12.00	12.00
(c) Gratuity	0.62	1.51	1.71	1.12
(d) Contributions to provident and ESIC	7.37	6.52	6.77	4.80
(e) Other Allowances	1.11	0.74	1.52	1.14
(f) Staff & Labour welfare expenses	-	-	-	-
<b>Total</b>	<b>148.22</b>	<b>171.67</b>	<b>94.30</b>	<b>65.70</b>

**Annexure - II.6****Restated Statement of Finance costs**

(₹ in Lakhs)

Particulars	For the Period / Year Ended On			
	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Interest Expense	515.00	445.26	200.43	110.21
Other borrowing costs; bank Charges	55.41	15.94	43.97	4.75
Net (gain) / loss on foreign currency transactions and translation (considered as finance cost)	-	-	-	-
<b>Total</b>	<b>570.41</b>	<b>461.20</b>	<b>244.41</b>	<b>114.96</b>

**Annexure - II.7****Restated Statement of Other expenses**

(₹ in Lakhs)

Particulars	For the Period / Year Ended On			
	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Manufacturing Expenses</b>				
Cartage Expenses	21.56	0.65	3.53	1.90
Consumable Expenses	0.72	1.96	2.17	3.11
Insurance Expenses	1.56	6.75	7.97	2.31
Job-Work Expenses	2,120.26	1,434.10	1,498.82	995.81
Job-Work Expenses -Inspection	86.21	45.23	30.04	-
Packing Material Expenses	672.67	499.06	580.85	444.26
Security Expenses	7.31	9.04	9.71	7.66
Spare Parts Expenses	4.96	4.08	3.81	2.06
Stitching And Other Labour Expenses	626.77	489.01	491.74	327.31
Stitching Material Expenses	80.27	66.01	72.28	51.37
Testing Certification Expenses	4.71	4.28	2.26	5.36
Transport Expenses	180.04	144.28	143.90	116.00
<b>Administrative &amp; Selling Expense</b>				
Certification And Registration Expenses	1.27	2.82	2.75	3.84
Electricity Expenses	17.03	12.72	13.60	9.44
Insurance Expenses	18.19	29.17	21.65	3.28
Internet And Telephone Expenses	1.84	1.47	1.54	1.68
Legal Expenses	30.29	22.54	23.82	19.22
Municipal Tax	-	2.43	3.21	4.49
Office Expenses	11.70	10.32	6.02	5.10
Petrol And Conveyance Expenses	1.76	2.13	2.09	1.32
Postage And Courier Expenses	13.53	10.24	9.55	11.10
Preliminary Expenses Written Off	2.08	2.77	2.77	2.72
Printing And Stationery Expenses	1.53	0.91	1.12	0.88
Professional Expenses	56.03	36.48	21.77	10.97
Audit Fees	1.00	1.50	1.00	0.75
Repair And Maintenance Expenses	10.60	10.18	7.44	3.74
Donation Expenses	-	-	-	0.01
Refreshment Expenses	2.27	2.02	1.48	1.57
Comission Expenses	15.03	66.92	65.13	80.19
Custom Duty Expenses	-	-	1.73	-
GST Expenses	0.24	0.02	0.58	0.06
Kasar Vatav Expenses	29.81	59.24	112.32	22.69
Loading Expenses	21.64	15.56	12.58	9.56
Rent Expenses	59.44	68.71	72.00	69.00
Membership And Subscription Expenses	0.27	0.12	-	-
Sales And Promotion Expenses	66.80	-	1.07	0.83
Shipping Expenses	177.15	321.47	515.58	276.18
Travelling Expenses	57.48	41.93	14.82	4.13
<b>Total (A+B+C)</b>	<b>4,404.02</b>	<b>3,426.12</b>	<b>3,762.70</b>	<b>2,499.91</b>

Annexure - II.8				
Restated Statement of Exceptional Items				(₹ in Lakhs)
Particulars	For the Period / Year Ended On			
	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Before Exceptional Itmes</b>				
Profit on sale of Fixed Assets	-	-	-	-
<b>Total (A+B+C)</b>	-	-	-	-

Annexure - II.9				
Restated Statement of Earning Per Equity Share				(₹ in Lakhs)
Particulars	For the Period / Year Ended On			
	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Before Exceptional Itmes</b>				
1.Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	795.29	370.99	202.37	85.83
2. Weighted Average number of equity shares used as denominator for calculating EPS	95,00,000	90,00,000	90,00,000	39,95,397
2. Weighted Average number of equity shares used as denominator for calculating EPS Post Bonus	1,70,99,999	1,65,99,999	1,65,99,999	1,15,95,396
4. Basic and Diluted Earning per Share (On Face value of Rs. 10/ per share)	4.65	2.23	1.22	0.74

Particulars	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Net Profit as Restated (A)	795.29	370.99	202.37	85.83
Add: Depreciation	16.94	18.49	12.74	8.41
Add: Finance Cost	570.41	461.20	244.41	114.96
Add: Income Tax/ Deferred Tax	281.46	141.84	81.73	34.81
Less: Other Income	(111.53)	(217.31)	(187.44)	(107.94)
<b>EBITDA</b>	<b>1,552.57</b>	<b>775.22</b>	<b>353.81</b>	<b>136.08</b>
<b>EBITDA Margin (%)</b>	<b>11.40%</b>	<b>6.41%</b>	<b>2.51%</b>	<b>1.46%</b>
Net Worth as Restated (B)	2,584.76	1,587.40	1,213.64	1,008.73
<b>Return on Net worth (%) as Restated (A/B)</b>	<b>30.77%</b>	<b>23.37%</b>	<b>16.67%</b>	<b>8.51%</b>
Equity Share at the end of year (in Nos.)(C)	95,00,000	90,00,000	90,00,000	90,00,000
Weighted No. of Equity Shares (in Nos.)(D) (Pre Bonus)	95,00,000	90,00,000	90,00,000	39,95,397
Equity Share at the end of year (in Nos.)(E) (Post Bonus)	1,70,99,999	1,65,99,999	1,65,99,999	1,65,99,999
Weighted No. of Equity Shares Considering Bonus & Split Impact (F) (Post Bonus after restated period with retrospective effect)	1,70,99,999	1,65,99,999	1,65,99,999	1,15,95,396
<b>Basic &amp; Diluted Earnings per Equity Share as Restated (A/D)</b>	<b>8.37</b>	<b>4.12</b>	<b>2.25</b>	<b>2.15</b>
<b>Basic &amp; Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect (A/F)</b>	<b>4.65</b>	<b>2.23</b>	<b>1.22</b>	<b>0.74</b>
<b>Net Asset Value per Equity share as Restated (B/C)</b>	<b>27.21</b>	<b>17.64</b>	<b>13.48</b>	<b>11.21</b>
<b>Net Asset Value per Equity share as Restated after considering Bonus &amp; Split Impact with retrospective effect (B/E)</b>	<b>15.12</b>	<b>9.56</b>	<b>7.31</b>	<b>6.08</b>

**Note:-**

EBITDA Margin = EBITDA/Total Revenues

Networth= Paid up share capital plus reserves and surplus less miscellaneous expenditure to the extent not written off

Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (₹) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

## ANNEXURE –VI

## Ratio Analysis

Sr. No.	Particulars								Comments		
		December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021	Variance	Variance	Variance	Explanation for any change in Ratio by More than 25% as compared to	Explanation for any change in Ratio by More than 25% as compared to P.Y.	Explanation for any change in Ratio by More than 25% as compared to P.Y.
		A	B	C	D	A-B	B-C	C-D	A-B	B-C	C-D
1	Current Assets	8,635.42	8,147.54	7,194.06	4,931.22				Not Applicable	Not Applicable	Not Applicable
	Current Liabilities	5,470.28	5,949.00	5,572.43	3,891.75						
	<b>Current Ratio (In Times)</b>	<b>1.58</b>	<b>1.37</b>	<b>1.29</b>	<b>1.27</b>	15.26%	6.08%	1.89%			
2	Total Debt (Short Term + Long Term)	5,323.77	5,534.42	5,342.87	2,867.69				Debt/Equity Ratio is Improved as the company has repaid the debt and promoter has infused the capital through right issue.	Debt/Equity Ratio is Improved with Increase in equity due to profits.	Debt/Equity Ratio is Increase Increase in debt through working capital limit.
	Equity	2,586.68	1,591.40	1,220.41	1,018.03						
	<b>Debt Equity Ratio</b>	<b>2.06</b>	<b>3.48</b>	<b>4.38</b>	<b>2.82</b>	<b>-40.82%</b>	<b>-20.56%</b>	<b>55.42%</b>			
3	Earnings available for debt service	1,552.57	775.22	353.81	136.08				Increase in EBIDTA and repayment of Long term loans improve the DSCR	Increase in EBIDTA during the year has led to improvement in DSCR	Not Applicable
	Debt Service	692.62	607.08	410.69	190.26						
	<b>Debt Service Coverage Ratio</b>	<b>2.24</b>	<b>1.28</b>	<b>0.86</b>	<b>0.72</b>	<b>75.54%</b>	<b>48.22%</b>	20.45%			
4	Net Profits after taxes – Preference Dividend (if any)	795.29	370.99	202.37	85.83				Not Comparable the stubs period is of nine months only	shift from Creditors to Banks for Working capital funding and favourable market conditions led to increase in NPAT	Better inventory Management and favourable market conditions led to increase in NPAT
	Average Shareholder's Equity	2,089.04	1,405.90	1,119.22	600.70						
	<b>Return on Equity (ROE):</b>	<b>38.07%</b>	<b>26.39%</b>	<b>18.08%</b>	<b>14.29%</b>		<b>45.94%</b>	<b>26.54%</b>			
4	Opening Stock	2,378.83	1,298.13	1,935.27	1,397.82				Not Comparable the stubs period is of nine months only	Decrease in revenue due to US Economic slowdown in Q1 of FY 22-23 led to decrease in COGS.	Better inventory Management and favourable market conditions.
	Purchase during the year	9,569.07	9,020.16	9,292.89	7,310.95						
	closing stock	4,437.06	2,378.83	1,298.13	1,935.27						
	<b>COGS</b>	<b>7,510.84</b>	<b>7,939.46</b>	<b>9,930.03</b>	<b>6,773.50</b>						
	<b>Average Inventory</b>	<b>3,407.94</b>	<b>1,838.48</b>	<b>1,616.70</b>	<b>1,666.54</b>						
	<b>Inventory Turnover ratio</b>	<b>2.20</b>	<b>4.32</b>	<b>6.14</b>	<b>4.06</b>		<b>-29.69%</b>	<b>51.12%</b>			

6	Net Credit Sales	13,615.66	12,096.41	14,102.87	9,335.78				Not Comparable the stubs period is of nine months only	Reduction in ratio indicated delay in collection by the company	Higher ratio indicates improvement in collection by the company
	Average Accounts Receivable	3,377.70	2,853.16	2,215.30	2,060.69						
	<b>Trade receivables turnover ratio</b>	4.03	4.24	6.37	4.53	-33.40%	40.52%				
7	Net Credit Purchases (Purchase + Other Expenses)	13,973.09	12,446.27	13,055.59	9,810.86				Not Comparable the stubs period is of nine months only	Not Applicable	Higher repayment days to creditors
	Average Trade Payables	576.32	599.16	544.80	844.24						
	<b>Trade payables turnover ratio</b>	24.25	20.77	23.96	11.62	-13.32%	106.21%				
8	Net Sales	13,615.66	12,096.41	14,102.87	9,335.78				Not Comparable the stubs period is of nine months only	Lower turnover ratio due to, decrease in revenue coupled with Higher inventory level.	Not Applicable
	Average Working Capital	2,681.84	1,910.09	1,330.55	724.96						
	<b>Net capital turnover ratio</b>	5.08	6.33	10.60	12.88	-40.25%	-17.69%				
9	Net Profit	795.29	370.99	202.37	85.83				Not Comparable the stubs period is of nine months only	Better Credit management with shift from Creditors to Banks for Working capital funding and favourable market conditions & expansion in margins led to increase in PAT.	Achieved additional export order, better inventory management and favourable market conditions led to improvement in ratio.
	Net Sales	13,615.66	12,096.41	14,102.87	9,335.78						
	<b>Net profit ratio</b>	5.84	3.07	1.43	0.92	113.73%	56.07%				
10	Earning before interest and taxes (EBIT)	1,647.16	974.04	528.51	235.60				Not Comparable the stubs period is of nine months only	Better Credit management with shift from Creditors to Banks for Working capital funding and expansion in margins led to increase in EBIT.	Achieved additional export order, better inventory management and favourable market conditions led to improvement in ratio.
	Capital Employed	7,910.45	7,125.81	6,563.27	3,885.72						
	<b>Return on capital employed (ROCE)</b>	20.82%	13.67%	8.05%	6.06%	69.75%	32.81%				

## ANNEXURE –VII

## Statement of Capitalization, As Restated

(₹ in Lakhs)

Particulars	Pre-Issue	Post Issue*
	December 31st, 2023	
<b>Debt :</b>		
Long Term Debt	889.27	[•]
Short Term Debt	4,434.50	[•]
<b>Total Debt</b>	<b>5,323.77</b>	[•]
<b>Shareholders Funds</b>		
Equity Share Capital	950.00	[•]
Reserves and Surplus	1,636.68	[•]
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>2,586.68</b>	[•]
<b>Long Term Debt/ Shareholders' Funds</b>	<b>0.34</b>	[•]
<b>Total Debt / Shareholders Fund</b>	<b>2.06</b>	[•]

\*The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

## Statement of Tax Shelter, As Restated

(₹ in Lakhs)

Particulars	As At			
	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Profit Before Tax as per books of accounts (A)</b>	<b>1,076.75</b>	<b>512.83</b>	<b>284.10</b>	<b>120.65</b>
-- Normal Tax rate	25.17%	25.17%	25.17%	27.82%
-- Minimum Alternative Tax rate	17.28%	17.28%	17.28%	17.28%
<b>Permanent differences</b>				
Other adjustments	-	-	-	-
Disallowances under income tax	-	-	4.95	0.27
Interest on TDS/TDS Written Off	-	-	-	-
Loss on sale of Investment	-	-	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>4.95</b>	<b>0.27</b>
<b>Timing Differences</b>				
Depreciation as per Books of Accounts	16.94	18.49	12.74	8.41
Depreciation as per Income Tax	33.27	28.72	24.98	15.96
Difference between tax depreciation and book depreciation	(16.33)	(10.23)	(12.24)	(7.55)
Gratuity Provision in Books	0.62	1.51	1.71	1.12
Gratuity Actually Paid	-	-	-	-
Deduction under chapter VI-A	-	-	-	-
<b>Total (C)</b>	<b>(15.71)</b>	<b>(8.72)</b>	<b>(10.53)</b>	<b>(6.43)</b>
<b>Net Adjustments (D = B+C)</b>	<b>(15.71)</b>	<b>(8.72)</b>	<b>(5.57)</b>	<b>(6.16)</b>
<b>Total Income (E = A+D)</b>	<b>1,061.04</b>	<b>504.12</b>	<b>278.53</b>	<b>114.48</b>
Brought forward losses set off	-	-	-	-
<b>Taxable Income/ (Loss) for the year/period (E+F)</b>	<b>1,061.04</b>	<b>504.12</b>	<b>278.53</b>	<b>114.48</b>
Tax Payable for the year	267.04	126.88	70.10	28.81
Interest Expenses	10.31	12.39	8.55	3.90
Total Tax Expense	277.35	139.27	78.65	32.71
Tax payable as per MAT	-	-	-	-
Tax payable as per normal rates or MAT (whichever is higher)	<b>Income Tax</b>	<b>Income Tax</b>	<b>Income Tax</b>	<b>Income Tax</b>

**OTHER FINANCIAL INFORMATION**

(₹ in Lakhs)

Particulars	December 31st, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Net Profit as Restated (A)	795.29	370.99	202.37	85.83
Add: Depreciation	16.94	18.49	12.74	8.41
Add: Finance Cost	570.41	461.20	244.41	114.96
Add: Income Tax/ Deferred Tax	281.46	141.84	81.73	34.81
Less: Other Income	(111.53)	(217.31)	(187.44)	(107.94)
<b>EBITDA</b>	<b>1,552.57</b>	<b>775.22</b>	<b>353.81</b>	<b>136.08</b>
<b>EBITDA Margin (%)</b>	<b>11.40%</b>	<b>6.41%</b>	<b>2.51%</b>	<b>1.46%</b>
Net Worth as Restated (B)	2,584.76	1,587.40	1,213.64	1,008.73
<b>Return on Net worth (%) as Restated (A/B)</b>	<b>30.77%</b>	<b>23.37%</b>	<b>16.67%</b>	<b>8.51%</b>
Equity Share at the end of year (in Nos.)(C)	95,00,000	90,00,000	90,00,000	90,00,000
Weighted No. of Equity Shares (in Nos.)(D) (Pre Bonus)	95,00,000	90,00,000	90,00,000	39,95,397
Weighted No. of Equity Shares Considering Bonus & Split Impact (E)	1,70,99,999	1,65,99,999	1,65,99,999	1,15,95,396
(Post Bonus after restated period with retrospective effect)				
<b>Basic &amp; Diluted Earnings per Equity Share as Restated (A/D)</b>	<b>8.37</b>	<b>4.12</b>	<b>2.25</b>	<b>2.15</b>
<b>Basic &amp; Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect (A/E)</b>	<b>4.65</b>	<b>2.23</b>	<b>1.22</b>	<b>0.74</b>
<b>Net Asset Value per Equity share as Restated (B/C)</b>	<b>27.21</b>	<b>17.64</b>	<b>13.48</b>	<b>11.21</b>
<b>Net Asset Value per Equity share as Restated after considering Bonus &amp; Split Impact with retrospective effect (B/E)</b>	<b>15.12</b>	<b>9.56</b>	<b>7.31</b>	<b>6.08</b>

**Note:-**

EBITDA Margin = EBITDA/Total Revenues

Networth= Paid up share capital plus reserves and surplus less miscellaneous expenditure to the extent not written off

Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (₹) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

## MANAGEMENT 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 included in the Draft Prospectus. You should also read the section entitled “Risk Factors” beginning on page 24, which discusses several factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year (“Fiscal Year”) are to the twelve-month period ended March 31 of that year.*

The financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditors dated June 28, 2024 which is included in this Draft Prospectus under the section titled “**Restated Financial Information**” beginning on page 168 of this Draft Prospectus. The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated financial statements.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under “**Risk Factors**” and “**Forward Looking Statements**” beginning on pages 24 and 14 respectively, and elsewhere in this Draft Prospectus. Accordingly, the degree to which the financial statements in this Draft Prospectus will provide meaningful information depend entirely on such potential investor's level of familiarity with Indian accounting practices. Please also refer to section titled “**Presentation of Financial, Industry and Market data**” beginning on page 13 of this Draft Prospectus.

### BUSINESS OVERVIEW

Our Company was originally incorporated as “S.A.N.K. Creations Private Limited” as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated December 13, 2017, issued by Registrar of Companies, Central Registration Centre. Subsequently, the name of our company was changed from “S.A.N.K. Creations Private Limited” to “Katex Exim Private Limited”, pursuant to a special resolution passed by our Shareholders in the Extra-Ordinary General Meeting held on February 28, 2019, vide Certificate of Incorporation dated March 7, 2019, issued by Registrar of Companies, Ahmedabad. Thereafter, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated August 2, 2023 and consequently, the name of our Company was changed from “Katex Exim Private Limited” to “Katex Exim Limited” and a fresh certificate of incorporation dated August 10, 2023 was issued to our Company by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U17309GJ2017PLC100133.

Our Company was originally incorporated by Mr. Niranjana Agarwal, being existing promoter, Mr. Aditya Agarwal and Mrs. Sunitadevi Agarwal, being subscribers to Memorandum of Association. The remaining current promoters Mr. Sajal Rakesh Bansal, Mr. Rakesh Kumar Bansal, Mrs. Babita Rakesh Bansal, Mrs. Ankita Sajal Bansal and Rakesh Kumar Bansal - HUF acquired control of our Company in FY 2020-21. Our promoters have a combined experience of more than 10 years in the field of textile industry.

Incorporated in 2017 and based in Ahmedabad, Gujarat, our Company is engaged in the business of manufacturing and sale of Bedsheet Sets, Duvet Bedding and Pillow Pairs. We sale our products in domestic as well as international markets. Our Company is one of the exporters of Bedding Textile. Bedding Textile refers to the textile materials used in making products such as bedsheets, pillow cases, duvet covers and comforters. These textile play a crucial role in determining the comfort, quality and durability of bedding items. Our Company's manufacturing facility is equipped with necessary technology and machinery to meet international standards. Our manufacturing process adheres to stringent quality standards. Our Manufacturing unit is located at Shree Shyam Industrial Park, Saijpur-Gopalpur-Shahwadi, New Vatva Taluka, Narol, Ahmedabad, Gujarat, India.

We offer a diverse range of bedsheets to cater to different tastes and preferences. This includes different sizes (King, Queen, Twin, Full and Cal King), materials (cotton, poly, Tencel, Modal, Microfiber, Bamboo, etc), thread counts, patterns and colours. Since each fabric has its unique characteristics, while selecting fabric for bedsheets, we consider factors such as customer's preference, climate, budget and quality to ensure a comfortable and restful sleep experience. Fabric selection is crucial when it comes to making bedsheets, as it directly impacts the comfort, durability and overall quality of the bedding.

## FINANCIAL SNAPSHOT

The financial performance of the company for stub period and last three years as per restated financial Statement:

(₹ In Lakh)

Particulars	For the Year ended on March 31,			
	December 31, 2023	2023	2022	2021
Revenue from Operations	13,615.66	12,096.41	14,102.87	9,335.78
Growth in Revenue from Operations (%)	NA	(14.23)	51.06	NA
EBITDA	1552.57	775.22	353.81	136.08
EBITDA Margin	11.40	6.41	2.51	1.46
Profit After Tax	795.29	370.99	202.37	86.12
PAT Margin (%)	5.84	3.07	1.43	0.92
RoE (%)	38.07%	26.39%	18.08%	14.29%
RoCE (%)	20.82%	13.67%	8.05%	6.06%
Net Fixed Asset Turnover (In Times)	47.25	47.80	73.08	87.83
Net Working Capital Days	85	66	42	41
Operating Cash Flows	410.79	306.48	(16,147.14)	(2,098.61)

## SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO LAST AUDITED BALANCE SHEET:

After the date of last Audited accounts i.e. December 31, 2023, the Directors of our Company confirm that, there have not been any significant material developments except mentioned below;

### Note:

- Members of Company in the Extra-Ordinary General Meeting held on June 12, 2024, approved resolution for increasing authorized capital from ₹ 2000.00 Lakh divided into 20000000 Equity Shares of ₹ 10/- each to ₹ 2400.00 Lakh divided into 24000000 Equity Shares of ₹ 10/- each
- The Board of Directors in their meeting held on June 11, 2024 approved resolution for issue of Bonus equity shares in the ratio of 8:10 (Eight) new equity share of ₹ 10/- each for every 10 (Ten) existing fully paid-up shares of ₹ 10/- each to existing shareholders of the company which was subsequently approved by Members of Company in the Extra-Ordinary General Meeting held on June 12, 2024. Pursuant to which our company has allotted 75,99,999 Bonus Equity Shares on June 13, 2024.
- Board of Directors of the Company has approved in their meeting held on June 26, 2024 issue of upto 6600000 equity shares as Initial Public Offer which was subsequently approved by members of the company in the extraordinary general meeting held on June 27, 2024.
- Katex Exim Ltd has provided Corporate guarantee to SBI for CC facility of Kalahridhaan Trendz Ltd (Our group company) amounting to Rs. 3500 Lakhs in the month of April 2024.

## FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS:

Our Company's future results of operations could be affected potentially by the following factors:

- COVID-19 Pandemic;
- Credit worthiness of our commercial and industrial customers;
- Natural Calamities e.g. Tsunami
- Global GDP growth and seaborne trade growth
- Prevailing commercial freight rates;
- Changes in laws or regulations
- Political Stability of the Country;
- Competition from existing players;

- Price of Raw Materials;
- Our dependence on limited number of customers/suppliers/brands for a significant portion of our revenues;
- Any failure to comply with the financial and restrictive covenants under our financing arrangements;
- Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
- Occurrence of Environmental Problems & Uninsured Losses;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;
- The performance of the financial markets in India and globally;
- Our ability to expand our geographical area of operation;
- Concentration of ownership among our Promoters.

#### **OUR SIGNIFICANT ACCOUNTING POLICIES:**

For Significant accounting policies, please refer Significant Accounting Policies and Notes to accounts, “Annexure IV” beginning under Chapter titled “*Restated Financial Information*” beginning on page 168 of this Draft Prospectus.

#### **FINANCIAL PERFORMANCE FOR THE PERIOD ENDED ON DECEMBER 31, 2023**

(₹ In Lakhs)

<b>INCOME FROM CONTINUING OPERATIONS</b>	<b>December 31, 2023</b>	<b>%</b>
Revenue from operations	13,615.66	99.19
Other Income	111.53	0.81
<b>Total Revenue</b>	<b>13,727.19</b>	<b>100.00</b>
<b>Expenses</b>		
Cost of Material Consumed	10,012.82	72.94
Changes in Inventories of finished goods, work in progress and stock -in-trade	(2,501.98)	(18.23)
Purchase of stock in trade	-	-
Employee benefits expense	148.22	1.08
Finance Costs	570.41	4.16
Depreciation and amortisation expenses	16.94	0.12
Other expenses	4,404.02	32.08
<b>Total Expenses</b>	<b>12,650.43</b>	<b>92.16</b>
<b>Restated profit before tax before exceptional and Extraordinary Items</b>	<b>1,076.75</b>	<b>7.84</b>
<b>Exceptional Item</b>	<b>-</b>	<b>-</b>
<b>Total tax expense</b>	<b>281.46</b>	<b>2.05</b>
<b>Restated profit after tax from continuing operations</b>	<b>795.29</b>	<b>5.79</b>

#### **DISCLOSURE OF THE PERIOD ENDED ON DECEMBER 31, 2023:**

##### **Total Revenue:**

Our Company is engaged in the business of manufacturing and sale of Bedsheet Sets, Duvet Bedding and Pillow Pairs. We sale our products in domestic as well as international markets. Our Company is one of the exporters of Bedding Textile. Bedding Textile refers to the textile materials used in making products such as bedsheets, pillow cases, duvet covers and comforters. These textiles play a crucial role in determining the comfort, quality and durability of bedding items. The Total Revenue from April 1, 2023 to December 31, 2023 was ₹13727.19 Lakh, which includes Revenue from Operations amounting to ₹ 13,615.66 Lakh and Other Income of to ₹ 111.53 Lakh. Revenue from Operations mainly includes sales from Product and other operating Revenue.

(In ₹ Lakh)

<b>Particulars</b>	<b>For the period ended December 31, 2023</b>	
	<b>Amount</b>	<b>In %</b>
Sale of products	12591.71	92.48
Other Operative Revenue	1023.94	7.52
<b>Total Revenue from Operation</b>	<b>13615.66</b>	<b>100.00</b>

Other Operative Revenue mainly only includes Export Incentives and job work income.

### **Other Income**

Other Income mainly includes income from Interest income on FDR and Forex fluctuation gain.

### **EXPENDITURE:**

#### **Cost of materials consumed**

The Cost of Material Consumed was ₹ 10,012.82 Lakh from April 01, 2023 to December 31, 2023, which is 72.94% of the Total Revenue.

#### **Changes in inventories of finished goods and work-in- progress**

Change in inventory of Stock in Trade was ₹ (2,501.98) Lakhs from April 01, 2023 to December 31, 2023 which is (18.23)% of Total Revenue.

#### **Purchases of Stock-in-Trade**

Nil

#### **Employee Benefit Expenses**

Employee Benefit Expenses was ₹ 148.22 Lakh from April 01, 2023 to December 31, 2023, which is 1.08 % of the Total Revenue. Employee Benefit Expenses mainly includes Salary and wages, Director Remuneration, Gratuity, contribution to Provident fund and Staff welfare expenses.

#### **Finance Cost**

Finance expense was ₹ 570.41 Lakh from April 01, 2023 to December 31, 2023, which is 4.16% of the Total Revenue. Finance Cost mainly, includes Interest Expense and other finance cost.

#### **Depreciation and amortisation expenses**

Depreciation and amortization from April 01, 2023 to December 31, 2023 was ₹ 16.94 Lakh that is 0.12% of the Total Revenue.

#### **Other Expenses**

Other Expenses from April 01, 2023 to December 31, 2023 was ₹ 4404.02 Lakh that is 32.08 % of the Total Revenue.

Other expense mainly includes Professional & Consultancy Fees, Rent, Rates & Taxes, Advertisement Expenses, Manufacturing Expense, Conveyance & Petrol Expense, Commission expense, Repair & maintenance, Sales Promotion, Electric Expense, Refreshment Expense, Travelling Expenses, Shipping Expense, Insurance expenses and other miscellaneous expenses.

#### **Restated Profit before tax from continuing operations**

Profit before Tax from April 01, 2023 to December 31, 2023 stood at ₹ 1076.75 Lakh. During this period, Our Company recorded Profit before Tax margin of 7.84 % of Total Revenue.

#### **Total tax expense**

Tax Expenses consisting of Current Tax & Deferred Tax from April 01, 2023 to December 31, 2023 was ₹ 277.35 Lakhs and ₹ 4.11 Lakhs respectively, representing 2.02% and 0.03 % respectively of Total Revenue.

#### **Restated Profit after tax from continuing operations**

Profit after Tax from April 01, 2023 to December 31, 2023 stood at ₹ 795.29 Lakh. During this period, our Company recorded Profit after Tax margin of 5.79 % of Total Revenue.

### **RESULTS OF OUR OPERATION BASED ON RESTATED FINANCIAL INFORMATION**

Particulars	Years (₹ in Lakhs)		
	31.03.2023	31.03.2022	31.03.2021
Revenue from operations	12096.41	14102.87	9335.78
<b>Total Revenue from Operation</b>	<b>12096.41</b>	<b>14102.87</b>	<b>9335.78</b>
% of growth	-14.23%	51.06%	-
Other Income	217.31	187.44	107.94
% of growth	15.94%	73.65%	-
<b>Total income</b>	<b>12,313.72</b>	<b>14,290.31</b>	<b>9,443.72</b>
% of growth	-13.83%	51.32%	-

Particulars	Years (₹ in Lakhs)		
	31.03.2023	31.03.2022	31.03.2021
<b>Expenses</b>			
Cost of Material consumed	8,400.98	9,850.04	6,281.91
% Increase/(Decrease)	-14.71%	56.80%	-
Changes in inventories of finished goods and work-in- progress	-677.57	42.03	352.19
% Increase/(Decrease)	-1712.24%	-88.07%	-
Purchases of stock-in-trade	-	-	-
% Increase/(Decrease)	-	-	-
Employee benefits expense	171.67	94.30	65.70
% Increase/(Decrease)	82.04%	43.53%	-
Finance Costs	461.20	244.41	114.96
% Increase/(Decrease)	88.70%	112.60%	-
Depreciation and amortisation expenses	18.49	12.74	8.41
% Increase/(Decrease)	45.13%	51.49%	-
Other expenses	3426.11	3762.70	2499.91
% Increase/(Decrease)	-8.95%	50.51%	-
<b>Total Expenses</b>	<b>11,800.89</b>	<b>14,006.21</b>	<b>9,323.07</b>
% to total revenue	95.84%	98.01%	98.72%
Profit/(Loss) Before Extra-Ordinary Items and Tax	512.83	284.10	120.65
% to total revenue	4.16%	1.99%	1.28%
Exceptional Items	0.00	0.00	0.00
<b>Profit before Tax</b>	<b>512.83</b>	<b>284.10</b>	<b>120.65</b>
Total tax expense	141.84	81.73	34.81
% Increase/(Decrease)	73.55%	134.78%	-
<b>Profit and Loss after tax for the Year as Restated</b>	<b>370.99</b>	<b>202.37</b>	<b>85.83</b>
% to total revenue	3.01%	1.42%	0.91%
% Increase/(Decrease)	<b>83.32%</b>	<b>135.77%</b>	-

#### COMPARISON OF FY 2022-23 WITH FY 2021-22:

##### REVENUE:

##### Revenue from operations

Our Company is engaged in the business of manufacturing and sale of Bedsheet Sets, Duvet Bedding and Pillow Pairs. We sale our products in domestic as well as international markets. Our Company is one of the exporters of Bedding Textile. Bedding Textile refers to the textile materials used in making products such as bedsheets, pillow cases, duvet covers and comforters. These textiles play a crucial role in determining the comfort, quality and durability of bedding items. The Total Revenue from operations for the year ended on FY 2022-23 was ₹ 12096.41 Lakh as compared to ₹ 14102.87 Lakh during the FY 2021-22. Revenue from Operations mainly includes Revenue from Sale of Product and Other Operating revenue. Revenue from operations reduced by 14.23% in FY 2022-23. Decreased in revenue from operations is on account of slowdown in USA in first quarter of FY 2022-23 and recession ques.

##### Other Income:

Other income of the company was ₹ 217.31 lakhs and ₹ 187.44 lakhs for FY 2022-23 and FY 2021-22 respectively. Other Income consists of Interest on FDR and foreign exchange fluctuation. In FY 2021-22 Insurance claim received of ₹30.45.

##### EXPENDITURE:

##### Cost of materials consumed

Our cost of materials consumed decreased by 14.71% from ₹ 9850.04 lakhs in FY 2021-22 to ₹ 8400.98 lakhs in FY 2022-23. Cost of Material consumed has reduced due to reduction in revenue from operations of our company.

##### Changes in inventories of finished goods and work-in- progress

Changes in inventories of finished goods and work-in- progress decreased by -1712.24% from ₹ 42.03 lakhs in FY 2021-22 to ₹ (677.57) lakhs in FY 2022-23. Cost of Material consumed has reduced due to reduction in revenue from operations of our company.

### **Purchases of stock-in-trade**

NIL

### **Employee Benefit Expenses**

Employee Benefit expenses an Increased to ₹ 171.67 Lakhs for FY 2022-23 from ₹ 94.30 Lakh for FY 2021-22 showing an Increase by 82.04%. Employee Benefit Expenses mainly includes Salary and wages, Director Remuneration, Gratuity, contribution to Provident fund and Staff welfare expenses.

### **Finance Cost**

Finance expense were ₹ 461.20 Lakhs for FY 2022-23 as against ₹ 244.41 Lakhs in FY 2021-22 showing an Increase of 88.70%. Finance Cost mainly, includes Interest expense and other finance cost.

### **Depreciation and amortisation expenses**

The Depreciation and amortization expense for FY 2022-23 was ₹ 18.49 Lakh as against ₹ 12.74 Lakhs for FY 2021-22 showing Increased by 45.13%.

### **Other Expenses**

Other Expenses decreased to ₹ 3426.11 Lakh for FY 2022-23 from ₹ 3762.70 Lakh for FY 2021-22 showing a decreased of 8.95%. Other expense mainly includes Professional & Consultancy Fees, Rent, Rates & Taxes, Advertisement Expenses, Manufacturing Expense, Conveyance & Petrol Expense, Commission expense, Repair & maintenance, Sales Promotion, Electric Expense, Refreshment Expense, Travelling Expenses, Shipping Expense, Insurance expenses and other miscellaneous expenses.

### **Total Tax Expenses**

The Company's tax expenses increased to ₹ 141.84 lakhs in the FY 2022-23 from ₹ 81.73 lakhs in the FY 2021-22 This was primarily due to increase in current tax expenses during the year which increased from ₹ 139.27 Lakhs in the year 2022 to ₹ 78.65 lakhs in the year 2023 & decrease in Deferred Tax Expenses from ₹ 2.57 Lakhs in the year 2022 to ₹ 3.08 lakhs in the year 2023.

### **Profit before Extra-Ordinary Items and Tax**

The Profit before Extra-Ordinary Items and Tax for the FY 2022-23 was 4.16% of the Total revenue from operations and it was 1.99 % of Total revenue from operations for the FY 2021-22. The Profit before Extra-Ordinary Items and Tax has Increased to ₹ 512.83 Lakh in FY 2022-23 from ₹ 284.10 Lakh in FY 2021-22.

### **Profit after Tax (PAT)**

PAT Increased to ₹ 370.99 Lakh in FY 2022-23 from ₹ 202.37 Lakh in the FY 2021-22. PAT was 3.07% and 1.43% of Total Revenue of our company for the year ended on March 31, 2023 and March 31, 2022 respectively.

## **COMPARISON OF FY 2021-22 WITH FY 2020-21:**

### **REVENUE:**

#### **Revenue from operations**

Our Company is engaged in the business of manufacturing and sale of Bedsheet Sets, Duvet Bedding and Pillow Pairs. We sale our products in domestic as well as international markets. Our Company is one of the exporters of Bedding Textile. Bedding Textile refers to the textile materials used in making products such as bedsheets, pillow cases, duvet covers and comforters. These textiles play a crucial role in determining the comfort, quality and durability of bedding items. The Total Revenue from operations for the year ended on FY 2021-22 was ₹ 14102.87 Lakh as compared to ₹ 9335.78 Lakh during the FY 2020-21. Revenue from Operations mainly includes Revenue from Sale of Product and Other Operating revenue. Revenue from operations increased by 51.06%.

#### **Other Income:**

Other income of the company was ₹ 187.44 Lakhs and ₹ 107.94 Lakhs for FY 2021-22 and FY 2020-21 respectively. Other Income consists of Interest on FDR and foreign exchange fluctuation. Due to Insurance claim amount received other income has Increased.

## **EXPENDITURE:**

### **Cost of materials consumed**

Our cost of materials consumed Increased by 56.80% from ₹ 6281.91 lakhs in FY 2020-21 to ₹ 9850.04 lakhs in FY 2021-22. Material consumption has been increased due to parallel growth in revenue by from ₹ 9335.78 lakhs in FY 2020-21 to ₹ 14102.87 lakhs in FY 2021-22.

**Changes in inventories of finished goods and work-in- progress** decreased by -88.07% from ₹ 352.19 lakhs in FY 2020-21 to ₹ 42.03 lakhs in FY 2021-22. Cost of Material consumed has reduced due to reduction in revenue from operations of our company.

### **Purchases of stock-in-trade**

NIL

### **Employee Benefit Expenses**

Employee Benefit expenses increased to ₹ 94.30 Lakhs for FY 2021-22 from ₹ 65.70 Lakh for FY 2020-21 showing an increase of 43.53%. Employee Benefit Expenses mainly includes Salary and wages, Director Remuneration, Gratuity, contribution to Provident fund and Staff welfare expenses.

### **Finance Cost**

Finance expense was ₹ 244.41 Lakhs for FY 2021-22 as against ₹ 114.96 Lakhs in FY 2020-21 showing an Increase of 112.60%. Finance Cost mainly, includes Interest expense and other finance cost.

### **Depreciation**

The Depreciation and amortization expense for FY 2021-22 was ₹ 12.74 Lakh as against ₹ 8.41 Lakhs for FY 2020-21.

### **Other Expenses**

Other Expenses increased to ₹ 3762.70 Lakh for FY 2021-22 from ₹ 2499.91 Lakh for FY 2020-21 showing an increase of 50.51%. Other expense mainly includes Professional & Consultancy Fees, Rent, Rates & Taxes, Advertisement Expenses, Manufacturing Expense, Conveyance & Petrol Expense, Commission expense, Repair & maintenance, Sales Promotion, Electric Expense, Refreshment Expense, Travelling Expenses, Shipping Expense, Insurance expenses and other miscellaneous expenses.

### **Total Tax Expenses**

The Company's tax expenses increased to ₹ 81.73 lakhs in the FY 2021-22 from ₹ 34.81 lakhs in the FY 2020-21 This was primarily due to increase in current tax expenses during the year which increased from ₹ 78.65 Lakhs in the year 2022 to ₹ 32.71 lakhs in the year 2021 & increase in Deferred Tax Expenses from ₹ 3.08 Lakhs in the year 2021 to ₹ 2.10 lakhs in the year 2022.

### **Profit before Extra-Ordinary Items and Tax**

The Profit before Extra-Ordinary Items and Tax for the FY 2021-22 was 1.99% of the Total revenue and it was 1.28 % of Total revenue for the FY 2020-21. The Profit before Extra-Ordinary Items and Tax has increased to ₹ 284.10 Lakh in FY 2021-22 from ₹ 120.65 Lakh in FY 2020-21.

### **Profit after Tax (PAT)**

PAT increased to ₹ 202.37 Lakh in FY 2021-22 from ₹ 85.83 Lakh in the FY 2020-21. PAT was 1.42% and 0.91 % of Total Revenue of our company for the year ended on March 31, 2022 and March 31, 2021 respectively. In absolute term profit of our company has increased however in term of % of total income profit margins of our company also an increased.

## **DISCUSSION ON THE STATEMENT OF CASH FLOWS**

The table below summaries our cash flows from our restated for the period /financial year ended December 31, 2023, March 31, 2023, 2022 and 2021:

Particulars	For the Period / Year ended			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Net cash generated from / (used in) Operating activities	410.79	306.48	(1,647.14)	(2,098.61)
Net cash generated from / (used in) Investing activities	(84.50)	(21.11)	(130.49)	(69.94)

(₹ in Lakhs)

Particulars	For the Period / Year ended			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Net cash generated from / (used in) from Financing activities	(581.06)	(269.65)	2,230.77	2,095.64
<b>Net Increase / (decrease) in Cash &amp; Cash Equivalents</b>	<b>(254.77)</b>	<b>15.72</b>	<b>453.15</b>	<b>(72.91)</b>
Cash and cash equivalents at the beginning of the Period / year	477.98	462.25	9.10	82.01
<b>Cash and cash equivalents at the end of the Period/ year</b>	<b>223.19</b>	<b>477.98</b>	<b>462.25</b>	<b>9.10</b>

#### *Operating Activities*

- **In the period ended December 31, 2023**, net cash generated from operating activities was ₹ 410.79 Lakhs. This comprised of the profit before tax of ₹ 1,076.75 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 16.94 Lakhs and finance cost of ₹ 570.41 Lakhs. The resultant operating profit before working capital changes was ₹ 1,666.81 Lakhs, which was again adjusted for changes in working capital requirements.
- **In the year ended March 31, 2023**, net cash generated from operating activities was ₹ 306.48 Lakhs. This comprised of the profit before tax of ₹ 512.83 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 18.49 Lakhs, finance cost of ₹ 461.20 Lakhs. The resultant operating profit before working capital changes was ₹ 996.81 Lakhs, which was again adjusted for changes in working capital requirements.
- **In Financial Year 2021-22**, net cash utilised in operating activities was ₹ 1,647.14 Lakhs. This comprised of the profit before tax of ₹ 284.10 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 12.74 Lakhs, finance cost of ₹ 244.41 Lakhs. The resultant operating profit before working capital changes was ₹ 545.73 Lakhs, which was primarily adjusted for changes in working capital requirements.
- **In Financial Year 2020-21**, net cash generated from operating activities was ₹ 2,098.61 Lakhs. This comprised of the profit before tax of ₹ 120.65 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 8.71 Lakhs, finance cost of ₹ 114.96 Lakhs. The resultant operating profit before working capital changes was ₹ 247.86 Lakhs, which was primarily adjusted for changes in working capital requirements.

#### *Investing Activities*

- **In the period, ended December 31, 2023**, net cash used in investing activities was ₹ 84.50 Lakhs, which primarily comprised of cash used for the purchase of fixed assets of ₹ 84.50 Lakhs.
- **In Financial Year 2022-23**, net cash used in investing activities was ₹ 21.11 Lakhs, which primarily comprised of cash used for the purchase of fixed assets of ₹ 21.11 Lakhs.
- **In Financial Year 2021-22**, net cash Inflow from investing activities was ₹ 130.49 Lakhs, which primarily comprised of purchase of fixed assets of ₹ 130.25 Lakhs.
- **In Financial Year 2020-21**, net cash used in investing activities was ₹ 64.27 Lakhs, which primarily comprised of cash used for the purchase of fixed assets of ₹ 64.27 Lakhs.

#### *Financing Activities*

- **In the period ended December 31, 2023**, net cash utilised in financing activities was ₹ 581.06 Lakhs, which predominantly was on account of repayment of short-term borrowings of ₹ 243.34 Lakhs and finance cost paid of ₹ 570.41 Lakhs. Company has also raised funds by issue of equity shares of ₹ 200.00 Lakhs.
- **In Financial Year 2022-23**, net cash Inflow utilised in financing activities was ₹ 269.65 Lakhs, which predominantly was on account of payment of finance cost of ₹ 461.20 Lakhs, decrease in short term borrowing and increase in Long Term Borrowing.

- **In Financial Year 2021-22**, net cash Inflow from financing activities was ₹ 2230.77 Lakhs, which predominantly was on account of increase in short term and long term borrowing of ₹ 1983.49 Lakh and ₹ 49169 Lakh. During the year company has paid finance cost paid of ₹ 244.41 Lakhs.
- **In Financial Year 2020-21**, net cash Inflow from financing activities was ₹ 2095.64 Lakhs, which predominantly was on account of increase in short term borrowing of ₹ 1610.53 and issue of equity shares of ₹749.00 Lakh. During the year company has paid finance cost paid of ₹ 114.96 Lakhs and repaid long term borrowing to the extent of ₹ 148.93 Lakhs.

## RELATED PARTY TRANSACTIONS

For further information, please refer “*Annexure titled Related Party & Transaction*” in the chapter titled “*Restated Financial Information*” beginning from page no. 168 of this Draft Prospectus.

## FINANCIAL MARKET RISKS

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

## INTEREST RATE RISK

We are currently exposed interest to rate risks to the extent of outstanding loans. However, any rise in future borrowings may increase the risk.

## EFFECT OF INFLATION

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

## INFORMATION REQUIRED AS PER ITEM (11) (II) (C) (iv) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS, 2018:

### 1. Unusual or infrequent events or transactions

Except as described in this Draft Prospectus, there have been no other events or transactions to the best of our knowledge which may be described as “unusual” or “infrequent”.

### 2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in ‘Factors Affecting our Results of Operations’ and the uncertainties described in the section entitled “*Risk Factors*” beginning on page no. 24 of the Draft Prospectus. To our knowledge, except as we have described in the Draft Prospectus, there are no known factors which we expect to bring about significant economic changes.

### 3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section titled “*Risk Factors*” beginning on page no. 24 in this Draft Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

### 4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies and other economic factor.

### 5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices.

Other than as disclosed in this section and in “*Business Overview*” on page 107, we have not announced and do not expect to announce in the near future any new business segments.

### 6. Total turnover of each major industry segment in which the issuer company operated.

Our Company is engaged in the business of manufacturing and sale of Bedsheet Sets, Duvet Bedding and Pillow Pairs. Relevant Industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page no. 91 of this Draft Prospectus.

**7. Status of any publicly announced new products or business segment.**

Our Company is engaged in the business of manufacturing and sale of Bedsheet Sets, Duvet Bedding and Pillow Pairs. Otherwise as stated in the Draft Prospectus and in the section “*Business Overview*” appearing on page no. 107, our company has not publicly announced any new business segment till the date of this Draft Prospectus

**8. The extent to which business is seasonal.**

Our Company is engaged in the business of manufacturing and sale of Bedsheet Sets, Duvet Bedding and Pillow Pairs. Business of our company is not seasonal in nature. Hence, our business is not subject to seasonality or cyclicity.

**9. Any significant dependence on a single or few suppliers or customers.**

Our Company is engaged in the business of manufacturing and sale of Bedsheet Sets, Duvet Bedding and Pillow Pairs. Contribution of our customers and suppliers, as a percentage of total revenue and cost, respectively, for the periods indicated below:

Particulars	Top Customers as a percentage (%) of revenue from operations			
	For the period of December 31, 2023	FY 2022-23	FY 2021-22	FY 2020-21
Top 1	29.53%	30.54%	29.17%	18.12%
Top 3	72.48%	68.96%	57.92%	45.00%
Top 5	87.26%	79.82%	71.69%	60.69%
Top 10	95.01%	93.47%	92.22%	82.53%

Particulars	Top Suppliers as a percentage (%) of Purchase			
	For the period of December 31, 2023	FY 2022-23	FY 2021-22	FY 2020-21
Top 1	21.41%	19.67%	34.34%	24.34%
Top 3	57.88%	34.40%	47.38%	40.13%
Top 5	66.28%	43.81%	57.85%	49.58%
Top 10	79.11%	57.89%	79.10%	65.14%

**10. Competitive conditions:**

We face competition from existing and potential competitors which is common for any business. We have, over a period, developed certain competitors who have been discussed in section titles “*Business Overview*” beginning on page no. 107 of this Draft Prospectus

## FINANCIAL INDEBTEDNESS

### Long Term Borrowing

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

Banks / Finance Companies	Repayment period & Rate Of Interest	Security Details	Sanction amount	Outstanding Balance
				As at December 31, 2023
State Bank of India	For a Period of 5 years with a 24 months moratorium and is repayable in 36 equal installments thereafter. Repayment schedule : 24 months (November 2021 to October 2023) Moratorium, 36 Months (November 2023 to October 2026) Installment of Rs. 13.75 Lakhs starting from 15.11.2023 ROI : 9.25% (EBLR + 10 bps)	Under the government guarantee of COVID19 WCTL	495.00	484.60
State Bank of India	The Repayment will be done in 36 equal monthly intervals after a moratorium period of 12 months from the date of disbursement of the facility. ROI @ 9.25% (EBLR + 10 bps)	Under the government guarantee of COVID19 WCTL	180.00	23.08
Kotak Mahindra Prime Limited (creta)	Repayable in 60 monthly installments commencing from the February 2021. Interest @ 7.00% annually is payable monthly.	Hypothecation of vehicle	10.00	4.63

Kotak Mahindra Prime Limited (kia)	Repayable in 60 monthly installments commencing from the March 2021. Interest @ 7.00% annually is payable monthly.	Hypothecation of vehicle	25.00	11.96
BMW Financial services (BMW car)	Repayable in 48 monthly installments commencing from the December 2021. Interest @ 9.25% annually is payable monthly.	Hypothecation of vehicle	68.00	50.45
State Bank of India (Innova)	Repayable in 60 monthly installments commencing from the January 2024. Interest @ 9.05% annually is payable monthly. (MCLR (8.55%) + 50 bps)	Hypothecation of vehicle	23.00	22.28
<b>Total Long term borrowings</b>				<b>597.00</b>

<b>Short Term Borrowing</b>				
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)				
<b>Banks / Finance Companies</b>	<b>Repayment period &amp; Rate Of Interest</b>	<b>Sanction amount</b>	<b>Outstanding</b>	<b>Security Details</b>
			<b>As at December 31, 2023</b>	
State Bank of India	The facility which has been sanctioned on 28th July 2023. *Mentioned Limit is sublimit of CC from overall FBWC limit of Rs. 4390 lacs. @ 9.50% (EBLR (9.15%) + 35 bps spread)	1000.00	997.12	<p><b><u>A. Primary Security</u></b></p> <p>Hypothecation of company's entire current assets including stocks of raw materials stocks in process, finished goods, spares etc. bills/book-debts/receivables and other current asset.</p> <p><b><u>A. Colletral Security</u></b></p> <p>1) Equitable Mortgage over Open Multipurpose N. A. Land bearing Block/Survey No.876/O06/002 (old block/survey no: 356 admeasuring 4556 sq. mtrs. Multipurpose N.A. land situated at Mouje: Pladi-Kankaj, Taluka: Daskori in the District Ahmedabad Sub District-11 (Aslali) owned by Katex Exim Pvt Ltd.</p> <p>2) Equitable Mortgage over Open Multipurpose N.A. Land bearing New Survey no. 1418 (old survey no. 176/P) admeasuring 16533 sq. mtrs. Now comprised in city</p>

State Bank of India	<p>The facility which has been sanctioned on 28th July 2023. *Mention Limit is sublimit of EPC from overall FBWC limit of Rs. 4390 lacs.</p> <p>@ 6.70% (EBLR (9.15%) +55 bp spread - 300 bps Interest Subvention scheme)</p>	3390.00	3393.36	<p>survey record vide City Survey no. NA-1834, Sheet No. NA/99 s tauded at mouje: Gagad, Taluka Bavla district Ahmedabad sub district Bavla. owned by Niranjn Dwarkaprasad Agarwal.</p> <p>3) Equitable Mortgage over ALL THAT piece and parcel of Industrial Plot at Khasra No. 1974/2 Vill Amritpura The. Masuda Dist Ajmer. Total area 5018.00 Sq mtr. owned SHRI GOVERDHAN MINERALS LLP.</p> <p>4) Equitable Mortgage over ALL That the property, Bungalow No.7 admeasuring 125.42 Sq. Mtrs. Plot Area and Construction made thereon admeasuring 161.10 Sq. Mtrs. in Shrinath Colony Co.Operative Housing Society Limited, situated on non-agricultural land of City Survey No.4547, Final Plot No.27/1 and 27/2, Town Planning Scheme No.4, situate, lying and being at Mouje Rajpur-Hirpur, Taluka Maninagar owned by Niranjn Dwarkaprasad Agarwal.</p> <p>5) Equitable mortgage of Commercial Land measuring 2000 Sq. Mtrs. And building constructed thereon, situated at old Khasara No. 1771/1/1 and New Khasara No. 5191/5049 at Village Khatushyam, Tehsil Dataramgarh, Sikar District standing in the name of Mr. Niranjn Dwarkaprasad Agarwal.</p>
<b>Total Short term borrowings</b>		<b>4390.00</b>	<b>4,390.48</b>	
<p>Note: Previously in FY 2022-2023 company had working capital limit of Rs 2000.00 Lakhs from Karnataka Bank which has been taken over by State bank of India on 28th July 2023.</p> <p>Note: Additional Unsecured EPC facility of Rs. 500 lacs from Yes bank has been availed by Katex Exim Ltd. Against personal guarantees of Promoters of company @11.25%(EBLR + 425bps) in January 2024.</p>				

**CAPITALIZATION STATEMENT**

(₹ in Lakhs)

Particulars	Pre-Issue	Post Issue*
	December 31st, 2023	
<b>Debt :</b>		
Long Term Debt	889.27	[●]
Short Term Debt	4,434.50	[●]
<b>Total Debt</b>	<b>5,323.77</b>	<b>[●]</b>
<b>Shareholders Funds</b>		
Equity Share Capital	950.00	[●]
Reserves and Surplus	1,636.68	[●]
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>2,586.68</b>	<b>[●]</b>
<b>Long Term Debt/ Shareholders' Funds</b>	<b>0.34</b>	<b>[●]</b>
<b>Total Debt / Shareholders Fund</b>	<b>2.06</b>	<b>[●]</b>
*The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.		

## SECTION X – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding: (a) criminal proceedings; (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect taxes; or (d) Material Litigation (as defined below); involving our Company, its Directors, the Promoters and the Group Companies ("**Relevant Parties**"). Further, there are no disciplinary actions (including penalties) imposed by SEBI or the Stock Exchanges against our Promoters in the last five (5) FYs, including any outstanding action.

For the purpose of material litigation in (d) above, our Board in its meeting held on June 28, 2024 has considered and adopted the following policy on materiality for identification of material outstanding litigation involving the Relevant Parties ("**Materiality Policy**"). In accordance with the Materiality Policy, all outstanding litigation, including any litigation involving the Relevant Parties, other than criminal proceedings and actions by regulatory authorities and statutory authorities, will be considered material if: (i) if the aggregate amount involved exceeds 10% of the revenue from our operations as per the Fiscal in Restated Financial Statements; or (ii) are outstanding litigations whose outcome could have a material impact on the business, operations, prospects or reputation of the Company; or (iii) the decision in one case is likely to affect the decision in similar cases such that the cumulative amount involved in such cases exceeds the Materiality Threshold, even though the amount involved in individual litigation may not exceed the Materiality Threshold.

It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties, unless otherwise decided by our Board, are not evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in litigation proceedings before any judicial forum.

Except as stated in this Section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated June 28, 2024. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding 5% of trade payables as per the Restated Financial Statements of our Company disclosed in this Draft Prospectus, would be considered as material creditors. The trade payables of our Company as of December 31, 2023 were ₹ 406.74 Lakhs. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of the number of cases and the amount involved, shall be uploaded and disclosed on the website of the Company as required under the SEBI ICDR Regulations.

For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder, as amended, as has been relied upon by the Statutory Auditors.

Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus.

All terms defined in a particular litigation disclosure pertains to that litigation only.

#### **I. Litigation involving our Company.**

##### **A. Litigation filed against our Company.**

###### **1. Criminal proceedings**

Nil

###### **2. Outstanding actions by regulatory and statutory authorities**

Nil

###### **3. Material civil proceedings**

Nil

B. *Litigation filed by our Company.*

1. **Criminal proceedings**

Nil

2. **Material civil proceedings**

Nil

C. *Tax proceedings*

<b>Particulars</b>	<b>No. of cases</b>	<b>Amount involved<sup>^</sup></b>
Direct Tax	5*	4.38
Indirect Tax	1 <sup>#</sup>	43.73
<b>Total</b>	<b>6</b>	<b>48.11</b>

<sup>^</sup>Rounded off to closest decimal

\*Includes TDS traces default amounting to ₹22,540 for financial year 2020-21, ₹92,620 for financial year 2021-22, ₹2,170 for financial year 2022-23, ₹3,19,810 for financial year 2023-24 and ₹400 for financial year 2019-20.

<sup>#</sup> Includes GST demand of ₹43,72,712.01 for excess input tax credit claimed under sub rule (1) of rule 88D of the GST Act, 2017

**II. Litigation involving our directors (other than Promoters)**

A. *Litigation filed against our Directors (other than Promoters)*

1. **Criminal proceedings**

Nil

2. **Outstanding actions by regulatory and statutory authorities**

Nil

3. **Material civil proceedings**

Nil

B. *Litigation filed by our Directors (other than Promoters)*

1. **Criminal proceedings**

Nil

2. **Material civil proceedings**

Nil

C. *Tax proceedings*

(₹ in lakhs)

Particulars	Number of cases	Amount involved
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

III. **Litigation involving our Promoters**

A. *Litigation filed against our Promoters*

1. **Criminal proceedings**

Nil

2. **Outstanding actions by regulatory and statutory authorities**

Nil

3. **Material civil proceedings**

Nil

B. *Litigation filed by our Promoters*

1. **Criminal proceedings**

Nil

2. **Material civil proceedings**

Nil

C. *Tax proceedings*

(₹ in lakhs)

Particulars	Number of cases	Amount involved <sup>^</sup>
Direct Tax	8*	293.05
Indirect Tax	Nil	Nil
<b>Total</b>	<b>8*</b>	<b>293.05</b>

<sup>^</sup> Rounded off to closest decimal

\*Includes Outstanding Tax Demand amounting to ₹ 1,23,42,311 for A.Y. 2010-11, ₹ 1,44,10,236 for 2010-11, ₹28,152 for A.Y. 2013-14, ₹6,64,839 for A.Y. 2016-17, ₹2,32,082 for A.Y. 2018-19, ₹12,44,210 for A.Y. 2020-21 and ₹3,81,120 for A.Y. 2023-24 against Niranjana Dwarkadas Agarwal and ₹1,962 for A.Y. 2023-24 against Ankita Bansal

### Outstanding dues to creditors

As per the Restated Financial Statements, 5 % of our trade payables as at December 31, 2023, was ₹ 20.33 Lakhs and accordingly, creditors to whom outstanding dues exceed ₹ 20.33 Lakhs have been considered as material creditors for the purposes of disclosure in this Draft Prospectus.

Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at March 31, 2023, by our Company, are set out below and the disclosure of the same is available on the website of our Company at [www.thekatex.com](http://www.thekatex.com).

Type of creditors	Number of creditors	Amount involved (₹ in Lakhs)
Material creditors	7	339.63
Micro, Small and Medium Enterprises	Nil	Nil
Other creditors	12	67.11
<b>Total</b>	<b>19</b>	<b>406.74</b>

### Material Developments

Other than as stated in the section entitled “*Significant Developments after December 31, 2023*” under the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 170, there have not arisen, since the date of the last financial information disclosed in this Draft 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.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking its business activities. In view of these key approvals, our Company can undertake this Issue and its business activities. In addition, certain of our key approvals may expire in the ordinary course of business and our Company will make applications to the appropriate authorities for renewal of such key approvals, as necessary. Unless otherwise stated herein and in the section "**Risk Factors**" beginning on page 24, these material approvals are valid as of the date of this Draft Prospectus. For details in connection with the regulatory and legal framework within which we operate, see "**Key Industry Regulations**" beginning on page 127.

Our Company is in the process to submit necessary application(s) with all regulatory authorities for change of its name in the approvals, licenses, registrations and permits issued to our Company.

### I. Material approvals obtained in relation to the Issue

- a. The Board of Directors has, pursuant to a resolution passed at its meeting held on June 26, 2024, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62 of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
- b. The shareholders of the Company have, pursuant to a special resolution passed in the shareholders meeting held on June 27, 2024, authorized the Issue under Section 62 of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
- c. The Company has obtained the in-principle listing approval from BSE SME, dated [●].

### II. Material approvals obtained in relation to our business and operations

Our Company have obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

#### A. Incorporation details of our Company

- a. Our Company was originally incorporated as a private limited company in the name of "S. A. N. K. Creations Private Limited" vide Certificate of Incorporation dated December 13, 2017, issued by the RoC.
- b. Fresh Certificate of Incorporation dated March 7, 2019 issued to our Company by the RoC, pursuant to change in the name of our Company from "S. A. N. K. Creations Private Limited" to "Katex Exim Private Limited".
- c. Fresh Certificate of Incorporation dated August 10, 2023 issued to our Company by the RoC, pursuant to the conversion of our Company from private limited to public limited and the ensuing change in the name of our Company from "Katex Exim Private Limited" to "Katex Exim Limited".

#### B. Tax related approvals obtained by our Company

Sr. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue / Renewal	Date of Expiry
1.	Permanent Account Number (PAN)	AAZCS5885M	Income Tax Department	September 7, 2023	Valid till cancelled
2.	Tax Deduction Account Number (TAN)	AHMK11094G	Income Tax Department	November 30, 2023	Valid till cancelled
3.	GST Registration Certificate	24AAZCS5885M1Z5	Goods and Services Tax Department	October 3, 2023	Valid till cancelled
4.	Professional Tax – Certificate of Registration	PRC010320000151	Amdavad Municipal Corporation	-*	Valid till cancelled

\* Our Company has obtained Professional Tax Registration Certificate. However, the same is not traceable. Our Company is yet to apply for duplicate certificate.

### C. Regulatory approvals of our Company

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue / Renewal	Date of Expiry
1.	Provident Fund Code Number	GJVAT2056243000	Employees' Provident Fund Organisation	January 1, 2020	Valid till cancelled
2.	ESIC Registration Code	37001153480000108	Employees' State Insurance Corporation	January 1, 2020	Valid till cancelled
3.	Certificate of Importer – Exporter Code	AAZCS5885M	Ministry of Commerce and Industry	May 14, 2019	Valid till cancelled
4.	UDYAM Registration Certificate	UDYAM-GJ-01-0086921	Ministry of Micro, Small and Medium Enterprises, Government of India	July 27, 2021	Valid till cancelled
5.	Factory License	40457	Directorate of Industrial Safety and Health, Gujarat State	March 15, 2024	December 31, 2028
6.	Scope Certificate – Global Recycled Standard (Version 4.0)	BVC-TE-BVIN0029-GRS-2405-20000097-V1.0	Bureau Veritas Consumer Products Services, Inc.	May 13, 2024	May 12, 2025
7.	Scope Certificate – Global Recycled Standard (Version 7.0)	BVC-GOTS-BVIN0029-GOTS-2405-20000097-V1.0	Bureau Veritas Consumer Products Services, Inc.	May 13, 2024	May 12, 2025
8.	Certificate Oeko-Tex Standard 100	21.HIN.86754	Hohenstein Textile Testing Institute GmbH & Co.	May 2, 2024	April 30, 2025

### III. Material approvals or renewals for which applications are currently pending before relevant authorities

Nil

### IV. Material approvals expired and renewal yet to be applied for

Nil

**V. Material approvals required but not obtained or applied for**

Sr. No.	Description	Place
1.	Shops and Establishment Registration Certificate	Re Survey/old, Survey No 356, Block /Survey No - 876/006/002, Sub District Ahmedabad 11, Aslali, TA - Daskroi, Mauje-Paldi-Kankaj, Ahmedabad, Gujarat, 382425
2.	Shops and Establishment Registration Certificate	55, Ashra Industrial Estate, Narol, Mahalaxmi Export, Ahmedabad, Gujarat, 382405
3.	Intimation to Gujarat Pollution Control Board for factory falling under white category	Shed No. 63 to 78, Shyam Industrial Park, Opp. Aakash Fashion, Shahwadi, Narol, Ahmedabad 382405
4.	Professional Tax Enrolment Certificate	Gujarat

**VI. Intellectual Property**

Our Company has made application for registration of our Trademark with the Registrar of Trademarks under the Trademarks Act. We set out below the details of such trademark:

Sr. No.	Particulars of the Mark	Application No.	Class	Date of Application	Status
1.		5581632	24	August 25, 2022	Opposed

For risk associated with our intellectual property please see, “**Risk Factors**” on page 24.

## SECTION – XI – OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Board of Directors has, pursuant to a resolution passed at its meeting held on June 26, 2024 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in Extra Ordinary General Meeting held on June 27, 2024 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

Our Company has received an In-Principle Approval letter dated [●] from BSE for using its name in this Draft Prospectus for listing our shares on the SME Platform of BSE Limited. BSE is the Designated Stock Exchange for the purpose of this Issue.

### PROHIBITION BY SECURITIES MARKET REGULATORS

Our Company, our Promoters, our Directors and our Promoters's Group have not been prohibited from accessing or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

### CONFIRMATIONS

1. Our Company, our Promoters, Promoters's Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
2. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI.
3. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoters or directors.

### PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Neither our Company, nor our Promoters, nor the relatives (as defined under the Companies Act) of our Promoters nor Group Companies/Entities have been identified as wilful defaulters or Fraudulent Borrowers by the RBI or any other governmental authority.

### ELIGIBILITY FOR THE ISSUE

Our company whose post issue paid-up capital is less than or equal to ₹ 25 Crore therefore, our company is eligible for the Issue in accordance with Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018.

Our Company also complies with the eligibility conditions laid by the SME Platform of BSE Limited for listing of our Equity Shares. The point wise Criteria for SME Platform of BSE Limited and compliance thereof are given hereunder;

1. **The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.**

Our Company is incorporated under the Companies Act, 2013.

2. **The post issue paid up capital of the company (face value) shall not be more than ₹ 25.00 Crore.**

The present paid-up capital of our Company is ₹ 17.09 Crores and we are proposing issue of 6600000 Equity Shares of ₹ 10/- each at Issue price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating to ₹ [●] Lakh. Hence, our Post Issue Paid up Capital will be ₹ 23.69 Crores which is less than ₹ 25.00 Crore.

3. **Net-worth: At least Rs. 1 crore for 2 preceding full financial years.**

As per restated financial information, the net-worth of the Company is ₹ 1587.40 lakhs and Rs. 1213.64 lakhs, as on March 31, 2023 and March 31, 2022 respectively. So, The Company has fulfilled the criteria of networth of at least Rs. 1 crore for 2 preceding full financial years.

4. **Net Tangible Asset: At least Rs 3 crores in last preceding (full) financial year**

As per restated financial information, the net tangible assets of The Company are ₹ 1591.39 Lakhs as on March 31, 2023. So, The Company has fulfilled the criteria of at least Rs 3 crores in last preceding (full) financial year.

5. **The company or the partnership/proprietorship/LLP Firm or the firm which have been converted into the company should have combined track record of at least 3 years**

Our Company was originally incorporated on December 13, 2017 under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre. Therefore, we are in compliance with criteria of having track record of 3 years.

**6. The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.**

Our Company satisfies the criteria of track record which given hereunder based on Restated Financial Statement.

(₹ In lakh)

Particulars	For the year/period ended			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Operating profit (earnings before interest, depreciation and tax and other income) from operations	1552.57	775.21	353.81	136.08
Net Worth as per Restated Financial Statement	2584.76	1587.40	1213.64	1008.73

**7. Leverage Ratio: Leverage ratio of not more than 3:1**

As on December 31, 2023, total debt and total shareholders fund of the Company was ₹ 5323.77 lakhs and ₹ 2586.68 lakhs respectively. Accordingly, Leverage ratio (Total debt / total shareholders fund) of The Company works out at 2.06:1. Hence leverage ratio of The Company is not more than 3:1.

**8. Disciplinary Action**

There is no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.

The Promoter(s) or directors are not promoter(s) or directors of any companies that are compulsory delisted companies by the Exchange and the applicability of consequences of compulsory delisting is attracted or companies that are suspended from trading on account of non-compliance.

Directors are not disqualified/debarred by any of the Regulatory Authority.

**9. There are no pending defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant company, promoters/ promoting company(ies), Subsidiary Companies- Not Applicable in the present case.**

**10. Name Change**

Not Applicable in the present case.

**11. Other Requirements**

We confirm that;

- The Company has a live and operational website: [www.thekatex.com](http://www.thekatex.com)
- The entire Equity Shares held by the Promoters are dematerialized
- Our Company shall mandatorily facilitate trading in demat securities and have entered into an agreement with both the depositories. Our Company has entered into an agreement for registration with the Central Depository Services Limited (CDSL) dated January 3, 2024 and National Securities Depository Limited dated October 6, 2023 for establishing connectivity.
- There has been no change in the promoter(s) of our Company in the preceding one year from date of filing application to BSE for listing on BSE SME.
- The composition of the Board is in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval.
- Our Company has not been referred to the NCLT under IBC.
- There is no winding up petition against our Company, which has been admitted by the Court or a liquidator has not been appointed.

**In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:**

1. In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting by LM, please refer to Section titled “*General Information*” beginning on page no. 47 of this Draft Prospectus.
2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the LM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled “*General Information*” beginning on page no. 47 of this Draft Prospectus.
3. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, and should our Company fail to do so, the Bid Amounts received by our Company shall be refunded to the Applicants, in accordance with the SEBI ICDR Regulations and applicable law.
4. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Issue Document through LM immediately up on filing of the Issue Document with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on our Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and Subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

**SEBI DISCLAIMER CLAUSE**

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT OFFER DOCUMENT/~~DRAFT LETTER OF OFFER~~/OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT/~~DRAFT LETTER OF OFFER~~/OFFER DOCUMENT. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/~~DRAFT LETTER OF OFFER~~/OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT / OFFER DOCUMENT, THE LEAD MANAGER(S) IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER(S), NIRBHAY CAPITAL SERVICES PRIVATE LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED JUNE 30, 2024, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT OFFER DOCUMENT/~~DRAFT LETTER OF OFFER~~/OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER(S) ANY IRREGULARITIES OR LAPSES IN THE DRAFT OFFER DOCUMENT/~~DRAFT LETTER OF OFFER~~/OFFER DOCUMENT.”**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, AHMEDABAD, IN TERMS OF SECTION 26, 30 AND SECTION 33 OF THE COMPANIES ACT, 2013.**

**DISCLAIMER CLAUSE OF THE BSE**

The copy of the Draft Prospectus is submitted to BSE. Post scrutiny of the Draft Prospectus, the Disclaimer Clause as intimated by BSE to us is read as under:

**“As required, a copy of this Offer Document has been submitted to BSE Limited (hereinafter referred to as BSE). BSE has given vide its letter Ref.: [●] dated [●] 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 BSE should not in any way be deemed or construed that the offer document has been cleared or approved by BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.**

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

#### **CAUTION- DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER**

The Company, the Directors, accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisement or any other material issued by or at the instance of the issuer and that anyone placing reliance on any other source of information would be doing so at their own risk.

The Lead Manager accepts no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of the issuer and that anyone placing reliance on any other source of information, including Company’s website: [www.rudragasenterprise.com](http://www.rudragasenterprise.com) would be doing so at their own risk.

The Company, the Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of the issuer and that anyone placing reliance on any other source of information, including Company’s website: [www.thekatex.com](http://www.thekatex.com) would be doing so at their own risk.

#### **CAUTION**

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Memorandum of Understanding entered into between the Lead Manager, Nirbhay Capital Services Private Limited and our Company dated June 27, 2024 and the Underwriting Agreement dated [●] between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker, [●] and our Company.

All information shall be made available by us and LM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers etc.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and our Promoter Group, affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company and our Promoter Group, affiliates or associates for which they have received, and may in future receive, compensation.

#### **Note:**

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not offer, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriters and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our company.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub-account registered with SEBI which is a foreign

corporate or go reign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Draft Prospectus does not, however, constitute an invitation to subscribe to Equity Shares issued hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1933**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

**Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever 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 OF DRAFT PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES**

The Draft Prospectus is being filed with BSE Limited, Phiroze Jeejeebhoy Towers, Dalal St, Kala Ghoda, Fort, Mumbai, Maharashtra - 400001. The Draft Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Prospectus in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>

A copy of the Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be delivered to the RoC Office situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat and will be made available on the website of the Company i.e. [www.thekatex.com](http://www.thekatex.com).

#### **LISTING**

Application is to be made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has received an In-Principle Approval letter dated [●] from BSE for using its name in this offer document for listing our shares on the SME Platform of BSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE, the Company shall refund through verifiable means the entire monies received within Four days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four day after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within Three Working Days from the Issue Closing Date.

#### **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- (a). makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
- (b). makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c). Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

#### **CONSENTS**

The written consents of Promoter, Directors, Company Secretary cum Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers’ to the Company, Banker to the Issue, Legal Advisor to the Issue, the Lead Manager to the Issue, Underwriter, Registrar to the Issue and Market Maker to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of the Prospectus with the ROC, as required under Section 26 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, 1) M/s. Piyush Kothari & Associates, Chartered Accountants have provided their written consent to act as Peer review Auditor and expert to the company dated June 28, 2024 for Audit Report to the Restated Financials and Restated Financial Information as well as inclusion of Statement of Tax Benefits dated June 28, 2024 and disclosure made in chapter titled “*Objects of the Issue*” beginning on Page No. 73 of this Draft Prospectus; 2) M/s. Vidhigya Associates, Advocates has provided their written consent to act as Legal Advisor to the issue dated June 28, 2024 for chapters titled “*Key Industry Regulations*”, “*Government and Other Statutory Approvals*”, “*Outstanding Litigations and Material Developments*” and “*Restriction on Foreign Ownership of Indian Securities*” beginning on Page Nos. 127, 189,185, 255 of this Draft Prospectus; 3) M/s. Piyush Kothari & Associates, Chartered Accountants have provided their written consent to act as expert to the company dated June 28, 2024 for disclosure made in section titled “*Object of the Issue*” and “*Basis for Issue Price*” beginning on Page No. 73 and Page No. 82 of this Draft Prospectus.

Further, such consents and reports have not been withdrawn up to the time of delivery of this Draft Prospectus.

#### **EXPERT OPINION**

Except for report and certificates from Peer Review Auditors on financial matter, we have not obtained any other expert opinions.

#### **PREVIOUS PUBLIC OR RIGHTS ISSUE**

There have been no public or rights issue by our Company during the last five years.

### UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

We have not made any previous public Issue. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

### CAPITAL ISSUE DURING THE LAST THREE YEARS

Except mentioned below, non of our group company has issued capital during last three year, the details of which are as given below:

Sr No.	Particulars	Details
1.	Name of the Company	Kalahridhaan Trendz Limited
2.	Year of Issue	February 23, 2024
3.	Type of Issue (public/rights/composite).	Initial Public Offer
4.	Amount of issue	₹ 2249.10 Lakhs
5.	Date of closure of issue	February 20, 2024
6.	Date of allotment	February 21, 2024
7.	Date of credit of securities to the demat account	February 22, 2024
8.	Date of completion of the project, where object of the issue was financing the project.	Not Applicable
9.	Rate of dividend paid.	Nil

### PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LM

For details regarding the price information and track record of the past issue handled by Nirbhay Capital Services Private Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI is as follows:

**TABLE 1**

#### SME IPO:

Sr. No	Issuer Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing
1.	Aatmaj Healthcare Limited	38.40	60.00	June 30, 2023	56.00	-19.00 (-7.01)	-24.17 (-8.76)	-30.58 (-19.04)

#### MAIN BOARD IPO:

Sr. No.	Issuer Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing
								NIL

Source: Price Information [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

#### **Note:**

1. The S&P NSE Sensex and NSE Nifty are considered as the Benchmark.

2. "Issue Price" is taken as "Base Price" for calculating % Change in Closing Price of the respective Issues on 30<sup>th</sup> / 90<sup>th</sup>/180<sup>th</sup> Calendar days from listing.
3. "Closing Benchmark" on the listing day of respective scripts is taken as "Base Benchmark" for calculating % Change in Closing Benchmark on 30<sup>th</sup> / 90<sup>th</sup>/180<sup>th</sup> Calendar days from listing. Although it shall be noted that for comparing the scripts with Benchmark, the +/- % Change in Closing Benchmark has been calculated based on the Closing Benchmark on the same day as that of calculated for respective script in the manner provided in Note No. 4 below.
4. In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the previous trading day for the respective Scripts has been considered, however, if scripts are not traded on that previous trading day then last trading price has been considered.

## TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding track record of the Lead Manager to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Lead Manager at: [www.nirbhaycapital.com](http://www.nirbhaycapital.com)

## SUMMARY STATEMENT OF DISCLOSURE

TABLE 2

### SME IPO:

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at discount as on 180 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 180 <sup>th</sup> calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-

### MAIN BOARD IPO:

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at discount as on 180 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 180 <sup>th</sup> calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25			NIL											
2023-24			NIL											
2022-23			NIL											
2021-22			NIL											

### Notes:

1. Issue opening date is considered for calculation of total number of IPO's in the respective financial year.
2. In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
3. Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

## PROMISE VIS-A-VIS PERFORMANCE

Except our Promoter Group Company Kalahridhaan Trendz Limited, neither our Company nor our Promoter's Group Companies/Entities have made any previous rights or public issues during last five years. In February 2024, Kalahridhaan Trendz Limited came with the Initial Public Issue of 49,98,000 Equity Shares of face value of ₹ 10/- each for cash at price of ₹ 45/- per Equity Share including a share premium of ₹ 35/- per Equity Share ("The Issue Price") aggregating to ₹

2249.10 Lakhs. The details of Promise vis-à-vis Performance of Kalahridhaan Trendz Limited is as follows and object of the issue as mentioned in the prospectus of Kalahridhaan Trendz Limited.

<b>Fund Raised (Object of the Issue) – Promised</b>	<b>Amount (₹ in Lakhs)</b>	<b>Fund Utilization/Performance (Proceeds till March 31, 2024)</b>
Working Capital Requirement	1607.00	1599.31
General Corporate Purpose	535.00	535.00
Public Issue Expense	107.10	107.10
<b>Total</b>	<b>2249.10</b>	<b>2241.41</b>

*(Source: Statement of Deviation/Variation in Utilization of fund raised dated May 30, 2024 filed by Kalahridhaan Trendz Limited with National Stock Exchange of India Limited)*

### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Lead Managers shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and comply with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Draft Prospectus/Prospectus. - **Noted for Compliance**

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee as follows:

Name of the Directors	Designation	Nature of Directorship
Aayush Kamleshbhai Shah	Chairman	Independent Director
Monika Shekhawat	Member	Independent Director
Niranjan Dwarkaprasad Agarwal	Member	Non-Executive Director

Our Company has appointed Ms. Shivani Mittal as the Company Secretary cum Compliance Officer who may be contacted in case of any pre-issue or post-issue related problems at the following address:

55/Ashra Ind. Estate B/h. Mahalaxmi Fabrics, Narol, Ahmedabad – 382405, Gujarat

**Telephone No.:** +91 9484781647

**Web site:** www.thekatex.com

**E-Mail:** info@thekatex.com

Till date of this Draft Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

#### **FEES PAYABLE TO LM TO THE ISSUE**

The total fees payable to the LM will be as per the Memorandum of Understanding for Initial Public Offer, a copy of which is available for inspection at the Registered Office of our Company.

#### **FEES PAYABLE TO THE REGISTRAR TO THE ISSUE**

The fees payable to the Registrar to the Issue, for processing of Bidding application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement between the Company and the Registrar to the Issue.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, communication expenses etc. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post or email.

#### **FEES PAYABLE TO OTHERS**

The total fees payable to the Sponsor Bank, Legal Advisor, Statutory Auditor and Peer Review Auditor, Market maker and Advertiser, etc. will be as per the terms of their respective engagement letters.

#### **COMMISSION PAYABLE TO SCSBS**

- Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:  
Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)  
Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)  
^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).*
- The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.*
- Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.*
- SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.*
- Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.*

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

#### **PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 54 of this Draft Prospectus, our Company has not Issue any Equity Shares for consideration otherwise than for cash.

#### **LISTED VENTURES OF PROMOTERS**

There are no listed ventures of our Company as on date of filing of this Draft Prospectus. For details related to our group company/entities please refer to chapter titled as Information with respect to Group Companies/Entities on page **Error! Bookmark not defined.** of this Draft Prospectus.

#### **OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS**

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Prospectus.

#### **CAPITALIZATION OF RESERVES OR PROFITS DURING LAST 5 (FIVE) YEARS**

Except as disclosed under chapter titled “*Capital Structure*” on page 54 of this Draft Prospectus, our Company has not capitalized Reserves or Profits during last five years.

#### **REVALUATION OF ASSETS DURING THE LAST FIVE (5) YEARS**

Our Company has not revalued its assets during last five years.

#### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI SHALL BE DISCLOSED**

Our Company has not been granted any exemptions from complying with any provisions of Securities Laws by SEBIs.

## SECTION XII – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2018 including amendments thereof, our Memorandum and Articles of Association, the terms of this Draft Prospectus, Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, ROC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Further vide the said circular, Registrar to the Issue and Depository Participants have also been authorized to collect the Application forms. Investor may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

### RANKING OF EQUITY SHARES

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the chapter titled “*Description of Equity Shares and Terms of the Articles of Association*” beginning on page no. 256 of this Draft Prospectus.

### MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any, declared) will be approved by the Board of Directors.

### FACE VALUE AND ISSUE PRICE

The face value of the Equity Shares is ₹ 10/- each and the Issue Price is ₹ [●] per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled “*Basis for Issue Price*” beginning on page no. 82 of this Draft Prospectus.

At any given point of time there shall be only one denomination for the Equity Shares of our company, subject to applicable laws.

### COMPLIANCE WITH SEBI (ICDR) REGULATIONS, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the chapter titled ***“Description of Equity Shares and Terms of the Articles of Association”*** beginning on page no. 256 of this Draft Prospectus.

#### **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

In terms of Section 29 of the Companies Act 2013, the Equity Shares shall be allotted only in dematerialized form. As per the existing SEBI (ICDR) Regulations, 2018, the trading of the Equity Shares shall only be in dematerialized form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by SME Platform of BSE 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 in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

#### **MINIMUM NUMBER OF ALLOTTEES**

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by the SCSBs or Sponsor Bank shall be unblocked within two (2) Working days of closure of issue.

#### **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Ahmedabad.

**The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

**The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

#### **JOINT HOLDERS**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

#### **NOMINATION FACILITY TO INVESTOR**

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicants, may nominate up to three persons, vide Multiple Nominations facility made available by CDSL and NSDL, to whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may

be, the Equity Shares allotted, if any, shall vest in respect of Percentage assigned to each nominee at the time of nomination. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination interest shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

#### PERIOD OF OPERATION OF SUBSCRIPTION LIST OF PUBLIC ISSUE

ISSUE OPENS ON	●	ISSUE CLOSES ON	●
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An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Closing Date	●
Finalization of Basis of Allotment with BSE	●
Initiation of refunds /unblocking of funds from ASBA Account	●
Credit of Equity Shares to demat accounts of Allottees	●
Commencement of trading of the Equity Shares on BSE	●

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

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of Applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchange. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 5.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public issue, some Applications may not get uploaded due to lack of sufficient time. Such Applications that are not uploaded will not be considered for allocation under the Issue. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data.

### **MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

The issuer does not receive the minimum subscription of 100% of the issue through offer document on the date of closure of the issue or devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue or withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the stock exchanges for the securities so Issued under the offer document, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen per cent per annum.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 6 working days of closure of issue.

**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.**

### **NO RESERVATION FOR EIGIBLE NRIS, FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND QFIS**

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### **AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. 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.*

### **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 and the same may be modified by SME Platform of BSE from time to time by giving prior notice to investors at large.

However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE.

## RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue Equity Shares and Minimum Promoters' Contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page no. 54 of this Draft 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 chapter titled "*Description of Equity Shares and Terms of the Articles of Association*" beginning on page no. 256 of this Draft Prospectus.

## NEW FINANCIAL INSTRUMENTS

The Issuer Company is not issuing any new financial instruments through this Issue.

## OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

**Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

## MIGRATION TO MAIN BOARD

Our Company may migrate to the main board of BSE on a later date, subject to the following:

If the Paid-up Capital of the company is more than ₹ 10 crores and up to ₹ 25 crores, we may migrate equity shares to the main board of the stock exchanges if shareholders approve such a migration by passing a special resolution through postal ballot to this effect and if Company fulfils the eligibility criteria for listing laid down by the Main Board.

Provided that the special resolution shall be acted upon if and only if the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

OR

Where the post-issue face value capital of the Company listed on a SME exchange is likely to increase beyond twenty five crore rupees by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its specified securities listed on a SME exchange to the Main Board and seek listing of the specified securities proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board:

Provided that no further issue of capital by the Company shall be made unless;

- a) the shareholders of the Company have approved the migration by passing a special resolution through postal ballot wherein the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal;
- b) the Company has obtained an in-principle approval from the Main Board for listing of its entire specified securities on it.

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## MARKET MAKING

The shares offered through this issue are proposed to be listed on the SME Platform of BSE, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Platform of BSE for a minimum period of three years from the date of listing of shares offered through this Draft Prospectus. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker; please see “*General Information*” on page no. 47 of this Draft Prospectus.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than ₹ 10 crores and upto ₹ 25 crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of Issue*” and “*Issue Procedure*” on page no. 203 and 211 respectively of this Draft Prospectus.

Public issue of 6600000 equity shares of face value of ₹ 10/- each for cash at a price of ₹ [●] per equity share including a share premium of ₹ [●] per equity share (the “issue price”) aggregating to ₹ [●] Lakh (“the issue”) by our company.

Particulars	Net Issue to Public	Market Maker reservation portion
<b>Number of Equity Shares*</b>	6268000 Equity Shares	332000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.97% of the Issue Size 26.45% of the Post Issue Paid up Capital	5.03% of the Issue Size 1.40% of the Post Issue Paid up Capital
<b>Basis of Allotment/ Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of [●] Equity Shares and Further allotment in multiples of [●] Equity Shares each.  For further details please refer to the section titled “ <b>Issue Procedure – Basis of Allotment</b> ” on page no. 211 of this Draft Prospectus.	Firm Allotment
<b>Mode of Application</b>	All the Applicants shall make the Application (Online or Physical) through ASBA Process Only.	Through ASBA mode Only.
<b>Minimum Application Size</b>	<b>For NII:</b> Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds ₹ 2,00,000  <b>For Retail Individuals:</b> [●] Equity Shares	332000 Equity Shares
<b>Maximum Bid</b>	<b>For NII:</b> Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Size does not exceed [●] Equity Shares subject to limit the investor has to adhere under the relevant laws and regulations applicable.  <b>For Retail Individuals:</b> [●] Equity Shares so that the Application Value does not exceed ₹ 2,00,000	332000 Equity Shares
<b>Mode of Allotment</b>	Compulsorily in dematerialized mode	Compulsorily in dematerialized mode
<b>Trading Lot</b>	[●] 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.
<b>Terms of payment</b>	Entire Application Amount shall be payable at the time of submission of Application Form.	
<b>Application Lot Size</b>	[●] Equity Share and in multiples of [●] Equity Shares thereafter	

\* 50% of the shares Issued in the Net Issue to Public portion are reserved for applications whose application value is below ₹ 2,00,000 and the balance 50% of the shares are available for applications whose application value is above ₹ 2,00,000.

## WITHDRAWAL OF THE ISSUE

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Lead Manager, reserves the right not to proceed with this Issue at any time after the Issue Opening Date, but before our Board meeting for Allotment, without assigning reasons thereof. If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-Issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Ahmedabad.

## ISSUE PROGRAMME

<b>ISSUE OPENS ON</b>	•
<b>ISSUE CLOSES ON</b>	•

## ISSUE PROCEDURE

All Bidders should read 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 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 Master Circular Number SEBI/HO/CFD/PoD- 2/P/CIR/2023/00094 dated June 21, 2023 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI ("**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 Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the 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 especially in relation to the process for Bids by UPI Bidders through UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund (xiii) disposal of applications and electronic registration of Bids. 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, had 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 UPI 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

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 Master Circular Number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 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 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

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 Master Circular Number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 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 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

With effect from July 1, 2019, with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"), Further pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 UPI Phase II was extended till March 31, 2020. Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs ("UPI Phase III"), as may be prescribed by SEBI. Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change.

Further, our Company, and the BRLM are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Applicants 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 Equity Shares that can be held by them under applicable law or as specified in the Prospectus and the Prospectus. The BRLM shall be the nodal entity for any issues arising out of public issuance process. Our Company,

and the BRLM are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for application in this Issue.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the Full Application Amount along with the Application Form.

### **Phased implementation of Unified Payments Interface**

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and 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 (collectively the "UPI Circulars") in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

#### **Phase I:**

This phase was applicable from January 1, 2019 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 until June 30, 2019. Under this phase, a RIB also had the option to submit the ASBA Form with any of the Designated Intermediaries and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

#### **Phase II:**

This phase had 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 decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Under this phase, submission of the physical ASBA Form by a RIB through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.

#### **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 SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The processing fees for applications made by UPI Applicants using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law. Accordingly, 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 pursuant to the T+3 Notification.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint SCSBs as a sponsor bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/or payment instructions of the UPI Applicants using UPI.

The processing fees for applications made by UPI Applicants may be released to the SCSBs only after such banks provide a written confirmation on compliance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. NPCI vide circular reference no. NPCI/UPI/OC No. 127/ 2021-22 dated December 09, 2021, inter alia, has enhanced

the per transaction limit in UPI from more than ₹2 lakhs to ₹5 lakhs for UPI based ASBA in initial public offerings. For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM.

**This Issue is being made under Phase III of the UPI (on a mandatory basis).**

#### **FIXED PRICE ISSUE PROCEDURE**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI (ICDR) Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via Fixed Price Issue method. In terms of Regulation 253(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be issued to Non-Retail Category i.e., QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price. Subject to the valid Applications being received at Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange. However, if the retail individual investor category is entitled to more than fifty per cent of the net Issue on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI.

In case of QIB Applicants, the Company, in consultation with the Lead Manager, may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing. In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant’s depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.**

#### **Electronic registration of Applications**

- a) The Designated Intermediary registered the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries could also set up facilities for off-line electronic registration of Bids, subject to the condition that they would subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Issue.
- b) On the Bid/Issue Closing Date, the Designated Intermediaries uploaded the Bids till such time as were permitted by the Stock Exchanges and as disclosed in this Draft Prospectus.
- c) Only Bids that are uploaded on the Stock Exchanges Platform were considered for allocation/Allotment. The Designated Intermediaries were given till 1:00 pm on the next Working Day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchanges Platform during the Bid/Issue Period after which the Stock Exchange(s) sent the bid information to the Registrar to the Issue for further processing.

#### **AVAILABILITY OF DRAFT PROSPECTUS, PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Draft Prospectus and Prospectus together with the Application Forms, copies of the Draft Prospectus and Prospectus may be obtained from the Registered Office of our Company, from

the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. An electronic copy of the Application Form will also be available for download on the website of the Stock Exchange (BSE Limited) i.e. [www.bseindia.com](http://www.bseindia.com) at least one day prior to the Issue Opening Date.

All the investors (except Retail Individual Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, Retail Individual Investors applying in public Issue through intermediaries shall use only UPI payment mechanism for application. The application form submitted by NIIs and QIBs must provide applicant's bank account details and authorization to block funds in the relevant space provided in the Application Form. Further, Retail Individual Investors submitting application form using UPI shall mention the UPI of his/her own Bank account in the application form in the relevant space. The Application Forms that do not contain applicant's bank account details or UPI of own Bank Account, as the case may be, are liable to be rejected. All the investors were also required to ensure that the ASBA Account had sufficient credit balance as an amount equivalent to the full Bid Amount which could have been blocked by the SCSB.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID were liable for rejection. RIIs using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Registered Brokers, RTAs or CDPs. RIIs authorising an SCSB to block the Application Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Applicants must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Application Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Application.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

\* Excluding electronic Application Forms downloaded by the Applicants.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Application details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic applying system of the Stock Exchanges. For RIIs using UPI Mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request for blocking of funds. For ASBA Forms (other than RIIs) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Applicants has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic Application 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. Stock Exchanges shall allow modification of either DP ID / Client ID or PAN ID, bank code and location code in the Application details already uploaded.

For RIIs using UPI mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIIs, 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 Application entered in the Stock Exchange bidding platform, and the liability to compensate RIIs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the Banker to an Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to an Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as 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 SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The Sponsor Bank will undertake a reconciliation of Application 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 Application requests and responses throughout their lifecycle on daily basis and share reports with the LM 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.

### **SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS**

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Draft Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account or UPI linked Bank Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

- i. An SCSB, with whom the bank account to be blocked, is maintained
- ii. A syndicate member (or sub-syndicate member)
- iii. A stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
- iv. A depository participant (“DP”) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v. A registrar to an issuer and share transfer agent (“RTA”) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retail investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), shall enter their UPI ID in the application form.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Designated Intermediaries (other than SCSBs) after accepting application form submitted by NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the applicants have a bank account and shall not submit it to any non-SCSB Bank.

For applications submitted to Designated Intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of Stock Exchange. Further, Intermediaries shall retain physical application forms submitted by retail individual investors with UPI as a payment mechanism, for a period of six months and thereafter forward the same to the issuer/ Registrar to the Issue. However, in case of Electronic forms, “printouts” of such applications need not be retained or sent to the issuer. Intermediaries shall, at all times, maintain the electronic records relating to such forms for a minimum period of three years.

SCSB, after accepting the form, shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and blocked funds available in the bank account specified in the form, to the extent of the application money specified.

It is clarified that Retail Individual Investors may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form submitted by RIIs (without using UPI for payment), NIIs and QIBs, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available
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	in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors (other than Retail Individual Investors) to intermediaries other than SCSBs without use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s). Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis through API integration, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds. Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor shall accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.

Stock exchange(s) shall validate the electronic application details with depository's records for DP ID/Client ID and PAN Combination, on a real time basis through API Integration and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the application details already uploaded. Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants have deemed to have authorised our Company to make the necessary changes in the Draft Prospectus, without prior or subsequent notice of such changes to the Applicants.

## WHO CAN APPLY?

**As per the existing RBI regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Draft Prospectus for more details.

**Subject to the above, an illustrative list of Applicants is as follows:**

- Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- QIBs;
- Mutual Funds registered with SEBI;

- f) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- g) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- h) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- i) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- j) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional applicant's category;
- k) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- l) Foreign Venture Capital Investors registered with the SEBI;
- m) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- n) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- o) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- p) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- r) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- s) Insurance funds set up and managed by army, navy or air force of the Union of India;
- t) Multilateral and bilateral development financial institution;
- u) Eligible QFIs;
- v) Insurance funds set up and managed by army, navy or air force of the Union of India;
- w) Insurance funds set up and managed by the Department of Posts, India;
- x) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

- 1. Minors (except under guardianship)
- 2. Partnership firms or their nominees
- 3. Foreign Nationals (except NRIs)
- 4. Overseas Corporate Bodies

***The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.***

**PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER**

The Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, in the Non-Institutional Category where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of Lead Manager and syndicate members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the Lead Manager or any associates of the Lead Manager, except Mutual Funds sponsored by entities which are associates of the Lead Manager or insurance companies promoted by entities which are associate of Lead Manager or AIFs sponsored by the entities which are associate of the Lead Manager or FPIs (other than individuals, corporate bodies and family offices), sponsored by the entities which are associates of the Lead Manager nor; (ii) any “person related to the Promoter and members of the Promoter Group” shall 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 and members of the Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoter and members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Promoter and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the Issue.

#### **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIs APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares Issued to the public.

#### **APPLICATION BY MUTUAL FUNDS**

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

- No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company.  
Provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds.
- No mutual fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications, provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

#### **APPLICATIONS BY ELIGIBLE NRIs ON REPATRIATION BASIS**

**ELIGIBLE NRIS APPLYING ON A REPATRIATION BASIS ARE ADVISED TO USE THE APPLICATION FORM MEANT FOR NON-RESIDENTS (BLUE IN COLOUR).**

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. Companies are required to file declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants making application on a repatriation basis by using the Non-Resident Forms, should authorize their SCSB to block their Non-Resident External (NRE) accounts, or Foreign Currency Non-Resident (FCNR) or ASBA Accounts.

**Eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (NRO) accounts for the full Application Amount, at the time of the submission of the Application Form.**

Allotment of Equity Shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

#### **APPLICATIONS BY ELIGIBLE FPIs INCLUDING FIIs ON REPATRIATION BASIS**

**FPIs INCLUDING FIIs WHO WISH TO PARTICIPATE IN THE ISSUE ARE ADVISED TO USE THE APPLICATION FORM FOR NON- RESIDENTS (BLUE IN COLOUR).**

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. Foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies'(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of FEMA Act, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public Issuing and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
  - (a). A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
  - (b). Nothing contained in clause (a) shall apply to:
    - i. Any transactions in derivatives on a recognized stock exchange;
    - ii. Short selling transactions in accordance with the framework specified by the Board;
    - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    - iv. Any other transaction specified by the Board.
  - (c). No transaction on the stock exchange shall be carried forward;
  - (d). The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board;  
Provided nothing contained in this clause shall apply to:
    - i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
    - ii. sale of securities in response to a letter of Issue sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - iii. sale of securities in response to an Issue made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
    - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 2018;
    - v. divestment of securities in response to an Issue by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;

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- vi. Any Application for, or acquisition of, securities in response to an Issue for disinvestment of shares made by the Central Government or any State Government;
  - vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - viii. Any other transaction specified by the Board.
- (e). A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form: Provided that any shares held in non-dematerialized form, before the commencement of FEMA Act, can be held in non-dematerialized form, if such shares cannot be dematerialized.
- Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
  5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
  6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
  7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.
  8. No foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:
    - (a). Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
    - (b). Such offshore derivative instruments are issued after compliance with 'know your client' norms: Provided that those unregulated broad-based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly: Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.
  9. A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.
  10. Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to offshore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.
  11. Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.
  12. A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
  13. A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
  14. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.
  15. The issue of Equity Shares to a single FII should not exceed 10% of our post Issue Paid up Capital of the Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.
  16. In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its board of Directors followed by the special resolution to that effect by its shareholders in their General Meeting. As on the date of filing the Draft Prospectus, no such resolution has been recommended to the shareholders of the Company for adoption.

17. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of “Know Your Client” requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.
18. In case of FII’s in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

#### **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The SEBI (Venture Capital Funds) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. Further, the SEBI, AIF Regulations prescribes, among others, the investment restrictions on AIFs.

The holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Issue.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIFs.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicants on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all such Applicants will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (The “IRDA Investment Regulations”), are broadly set forth below:

- (a.) Equity shares of a Company: the least of 10% of the investee Company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b.) The entire group of the investee Company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c.) The industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **APPLICATION BY BANKING COMPANIES**

In case of Applications 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 Application Form, failing which our Company and the Selling Shareholders in consultation with the LM, reserve the right to reject any Application without assigning any reason.

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, 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 may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI, provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act 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. The bank is required to submit a time-bound action plan for disposal of such shares 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. Applications by banking companies should not exceed the investment limits prescribed for them under the applicable laws,

#### **APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS**

In case of applications made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY SCSBS**

SCSBS participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBS are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBS. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **APPLICATION UNDER POWER OF ATTORNEY**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of

association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason, therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- a.) With respect to applications by VCFs, FVCIs, FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- b.) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- c.) With respect to applications made by provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.
- d.) With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the lead manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

*The above information is given for the benefit of the Applicants. The Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus . Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.*

*The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.*

## **INDICATIVE PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE**

### **ASBA PROCESS**

**In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus . ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.**

Lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on [www.sebi.gov.in](http://www.sebi.gov.in). For details on designated branches of SCSB collecting the Application Form, please refer the below mentioned SEBI link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>  
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (“ASBA Account”) is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

#### **CHANNELS OF SUBMISSION OF APPLICATION FORMS**

From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

<b>Category of Investor</b>	<b>Channel I</b>	<b>Channel II</b>	<b>Channel III</b>	<b>Channel IV</b>
Retail Individual Investor (RII)	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	Not Applicable	RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.
Non- Institutional Investor (NII) including Qualified Institutional Buyer (QIB)	For such applications the existing process of uploading the Application and blocking of funds in the RIIs account by the SCSB would continue.		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds.  For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	Not Applicable

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Branch of the

SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such Applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Applications and shall not upload such Applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each Application into the electronic bidding system as a separate Application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be.

Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

## **PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE SUBMITTED BY RETAIL INDIVIDUAL INVESTOR**

In addition to application to be submitted to SCSB, with whom the bank account to be blocked, is maintained, a RII would also have the option to submit application form with any of the intermediary and use his / her bank account linked UPI ID for the purpose of blocking of funds with effect from January 01, 2019.

The detailed process in this regard is as detailed hereunder:

### **Application and validation process**

- (a). submission of the application with the intermediary, the RII would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- (b). RII will fill in the Application details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediary.
- (c). The intermediary upon receipt of form will upload the Application details along with UPI ID in the stock exchange bidding platform.
- (d). Once the Application has been entered in the bidding platform, the exchange will undertake validation of the PAN and Demat Account details of RII with the depository.
- (e). Depository will validate the aforesaid Application details on a real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.
- (f). SMS from exchange to RII for applying: Once the Application details are uploaded on the stock exchange platform, the stock exchange shall send an SMS to the RII regarding submission of his / her application, daily at the end of day basis, during bidding period. For the last day of applying, the SMS may be sent out the next working day.

### **The Block Process**

- (a). Post undertaking validation with depository, the stock exchange will, on a continuous basis, electronically share the Application details along with RIIs UPI ID, with the Sponsor Bank appointed by the issuer.
- (b). The Sponsor Bank will initiate a mandate request on the RII i.e., request the RII to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment. For all pending UPI Mandate Requests, the Sponsor Bank will initiate requests for blocking of funds in the ASBA Accounts of relevant investors with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date (**“Cut-Off Time”**). Accordingly, RIIs using the UPI Mechanism need to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests after the Cut-Off Time will lapse.
- (c). The request raised by the Sponsor Bank, would be electronically received by the RII as a SMS / intimation on his / her mobile no. / Mobile app, associated with UPI ID linked bank account.
- (d). The RII would be able to view the amount to be blocked as per his / her application in such intimation. The RII would also be able to view an attachment wherein the IPO Application details submitted by RII will be visible. After reviewing the details properly, RII would be required to proceed to authorize the mandate. Such mandate raised by sponsor bank

would be a one-time mandate for each application in the IPO.

- (e). Upon successful validation of block request by the RII, as above, the said information would be electronically received by the RIIs' bank, where the funds, equivalent to application amount, would get blocked in RIIs account. Intimation regarding confirmation of such block of funds in RIIs account would also be received by the RII.
- (f). The information containing status of block request (e.g. – accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with stock exchange. The block request status would also be displayed on stock exchange platform for information of the intermediary.
- (g). The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.
- (h). RIIs would continue to have the option to modify or withdraw the Application till the closure of the Issue period. For each such modification of Application, RII will submit a revised Application and shall receive a mandate request from sponsor bank to be validated as per the process indicated above.

Post closure of the Issue, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

### **NUMBER OF APPLICATIONS PER BANK ACCOUNT**

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

### **HOW TO APPLY?**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **MODE OF PAYMENT**

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by applicant and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount.

However, Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 and all related circulars issued thereafter, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount

(ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

In case of applications made by using any of channels under UPI Payments Mechanism, post closure of the Issue, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

The RTA, based on information of Applications and blocking received from stock exchange, would undertake reconciliation of the Applications data and block confirmation corresponding to the Applications by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.

Upon approval of basis of allotment, RTA will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

Upon confirmation of receipt of funds in the public issue account, shares would be credited to the RII's account. RII will be notified for full/partial/no allotment. For partial allotment the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the RII.

#### **UNBLOCKING OF ASBA ACCOUNT**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

In case of applications made by using any of channels under UPI Payments Mechanism, Registrar to the Issue will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

However, the Application Amount may be unblocked in the ASBA Account or Bank Account link in UPI Mechanism prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application or Application made through UPI Mechanism, as the case may be.

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

The applications in this Issue, being a fixed price issue, will be categorized into two;

##### **1. For Retail Individual Applicants**

The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed ₹ 2,00,000.

##### **2. For Other Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter.

A person shall not make an application in the net Issue category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the issue less total number of specified securities offered in the issue to qualified institutional buyers.

Further, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Prospectus.**

#### **RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

**Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

#### **INFORMATION FOR THE APPLICANTS**

- a.) The Company will file the Prospectus with the RoC at least 3 (three) working days before the Issue Opening Date.
- b.) The Lead Manager will circulate copies of the Prospectus along with the Application Form to potential investors.
- c.) Any investor, being eligible to invest in the Equity Shares Issued, who would like to obtain the Prospectus and/ or the Application Form can obtain the same from the Company's Registered Office or from the Registered Office of the Lead Manager.
- d.) Applicants who are interested in subscribing to the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their applications.
- e.) Applications made in the name of Minors and/or their nominees shall not be accepted.

#### **PRE-ISSUE ADVERTISEMENT**

As provided in Section 30 of the Companies Act, 2013 and 264(2) of the SEBI (ICDR) Regulations, 2018, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English national daily newspaper; one widely circulated Hindi national daily newspaper and one widely circulated Regional newspaper.

#### **SIGNING OF UNDERWRITING AGREEMENT**

The issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manager on [●].

#### **FILING OF THE PROSPECTUS WITH THE ROC**

The Company will file a copy of the Prospectus with the RoC in terms of Section 26 of Companies Act, 2013.

## INFORMATION FOR THE APPLICANTS

- a.) **Designated Date and Allotment of Equity Shares Designated Date:** On the Designated date, the SCSBs or Sponsor Bank shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.
- b.) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload it on its website. On the basis of approved basis of allotment, the Issuer shall make necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.
- c.) Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d.) Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 2 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**Designated Date:** On the Designated date, the SCSBs or Sponsor Bank shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

## INTEREST AND REFUNDS COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE Limited ("BSE SME") where the Equity Shares are proposed to be listed are taken within 2 (Two) working days from Issue Closing Date or such period as may be prescribed by SEBI. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2(Two) working days of the Issue Closing Date, would be ensured. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

## GROUND FOR REFUND: -NON RECEIPT OF LISTING PERMISSION

An Issuer makes an Application to the Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Draft Prospectus. The designated Stock Exchange may be as disclosed in the Draft Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Draft Prospectus. In case, our Company fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, our Company shall refund through verifiable means the entire monies received within two days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities. The Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If any such money is not repaid within two days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the second day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

## MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten as per Regulation 260(1) of SEBI ICDR Regulation.

If the issuer does not receive the subscription of hundred per cent (100%) of the offer through Draft Prospectus on the date of closure of the issue including devolvement of underwriters, if any, or if the subscription level falls below hundred per cent (100%) after the closure of issue on account of withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the stock exchange for the securities so offered under the Draft Prospectus, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond Two (2) Working Days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen per cent per annum (15% p.a.).

## MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of proposed Allottees to whom Equity Shares may be allotted shall not be less than 50 (Fifty), failing which the entire application monies may be refunded forthwith.

## MODE OF REFUND

Within 2 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs or in case of Applications by RIIs applying through the UPI mechanism to the Sponsor Bank, to revoke the mandate and for unblocking the amount in ASBA Accounts of unsuccessful Applicants and also for any excess amount blocked on Applications.

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Applications or in the event of withdrawal or failure of the Issue.

## LETTERS OF ALLOTMENT OR REFUND ORDERS OR INSTRUCTIONS TO THE SCSBS

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within Two Working Days from the Issue Closing Date. The Registrar shall instruct the Sponsor Bank or relevant SCSBs to, on the receipt of such instructions from the Registrar, revoke the mandate and for unblocking the amount in ASBA Accounts to the extent of the Application Amount specified in the Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within 2 Working Days of the Issue Closing Date.

## INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND:

The issuer shall allot securities Issued to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum if the allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within two days from the date of the closure of the issue. However, applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

1. **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Manager or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.
2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above shall be deemed a valid, binding and irrevocable contract for the Applicant.

## GENERAL INSTRUCTIONS

### Do's:

- Check if you are eligible to apply as per the terms of the Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that the details about the PAN, DP ID and Client ID, UPI ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;

- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the signature of the First Applicants in case of joint Applications, is included in the Application Forms;
- QIBs, Non-Institutional Applicants and the Retail Applicants should submit their Applications through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their Application by using UPI mechanism for payment.
- Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicants whose name should also appear as the first holder of the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Application;
- Ensure that you have funds equal to the Application Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- Ensure that the category and the investor status is indicated;
- Ensure that in case of Application under power of attorney or by limited companies, corporates, trust etc, relevant documents are submitted;
- Ensure that Application submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Draft Prospectus ;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
- Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
- Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
- Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form;
- Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not make Application on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not make Application at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
- Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not make Application for Application Amount exceeding ₹ 2,00,000 (for Applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Net Issue Size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Draft Prospectus ;
- Do not submit the General Index Register number instead of the PAN;
- Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- Do not submit Application on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicants;
- Do not submit Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not make Application if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- Do not submit Application by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

**INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected. SEBI, vide Circular No. CIR/CFD/14/2012 dated October 4, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker's Centre is available on the websites of BSE Limited i.e., [www.bseindia.com](http://www.bseindia.com).

Applicants may note that forms not filled completely or correctly as per instructions provided in this Draft Prospectus, the General Information Document which shall be made available on the website of the Stock Exchange, the Issuer and the BRLM, are liable to be rejected. Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below;



<b>COMMON APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b> Registered Office: Tel. No.:      Fax No.:      Email:      Website: Contact Person:      CIN:	FOR ELIGIBLE NRIs, FIIs/FPIs, FVCL ETC., APPLYING ON A REPATRIATION BASIS
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LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN : XXXXXXXX	Application Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>
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<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/CDP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b> Mr. / Ms. <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>  Address <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>  Email <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>  Tel. No (with STD code) / Mobile <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>SCSB BRANCH STAMP &amp; CODE</b>	
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	

<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	<b>6. INVESTOR STATUS</b>
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.	<input type="checkbox"/> Non-Resident Indians - NRI (Repatriation basis) <input type="checkbox"/> Foreign Institutional Investor - FII/ <input type="checkbox"/> Foreign Portfolio Investor - FPI <input type="checkbox"/> Foreign Venture Capital Investor - FVCI <input type="checkbox"/> FII Sub Account Corporate / Individual - FIISA <input type="checkbox"/> Others - OTH (please specify)

<b>4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off")</b>	<b>5. CATEGORY</b>
No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [*]/- per share <sup>1</sup> <input type="checkbox"/> "Cut-Off" Price (In Figures) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> (In Words) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	<input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB
<b>ALLOTMENT WILL BE IN DEMAT MODE ONLY<sup>2</sup></b>	
<sup>1</sup> Please note that applications must be made in minimum of [*] shares and further multiples of [*] shares accordingly. <sup>2</sup> Please note that the equity shares on allotment will be allotted only in the dematerialized mode on the SME Platform of BSE.	

<b>7. PAYMENT DETAILS</b>	<b>PAYMENT OPTION : Full Payment</b>
Amount Blocked (₹ in Figures) <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span> (₹ in words) <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	
ASBA Bank A/c No. <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	
Bank Name & Branch	
OR	
UPI Id <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span> <small>(Maximum 45 characters)</small>	
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.	

<b>8 A. SIGNATURE OF SOLE / FIRST APPLICANT</b>	<b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>	<b>SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)</b>
Date: ....., 2019	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue	<div style="border: 1px solid black; width: 100%; height: 100px; margin: 0 auto;"></div>
	1) <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	
	2) <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	
	3) <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	

LOGO	<b>XYZ LIMITED INITIAL PUBLIC ISSUE - NR</b>	Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Application Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>
DPID / CLID <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>		PAN of Sole/First Applicant <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	
Amount Blocked (₹ in figures) <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	ASBA Bank & Branch <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	<div style="border: 1px solid black; width: 100%; height: 100px; margin: 0 auto;"></div>	
ASBA Bank A/c No./UPI Id <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>			
Received from Mr./Ms. <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>			
Telephone / Mobile <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	Email <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>		

<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="width:15%;"></th> <th style="width:15%;">In Figures</th> <th style="width:15%;">In Words</th> </tr> <tr> <td>No. of Equity Shares</td> <td><span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span></td> <td><span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span></td> </tr> <tr> <td>Amount Blocked (₹)</td> <td><span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span></td> <td><span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span></td> </tr> </table>		In Figures	In Words	No. of Equity Shares	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	Amount Blocked (₹)	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	<b>Name of Sole / First Applicant</b> <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	
	In Figures	In Words										
No. of Equity Shares	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>										
Amount Blocked (₹)	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>	<span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>										
ASBA Bank A/c No. / UPI Id: <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>		<b>Acknowledgement Slip for Applicant</b>										
Bank & Branch: <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>		Application Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>										

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

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## 1. FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT:

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- a.) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (letters notifying the unblocking of the bank accounts of Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- b.) **Joint Applicants:** In the case of Joint Applicants, the Application should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

## 2. FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT:

- a.) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- b.) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Application on behalf of the Central or State Government, Application by officials appointed by the courts and Application by Applicant residing in Sikkim ("PAN Exempted Applicant"). Consequently, all Applicants, other than the PAN Exempted Applicant, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Application by the Applicant whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- c.) The exemption for the PAN Exempted Applicant is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- d.) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e.) Applications by Applicant whose demat accounts have been "suspended for credit" are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

## 3. FIELD NUMBER 3: APPLICANT'S DEPOSITORY ACCOUNT DETAILS

- a.) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Application Form is liable to be rejected.
- b.) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- c.) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.
- d.) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

## 4. FIELD NUMBER 4: APPLICATION OPTIONS

- a.) Since, this is the Fixed Price Issue and the Price has already been disclosed in the Draft Prospectus, the Applicants should make application at the Issue Price only. For the purpose of this Issue, the Price has been Determined as ₹ [●] per equity shares (including premium of ₹ [●] per equity share).

- b.) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can make application at the Cut-off Price indicating their agreement to apply for and purchase the Equity Shares at the Issue Price as determined in terms of Draft Prospectus. Making Application at the Cut-off Price is prohibited for QIBs and NIIs and such Applications from QIBs and NIIs may be rejected.
- c.) **Minimum Application Value and Application Lot:** For Application made by Retail Individual Investors, minimum application of [●] Equity Shares to ensure that the minimum Application value is not exceeding ₹ 2,00,000 and not less than ₹ 1,00,000. For Application made by QIBs and Non – Institutional Investors, minimum application of [●] Equity Shares and in multiples of [●] Equity Shares thereafter to ensure that the minimum Application value is exceeding ₹ 2,00,000.
- d.) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum application Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. Also, in case if the RII category is entitled to more than the allocated equity shares on proportionate basis, the RII category shall be allotted that higher percentage.

#### Maximum and Minimum Application Size

- e.) The Applicants may apply for the desired number of Equity Shares in multiple of [●] equity shares at Issue Price. Applications by Retail Individual Investors and Retail Individual Shareholders must be for [●] equity shares, so as to ensure that the Application Amount, payable by the Applicants does not exceed ₹ 2,00,000. In case the Application Amount exceeds ₹ 2,00,000 due to revision of the Application or any other reason, the Application may be considered for allocation under the Non-Institutional Category or if it is at the Cut-off Price, then such Application may be rejected. For NRIs, Application Amount of up to ₹ 2,00,000 may be considered under the Retail Category for the purposes of allocation and Application Amount exceeding ₹ 2,00,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- f.) Application by QIBs and NIIs must be for [●] equity shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter, as may be disclosed in the Application Form and the Draft Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to make application at Cut off Price.
- g.) RII may revise or withdraw their application until Issue Closing Date. QIBs and NII's cannot withdraw or lower their Application (in terms of quantity of Equity Shares or the Application Amount) at any stage after making application and are required to pay the Application Amount upon submission of the Application.
- h.) In case the Application Amount reduces to ₹ 2,00,000 or less due to a revision of the Price, Application by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- i.) An application cannot be submitted for more than the net issue size.
- j.) The maximum application by any applicant including QIB applicant should not exceed the investment limits prescribed for them under the applicable laws.

#### Multiple Applications

- k.) Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Application Forms bearing the same application number shall be treated as multiple Applications and are liable to be rejected.
- l.) Applicants are requested to note the following procedures that may be followed by the Registrar to the Issue to detect multiple Applications:
- i. All Applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN may be treated as multiple Application by Applicants and may be rejected.
- ii. For Application from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Application on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. Such Applications which have the same DP ID and Client ID may be treated as multiple applications and are liable to be rejected.
- m.) **The following Applications may not be treated as multiple Applications:**
- i. Applications by Reserved Categories making application in their respective Reservation Portion as well as application made by them in the Issue portion in public category.
- ii. Separate Applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.

- iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

#### **5. FIELD NUMBER 5: CATEGORY OF APPLICANTS**

- a.) The categories of Applicants are identified as per the SEBI (ICDR) Regulations, 2018 for the purpose of Applications, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- b.) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI (ICDR) Regulations, 2018. For details of any reservations made in the Issue, Applicants may refer to the Draft Prospectus.
- c.) The SEBI (ICDR) Regulations, 2018, specify the allocation or allotment that may be made to various categories of Application in an issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form.
- d.) For Issue specific details in relation to allocation, Applicants may refer to the Draft Prospectus.

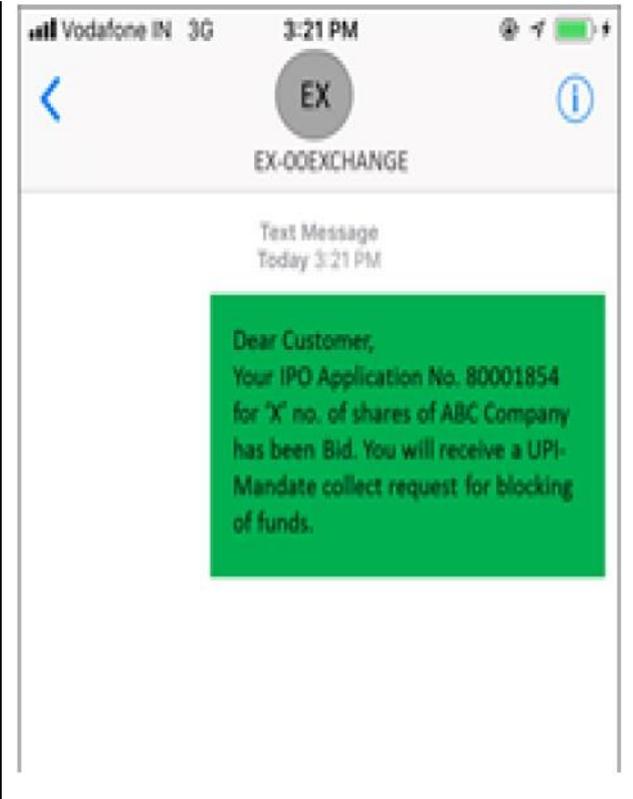
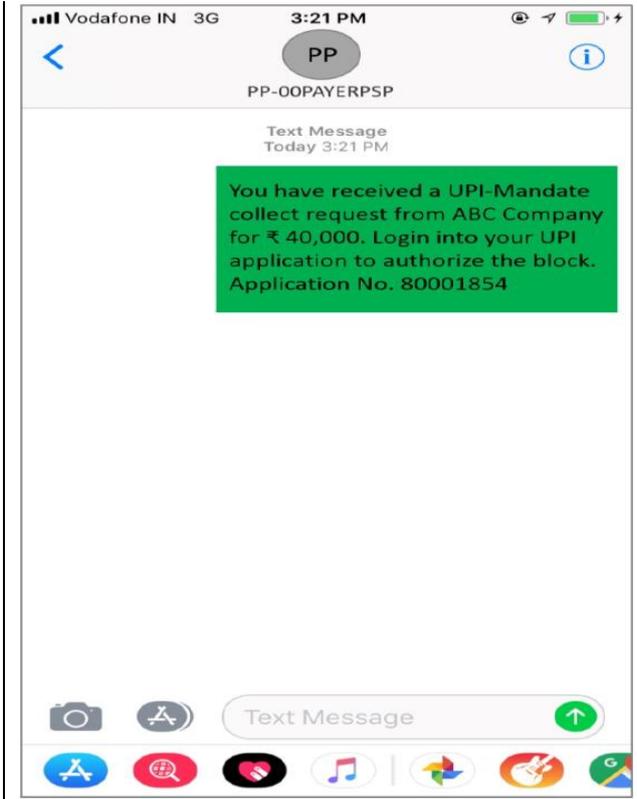
#### **6. FIELD NUMBER 6: INVESTOR STATUS**

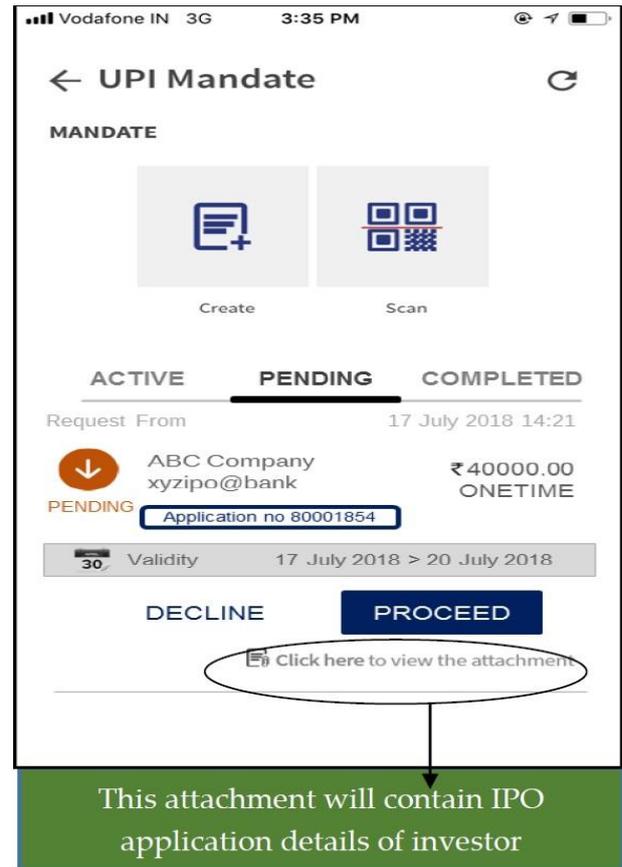
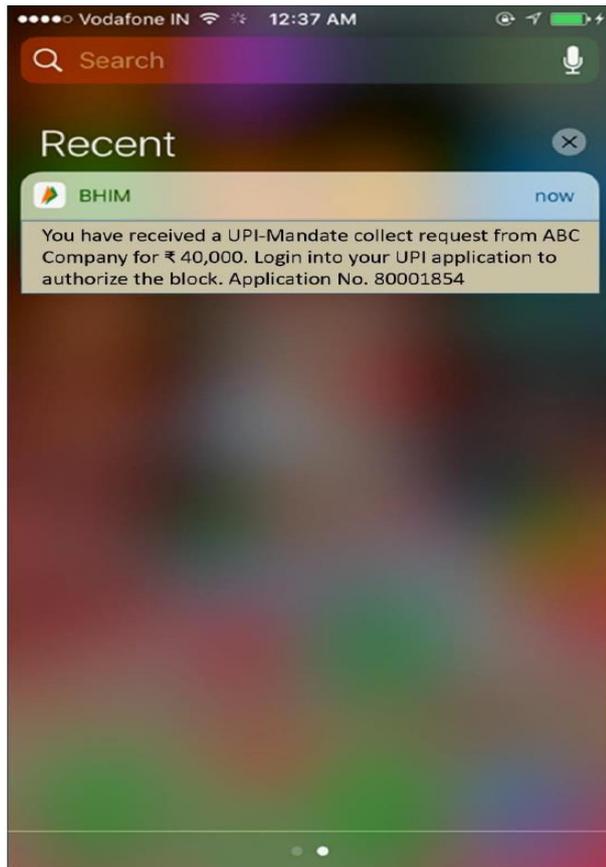
- a.) Each Applicants should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue follows the investment restrictions under applicable law.
- b.) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Draft Prospectus for more details.
- c.) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- d.) Applicants should ensure that their investor status is updated in the Depository records.

#### **7. FIELD NUMBER 7: PAYMENT DETAILS**

- a.) Applicants are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Applicants doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Applicants providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.
- b.) The full Application Amount shall be blocked based on the authorization provided in the Application Form.
- c.) RIIs who make application at Cut-off price shall be blocked on the Cap Price.
- d.) All Applicants (other than Anchor Investors) can participate in the Issue only through the ASBA mechanism.
- e.) RIIs submitting their applications through Designated Intermediaries can participate in the Issue through the UPI mechanism, through their UPI ID linked with their bank account.
- f.) Application Amount cannot be paid in cash, cheque, and demand draft, through money order or through postal order.

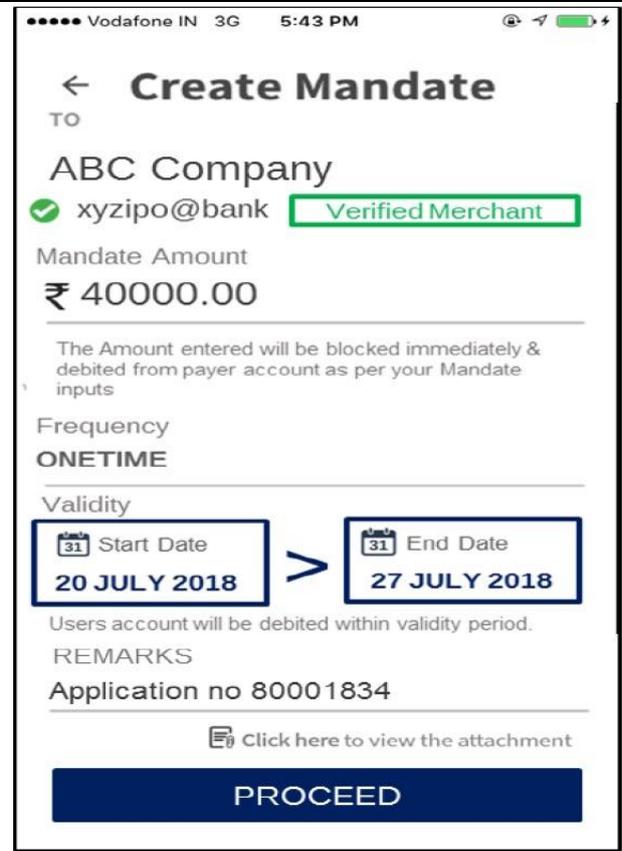
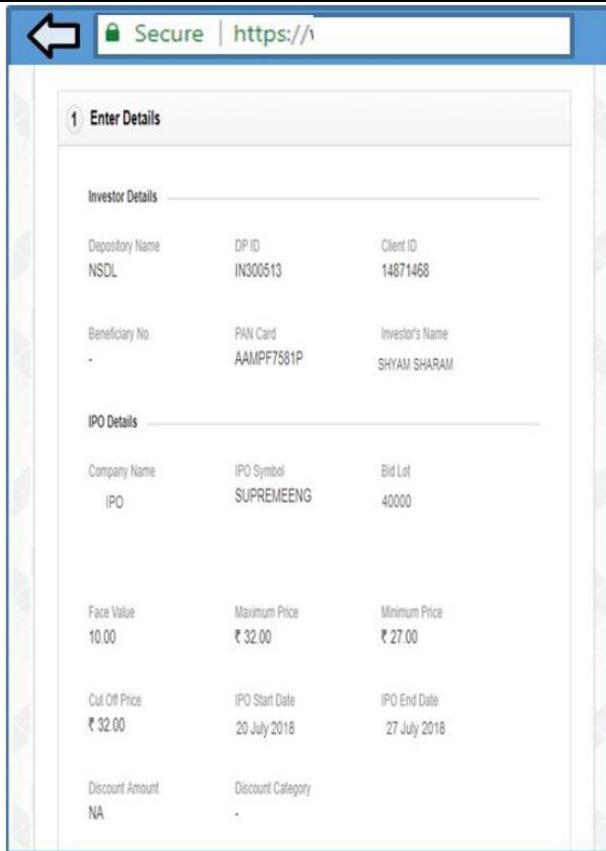
Please see below a graphical illustrative process of the investor receiving and approving the UPI mandate request:

ILLUSTRATIVE SMS	BLOCK REQUEST SMS TO INVESTOR
	
BLOCK REQUEST INTIMATION THROUGH UPI APPLICATION	BLOCK REQUEST SMS TO INVESTOR



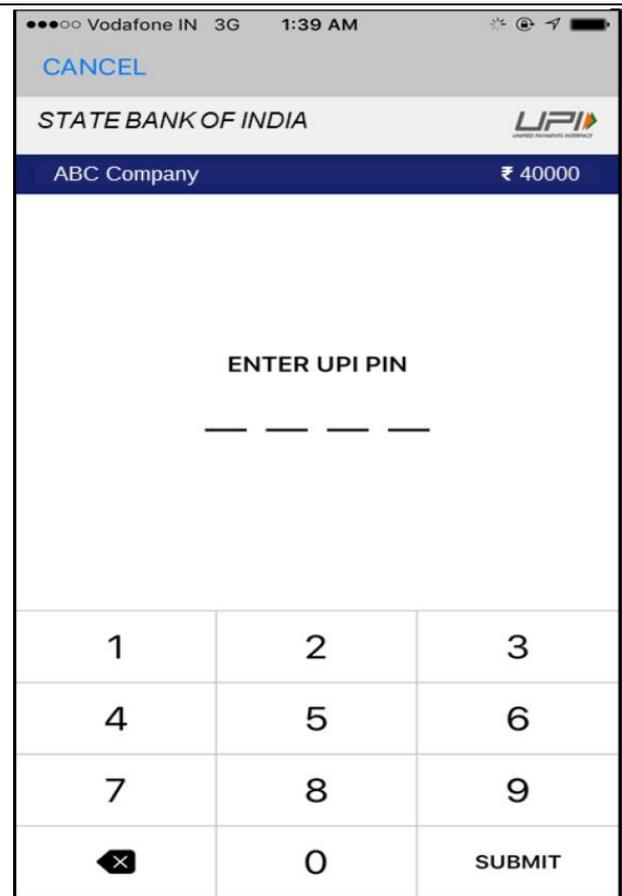
**SAMPLE OF IPO DETAILS IN ATTACHMENT**

**POST VERIFICATION OF DETAILS ABOVE**

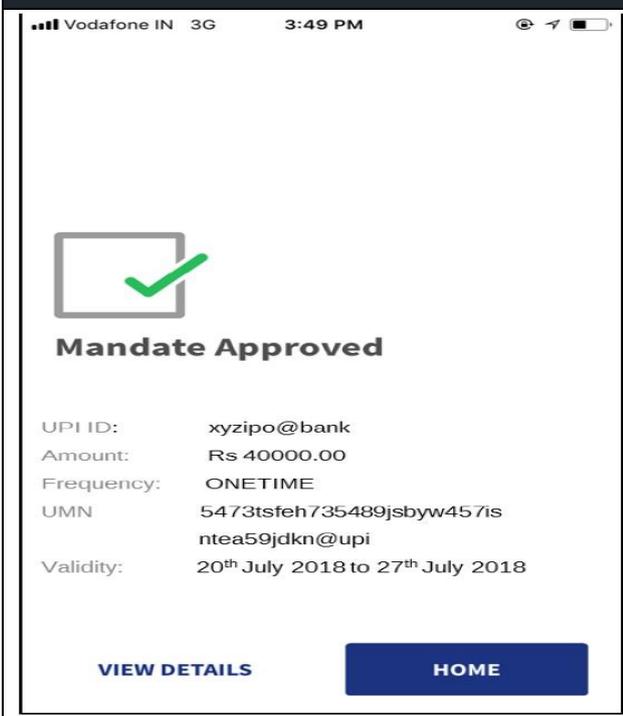


**PRE-CONFIRMATION PAGE**

**ENTERING OF UPI PIN**



**CONFIRMATION PAGE**

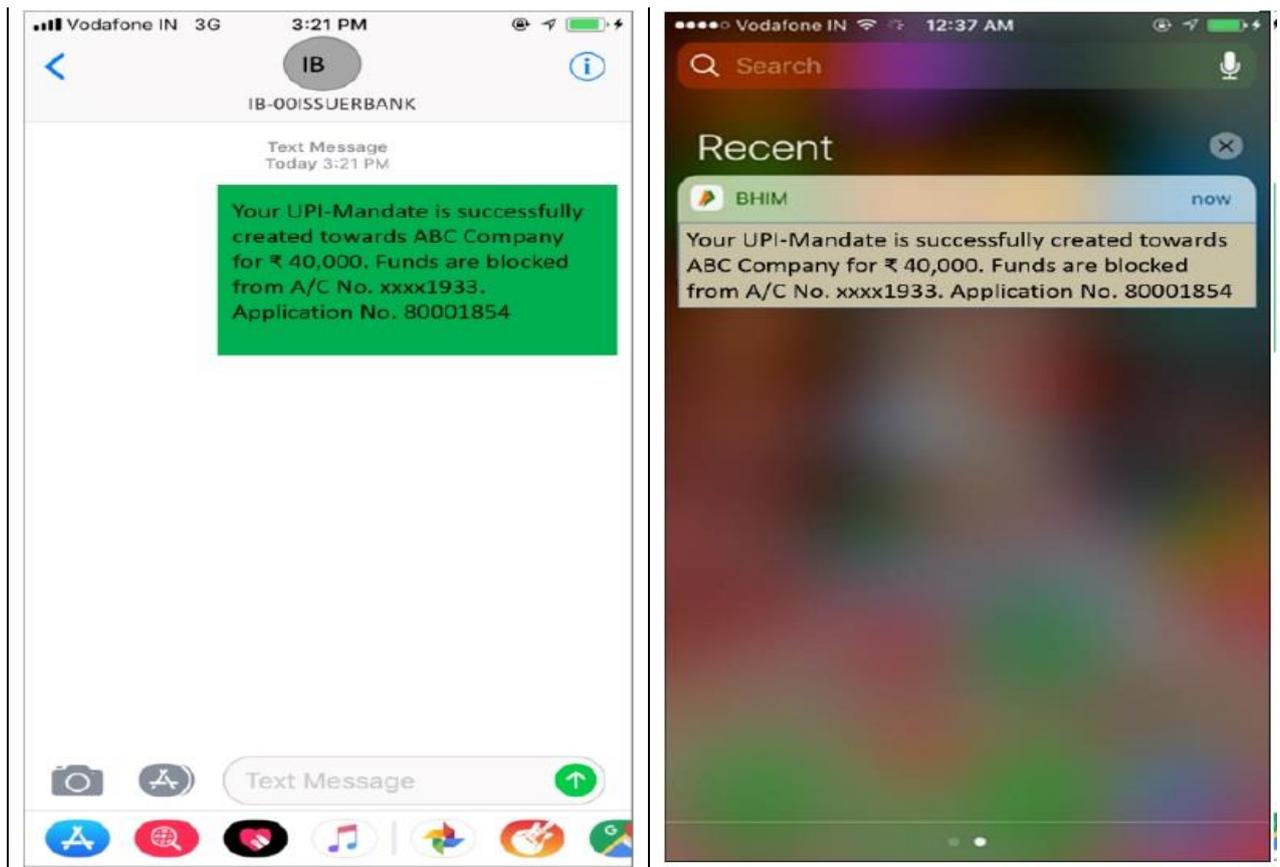


**APPROVED MANDATES VISIBLE IN UPI APPLICATION**



**BLOCK CONFIRMATION SMS TO INVESTOR**

**BLOCK CONFIRMATION APPLICATION INTIMATION**



- a.) QIB and NII Applicants may submit the Application Form either;
  - i. to SCSB in physical or electronic mode through the internet banking facility Issued by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Application Form, or
  - ii. in physical mode to any Designated Intermediary.
- b.) Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by Applicants and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted.
- c.) Applicants should note that application made using third party UPI ID or ASBA Bank account are liable to be rejected.
- d.) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the ASBA Account.
- e.) Applicants should submit the Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centers, the RTA at the Designated CRTA Locations or CDP at the Designated CDP Locations.
- f.) **Applicants making application through Designated Intermediaries** other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.
- g.) **Applicants making application directly through the SCSBs** should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- h.) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- i.) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and for application directly submitted to SCSB by investor, may enter each application details into the electronic bidding system as a separate application.
- j.) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Application on the Stock Exchange platform and such Applications are liable to be rejected.
- k.) Upon submission of a completed Application Form each Applicants (not being a RII who has opted for the UPI payment mechanism and provided a UPI ID with the Application Form) may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs. For details regarding blocking of Application

Amount for RIIs who have provided a UPI ID with the Application Form, please refer to graphical illustrative process of the investor receiving and approving the UPI mandate request provided in clause (a).

- l.) The Application Amount may remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- m.) SCSBs making application in the Issue must apply through an Account maintained with any other SCSB; else their applications are liable to be rejected.

## **8. FIELD NUMBER 8: UNBLOCKING OF ASBA ACCOUNT**

- a.) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB or the Sponsor Bank, as the case may be, along with instructions to unblock the relevant ASBA Accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant ASBA Account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Application, if any, along with reasons for rejection and details of withdrawn or unsuccessful Application, if any, to enable the SCSBs or the Sponsor Bank, as the case may be, to unblock the respective ASBA Accounts.
- b.) On the basis of instructions from the Registrar to the Issue, the SCSBs or the Sponsor Bank, as the case may be, may transfer the requisite amount against each successful Applicants to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c.) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB or to the Sponsor Bank to revoke the mandate and, as the case may be, to unblock the Application Amount in the Relevant Account within two Working Days of the Issue Closing Date.

### **Additional Payment Instructions for RIIs applying through Designated Intermediaries using the UPI mechanism**

- d.) Before submission of the application form with the Designated Intermediary, an RII shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/her bank account where the funds equivalent to the application amount is available.
- e.) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>
- f.) RIIs shall mention his / her UPI ID along with the application details in the Application Form in capital letters and submit the Application Form to any of the Designated Intermediaries.
- g.) The Designated Intermediary upon receipt of the Application Form will upload the application details along with UPI ID in the stock exchange bidding platform.
- h.) Once the application has been entered into the Stock Exchange bidding platform, the stock exchange will validate the PAN and Demat Account details of the RII with the Depository. The Depository will validate the aforesaid details on a real time basis and send a response to the stock exchange which will be shared by the stock exchange with the Designated Intermediary through its bidding platform, for corrections, if any.
- i.) Once the application details have been validated by the Depository, the stock exchange will, on a continuous basis, electronically share the application details along with the UPI ID of the concerned RII with the Sponsor Bank appointed by the Issuer.
- j.) The Sponsor Bank will validate the UPI ID of the RII before initiating the Mandate request.
- k.) The Sponsor Bank after validating the UPI ID will initiate a UPI Mandate Request for valid UPI ID on the RII which will be electronically received by the RII as an SMS / intimation on his / her mobile number / mobile app associated with the UPI ID linked account. The RII shall ensure that the details of the application are correct by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire application Amount and authorized the Sponsor Bank to block the application Amount mentioned in the Application Form and Subsequent debit in case of allotment.
- l.) Upon successful validation of the block request by the RII, the said information would be electronically received by the RII's bank, where the funds, equivalent to the application amount would get blocked in the ASBA Account

of the RII. Intimation regarding confirmation of such blocking of funds in the ASBA Account of the RII would also be received by the RII. Information on the block status request would be shared with the Sponsor Bank which in turn would share it with the stock exchange which in turn would share it with the Registrar in the form of a file for the purpose of reconciliation and display it on the stock exchange bidding platform for the information of the Designated Intermediary.

- m.) RIIs may continue to modify or withdraw the application till the closure of the Issue Period. For each modification of the application, the RII will submit a revised application and will receive a new UPI Mandate Request from the Sponsor Bank to be validated as per the process indicated above.
- n.) RIIs to check the correctness of the details on the mandate received before approving the Mandate Request.
- o.) Post closure of the Issue, the stock exchange will share the application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

**Discount: NOT APPLICABLE**

#### **Additional Payment Instruction for NRIs**

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

#### **9. FIELD NUMBER 9: SIGNATURES AND OTHER AUTHORISATIONS**

- a.) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b.) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- c.) Applicants must note that Application Form without signature of Applicants and /or ASBA Account holder is liable to be rejected.

#### **10. FIELD NUMBER 10: ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- a.) Applicant should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediary or SCSB, as applicable, for submission of the Application Form.
- b.) All communications in connection with Application made in the Issue should be addressed as under:
  - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Applicant should contact the Registrar to the Issue.
  - ii. In case of ASBA Application submitted to the Designated Branches of the SCSBs, the Applicant should contact the relevant Designated Branch of the SCSB.
  - iii. Applicants may contact the Company Secretary and Compliance Officer or Lead Manager in case of any other complaints in relation to the Issue.
  - iv. In case of queries relating to uploading of Application by a Syndicate Member, the Applicant should contact the relevant Syndicate Member.
  - v. In case of queries relating to uploading of Application by a Registered Broker, the Applicant should contact the relevant Registered Broker
  - vi. In case of Application submitted to the RTA, the Applicant should contact the relevant RTA.
  - vii. In case of Application submitted to the DP, the Applicant should contact the relevant DP.
  - viii. In case of queries relating to uploading of Application through the UPI Mechanism, the Applicant should contact the Sponsor Bank;
- c.) The following details (as applicable) should be quoted while making any queries –
  - i. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Application.
  - ii. name and address of the Designated Intermediary, where the Application was submitted; or
  - iii. Applications, ASBA Account number or the UPI ID (for RIIs who make the payment of Application Amount through the UPI mechanism) linked to the ASBA Account where the Application Amount was blocked in which the amount equivalent to the Application Amount was blocked.
  - iv. For further details, Applicants may refer to the Draft Prospectus and the Application Form.

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## A. INSTRUCTIONS FOR FILLING THE REVISION FORM

- a.) During the Issue Period, any Applicants (other than QIBs and NIIs, who can only revise their application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- b.) RII may revise / withdraw their application till closure of the Issue period.
- c.) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- d.) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had made the original Application. It is clarified that RIIs whose original Application is made using the UPI mechanism, can make revision(s) to their application using the UPI mechanism only, whereby each time the Sponsor Bank will initiate a new UPI Mandate Request. Applicants are advised to retain copies of the blank Revision Form and the Application(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:

<b>COMMON APPLICATION REVISION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, NON INSTITUTIONAL INVESTORS, RETAIL INDIVIDUAL INVESTORS AND ELIGIBLE NRs APPLYING ON A NON-REPATRIATION BASIS
	Registered Office: Tel. No.:      Fax No.:      Email:      Website: Contact Person:      CTN:	

<b>LOGO</b>	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN : XXXXXXXX	Application Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
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<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/CDP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b>
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>SCSB BRANCH STAMP &amp; CODE</b>	
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	
		Mr. / Ms. <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>
		Address <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>
		Tel. No (with STD code) / Mobile <span style="border: 1px solid black; display: inline-block; width: 100%; height: 15px;"></span>
<b>2. PAN OF SOLE/FIRST APPLICANT</b>		
3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS    NSDL <input type="checkbox"/> CDSL <input type="checkbox"/>		
For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID		

PLEASE CHANGE MY APPLICATION  PHYSICAL

Options	No. of Equity Shares Application (Application must be in multiples of [*] Equity Share)							Price per Equity Share (₹) [*]				"Cut-off" (Please ✓ tick)
	(In Figures)							(In Figures)				
Option 1								Issue Price	Discount, if any	Net Price		
(OR) Option 2	<del>ORIGINAL APPLICATION</del>							<del>ORIGINAL APPLICATION</del>				
(OR) Option 3	<del> </del>							<del> </del>				

Options	No. of Equity Shares Application (Application must be in multiples of [*] Equity Share)							Price per Equity Share (₹) [*]				"Cut-off" (Please ✓ tick)
	(In Figures)							(In Figures)				
Option 1								Issue Price	Discount, if any	Net Price		
(OR) Option 2	<del>REVISED APPLICATION</del>							<del>REVISED APPLICATION</del>				
(OR) Option 3	<del> </del>							<del> </del>				

<b>6. PAYMENT DETAILS</b>		<b>PAYMENT OPTION : Full Payment</b>
Additional Amount Blocked (₹ in Figures)		(₹ in words) _____
ASBA Bank A/c No.		
Bank Name & Branch		
OR		
UPI Id		
(Maximum 45 characters)		

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE REVISION FORM GIVEN OVERLEAF.

<b>7A. SIGNATURE OF SOLE / FIRST APPLICANT</b>	<b>7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>	<b>SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)</b>
Date: ....., 2019	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue	
	1) _____	
	2) _____	
	3) _____	

-----TEAR HERE-----

<b>LOGO</b>	<b>XYZ LIMITED</b> REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Application Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
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<b>DPID / CLID</b>	<b>PAN</b>	
Additional Amount Blocked (₹ in figures)	ASBA Bank & Branch	<b>Stamp &amp; Signature of SCSB Branch</b>
ASBA Bank A/c No./UPI Id		
Received from Mr./Ms.		
Telephone / Mobile	Email	

-----TEAR HERE-----

<b>XYZ LIMITED REVISION FORM - INITIAL PUBLIC ISSUE - R</b>		Option 1	Option 2	Option 3	<b>Stamp &amp; Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA</b>	<b>Name of Sole / First Applicant</b>
	No. of Equity Shares					
	Issue Price					
	Additional Amount Blocked (₹)					
	ASBA Bank A/c No. / UPI Id:					
Bank & Branch:						
<b>Acknowledgment Slip for Applicant</b>						
Application Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>						

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.



## **11. FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT**

Applicants should refer to instructions contained in paragraphs 1, 2 and 3 above under the heading “Instructions for Filling the Application Form”.

## **12. FIELDS 4 AND 5: APPLICATION OPTIONS REVISION ‘FROM’ AND ‘TO’**

- a.) Apart from mentioning the revised number of shares in the Revision Form, the Applicants must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form. For example, if Applicant has applied for [●] equity shares in the Application Form and such applicant is changing number of shares applied for in the Revision Form, the applicant must fill the details of [●] equity shares, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.
- b.) In case of revision, applicants’ options should be provided by applicants in the same order as provided in the Application Form.
- c.) In case of revision of Applicants by Retail Individual Investors and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Application Amount exceeds ₹ 200,000 due to revision of the Application or for any other reason, the Application may be considered, subject to eligibility, for allocation under the Non-Institutional Category or if it is at the Cut-off Price, then such Application may be rejected. The Cut-off Price option is given only to the Retail Individual Investors and Retail Individual Shareholders indicating their agreement to apply for and purchase the Equity Shares at the Issue Price.
- d.) In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 200,000, the Application will be considered for allocation under the Non-Institutional Category in terms of the Draft Prospectus. If, however, the RII does not either revise the Application or make additional payment and the Issue Price is higher than the price disclosed in the Draft Prospectus, the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised application at Cut-off Price.
- e.) In case of a downward revision in the Price, RIIs who have applied at the Cut-off Price could either revise their application or the excess amount paid at the time of application may be unblocked in case of applicants.

## **13. PAYMENT DETAILS**

- a.) All Applicants are required to make payment of the full Application Amount along with the Application Revision Form.
- b.) Applicant may Issue instructions to block the revised amount based on the revised Price in the ASBA Account of the UPI Linked Bank Account, to the same Designated Intermediary through whom such applicant had placed the original application to enable the relevant SCSB to block the additional Application Amount, if any.
- c.) In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 200,000, the Application may be considered for allocation under the Non-Institutional Category in terms of the Draft Prospectus. If, however, the Applicant does not either revise the application or make additional payment and the Price is higher than Issue price disclosed in the Draft Prospectus prior to the revision, the number of Equity Shares applied for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the applicant is deemed to have approved such revised application at the Cut-off Price.
- d.) In case of a downward revision in the Price, RIIs and Retail Individual Shareholders, who have applied at the Cut-off Price, could either revise their application or the excess amount paid at the time of application may be unblocked.

## **14. FIELD NUMBER 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Applicants may refer to instructions contained at paragraphs 9 above under the heading “Instructions for Filling the Application Form” for this purpose.

### **APPLICANT’S DEPOSITORY ACCOUNT AND BANK DETAILS**

*Please note that, providing bank account details or UPI ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.*

*Please note that, furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.*

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code, occupation (hereinafter referred to as 'Demographic Details') or UPI ID (in case of Retail Individual Investors). These Bank Account or UPI ID details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **PAYMENT BY STOCK INVEST**

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

### **JOINT APPLICATIONS IN THE CASE OF INDIVIDUALS**

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

### **MULTIPLE APPLICATIONS**

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- I. All applications are electronically strung on first name, address (1<sup>st</sup> line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications
- II. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- III. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 (Twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application or Application through UPI Mechanism either in physical or electronic mode, an Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected.

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

#### **PERMANENT ACCOUNT NUMBER OR PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the Income Tax Act, 1961. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the General Index Registration ("GIR") number instead of the PAN, as the Application is liable to be rejected on this ground.

**Our Company/ Registrar to the Issue/ Lead Manager can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.**

#### **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

#### **GROUND FOR REJECTIONS**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and not firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [●];
- Category not ticked;
- Multiple Applications as defined in the Draft Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Draft Prospectus and as per the instructions in the Draft Prospectus and the Application Forms;

- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations for "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account, UPI ID and/or Depositories Account;
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Application Form;
- Submission of Application Form(s) using third party ASBA Bank Account;
- Submission of more than one Application Form per UPI ID by RIIs applying through Designated Intermediaries;
- In case of Applications by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Application Form is linked to a third-party bank account;
- The UPI Mandate is not approved by Retail Individual Investor; and
- The original Application is made using the UPI mechanism and revision(s) to the Application is made using ASBA either physically or online through the SCSB, and *vice versa*.

#### **ISSUANCE OF A CONFIRMATION OF ALLOCATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

#### **DESIGNATED DATE AND ALLOTMENT**

- a) Our Company will ensure that the Allotment and credit to the successful Applicants' depository account will be completed within two Working Days, or such period as may be prescribed by SEBI, of the Issue Closing Date or such other period as may be prescribed.
- b) Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
- c) Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

#### **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. a tripartite agreement dated October 6, 2023 with NSDL, our Company and Registrar to the Issue;
- b. a tripartite agreement dated January 3, 2024 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN: INE0RGH01016

- a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.
- c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- d) Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- e) If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
- g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- h) The trading of the Equity Shares of our Company would be only in dematerialized form.

## COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

**Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc. at below mentioned addresses;**

To, <b>Ms. Shivani Mittal</b> <b>C/o. Katex Exim Limited</b> 55/Ashra Ind. Estate B/h. Mahalaxmi Fabrics, Narol, Ahmedabad – 382405, Gujarat <b>Telephone No.:</b> +91 9484781647 <b>Web site:</b> www.thekatex.com <b>E-Mail:</b> info@thekatex.com	To, <b>The Registrar to the Issue</b> <b>Mr. Sagar Pathare</b> <b>C/o. Bigshare Services Private Limited</b> <b>SEBI Registration Number:</b> INR000001385 <b>Address:</b> Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai- 400093 <b>Tel. Number:</b> + 91 22-62638200 <b>Fax No:</b> + 91 22-62638299 <b>Email Id:</b> ipo@bigshareonline.com <b>Investors Grievance Id:</b> investor@bigshareonline.com <b>Website:</b> www.bigshareonline.com <b>Contact Person:</b> Mr. Sagar Pathare <b>CIN:</b> U99999MH1994PTC076534
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## DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall make best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE Limited ("BSE SME") where the Equity Shares are proposed to be listed are taken within 2 (Two) working days of closure of the issue.

## IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

- a) **Any person who: makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- b) **makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- c) **Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.**

*Section 447 of the Companies Act, 2013, is reproduced as below:*

*Without prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud:*

*Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.*

*Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.*

## BASIS OF ALLOTMENT

Allotment will be made in consultation with BSE SME (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted [●] equity shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.
6. Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows:
  - (a). minimum fifty per cent. to retail individual investors; and
  - (b). remaining to:
    - i) individual applicants other than retail individual investors; and
    - ii) other investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for;

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

**Explanation:** If the retail individual investor category is entitled to more than fifty per cent of the net issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled “*Basis of Allotment*”.

“Retail Individual Investor” means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the SME Platform of BSE Limited (“BSE SME”).

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size as specified in chapter titled as “*General Information*” beginning from Page no. 47 shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the SME Platform of BSE Limited (“BSE SME”) – the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

#### **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 LM and the Registrar to the Issue, 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 Offer Document except in case of over-subscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon over-subscription, 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 Applicants 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 Applicants shall not be less than the minimum Application lot, subject to the availability of shares in Retail Individual Applicants portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

#### **UNDERTAKING BY OUR COMPANY**

Our Company undertakes the following:

- 1) If our Company does not proceed with the Issue after the Issue Closing Date but before allotment, then the reason thereof shall be given as a public notice within two days of the 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;
- 2) That the complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily;
- 3) That all steps 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 are taken within Two Working Days of the Issue Closing Date or such other period as may be prescribed;
- 4) If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within the time

prescribed under applicable law or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants at the rate of 15.00% per annum for the delayed period;

- 5) That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication 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 the amount and expected date of electronic credit for the refund;
- 6) That the Promoters' contribution in full, if applicable, shall be brought in advance before the Issue opens for subscription
- 7) That funds required for making refunds to unsuccessful applicants as per mode(s) disclosed shall be made available to the Registrar to the Issue by the Company;
- 8) No further Issue of Equity Shares shall be made until the Equity Shares Issued through the Prospectus are listed or until the Application monies are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;
- 9) That if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh Offer document with the SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 10) That our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
- 11) That the allotment of securities/refund confirmation to Eligible NRIs shall be dispatched within specified time;
- 12) That adequate arrangements shall be made to collect all Application Forms from Applicants; and
- 13) That our Company shall not have recourse to the Issue Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges.

#### **UTILIZATION OF ISSUE PROCEEDS**

The Board of Directors certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested;
- 4) Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively;

Our Company shall not have recourse to utilize the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA.

While the Industrial Policy, 1991 has prescribed the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government of India has from time to time made policy pronouncements on foreign direct investment ("FDI") through press notes and press releases.

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GoI, earlier known as Department of Industrial Policy and Promotion ("DPIIT") has issued the Consolidated FDI Policy Circular of 2020 ("FDI Policy") by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by DPIIT that were in force and effect as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Foreign investment of up to 100% is currently permitted under the automatic route for our Company.

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 as per the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits provided under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India, has also made a similar amendment to the FEMA Rules. Each Applicant should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar to the Issue 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.

*The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Draft Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.*

*For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Prospectus as "QIBs".*

*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 Issue may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.*

**The above information is given for the benefit of the Applicants. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Apply for the Issue do not exceed the applicable limits under applicable laws or regulations.**

For further details, see "*Issue Procedure*" beginning on page 211.

**SECTION XIII - DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION**

Title of Articles	Article Number	Content
<b>PRELIMINARY</b>		The Regulations contained in Table “F” in the Schedule I to the Companies Act, 2013, shall apply to the Company except in as far as otherwise expressly incorporated hereinafter.
<b>INTERPRETATION</b>		<ul style="list-style-type: none"> <li>• In these regulation / articles —</li> <li>(a) “the Act” means the Companies Act, 2013,</li> <li>(b) “the seal” means the common seal of the company.</li> <li>(c) “Articles” means these articles of association of the Company or as altered from time to time.</li> <li>(d) “Board of Directors” or “Board”, means the collective body of the directors of the Company.</li> <li>(e) “The Chairperson” means the Chairperson of the Board of Directors for the time being or the Company.</li> <li>(f) “The Company” is public limited company within the meaning of Section 2(17) of the Companies Act, 2013.</li> <li>(g) “Rules” means the applicable rules for the time being in force as prescribed under relevant sections of the Act.</li> </ul> <p>Unless the context otherwise requires, words or expressions contained in these regulations /articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations / articles become binding on the company.</p>
<b>SHARE CAPITAL AND VARIATION OF RIGHTS</b>	1.	<p>i. Share Capital of the Company shall be as per Clause V of the Memorandum of Association of the Company. If the share capital of the Company consists of Preference Shares, the Company shall have right to issue and redeem the preference shares in accordance with the provisions of the Act. 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.</p> <p>ii. 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.</p>
	2.	<p>(i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within 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,—</p> <p>(a) one certificate for all his shares without payment of any charges; or</p> <p>(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.</p> <p>(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</p> <p>(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 jointholders shall be sufficient delivery to all such holders.</p>
	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

Title of Articles	Article Number	Content
		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.
<b>LIEN</b>	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.

Title of Articles	Article Number	Content
		(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.
<b>CALLS ON SHARES</b>	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 authorising the call was passed and may be required to be paid by installments.
	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.

Title of Articles	Article Number	Content
		(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.	<p>The Board—</p> <p>(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</p> <p>(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.</p>
<b>TRANSFER OF SHARES</b>	19.	<p>(i) Any member may transfer his/her shares to any other existing members but Board shall have right, subject to appeal as prescribed u/s 58 of the Act, to refuse registration of transfer of shares;</p> <p>(ii) If any member wants to transfer/sell his shares to a person other than existing member, he shall give to the Company intimation of his intention to do so and he shall transfer his shares to such non-members only if approval by the Board is granted any communicated in writing to that person to transfer the shares to the non-member;</p> <p>(iii) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee and shall be deposited with the Company for the registration of transfer of shares within 60 days from the date of execution;</p> <p>(iv) 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.</p>
	20.	<p>The Board may, subject to the right of appeal conferred by section 58 decline to register—</p> <p>(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or</p> <p>(b) any transfer of shares on which the company has a lien.</p>
	21.	<p>The Board may decline to recognise any instrument of transfer unless—</p> <p>(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;</p> <p>(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</p> <p>(c) the instrument of transfer is in respect of only one class of shares.</p>
	22.	<p>On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:</p> <p>Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.</p>
<b>TRANSMISSION OF SHARES</b>	23.	<p>(i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.</p>

Title of Articles	Article Number	Content
		(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.	<p>(i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—</p> <p>(a) to be registered himself as holder of the share; or</p> <p>(b) to make such transfer of the share as the deceased or insolvent member could have made.</p> <p>(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.</p>
	25.	<p>(i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.</p> <p>(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.</p>
	26.	<p>A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:</p> <p>Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.</p>
<b>FORFEITURE OF SHARES</b>	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.	<p>The notice aforesaid shall—</p> <p>(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</p> <p>(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.</p>
	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.

Title of Articles	Article Number	Content
		(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
	31.	(i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares. (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
	32.	(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.
	33.	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.
<b>ALTERATION OF CAPITAL</b>	34.	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.
	35.	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.
	36.	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

Title of Articles	Article Number	Content
		<p>amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</p> <p>(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 “stockholder” respectively.</p>
	37.	<p>The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—</p> <p>(a) its share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any share premium account.</p>
<b>CAPITALISATION OF PROFITS</b>	38.	<p>(i) The company in general meeting may, upon the recommendation of the Board, resolve—</p> <p>(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</p> <p>(b) That such sum be accordingly set free for distribution in the manner specified in clause</p> <p>(ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause</p> <p>(iii) Either in or towards—</p> <p>(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(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;</p> <p>(C) Partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);</p> <p>(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;</p> <p>(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.</p>
	39.	<p>(i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and</p> <p>(b) generally do all acts and things required to give effect thereto.</p> <p>(ii) The Board shall have power—</p> <p>(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</p> <p>(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;</p> <p>(iii) Any agreement made under such authority shall be effective and binding on such members.</p>

Title of Articles	Article Number	Content
<b>BUY-BACK OF SHARES</b>	40.	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.
<b>GENERAL MEETINGS</b>	41.	All general meetings other than annual general meeting shall be called extraordinary general meeting.
	42.	(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 maybe called by the Board.
<b>PROCEEDINGS AT GENERAL MEETINGS</b>	43.	(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.
	44.	The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
	45.	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.
	46.	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.
<b>ADJOURNMENT OF MEETING</b>	47.	(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.
<b>VOTING RIGHTS</b>	48.	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.
	49.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
	50.	(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.
	51.	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 and no member shall exercise any voting rights

Title of Articles	Article Number	Content
		in respect of any shares in regards to which the Company has or have exercised any right of lien.
	52.	(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.
<b>PROXY</b>	53.	i. Any member of a company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as a proxy to attend and vote at the meeting instead of himself, and that a proxy must be a member of the Company. ii. 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.
	54.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
	55.	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.
<b>BOARD OF DIRECTORS</b>	56.	The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them. -The persons hereinafter named shall be the First Directors of the Company: <b>1. Mr. Niranjana Dwarkaprasad Agarwal</b> <b>2. Mr. Aditya Niranjana Lal Agarwal</b> <b>3. Mrs. Sunitadevi Niranjana Agarwal</b> -The first Directors of the Company shall be permanent Directors, till he/she resigns. -The Directors shall not be required to hold any qualification shares.
	57.	(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.
	58.	The Board may pay all expenses incurred in getting up and registering the company.
	59.	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

Title of Articles	Article Number	Content
		regulations as it may think fit respecting the keeping of any such register.
	60.	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.
	61.	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.
	62.	<p>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 as per Companies Act, 2013. 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.</p> <p>ii. In compliance of and in manner prescribed u/s 161 or other provisions of the Act, the Board shall have power to appoint Additional Director or Alternate Director or Nominee Director or Director to fill casual vacancy.</p> <p>iii. A company in General Meeting appoint a director in accordance with the provisions of Section 160 of the Act except that the proposed candidate for the post of director shall not be required to deposit a sum of Rs. 1.00 Lakh as provided in that Section. (i) Appointment of directors need not to be voted individually. Any number of directors subject to the limit imposed by the Act can be appointed by a single resolution.</p> <p>iv. Subject to the restrictions imposed under the Act, the Directors shall have the right to delegate any of their powers to such managers, agents or other persons as they may deem fit and may at their own discretion revoke such powers</p> <p>v. The Board shall not require approval of the members for exercising any powers as referred to under Section 180 of the Act and accordingly the provisions of the said section shall not be applicable to the Company</p> <p><b>vi. BORROWING POWERS :</b></p> <p>The Board may from time to time, for the purpose of the Company's business raise or borrow or secure the payment of any sum or sums exceeding paid up capital and free reserves in addition to temporary loans, if any, obtained from the Company's bankers as they, in their discretion deem fit and proper, without such approval from the members. Any such money may be raised or the payment or repayment of thereof may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit by promissory notes or by opening loan or current accounts or by receiving deposits and advances at interest with or without security or otherwise and in particular by the issue of bonds, perpetual or redeemable debentures, stocks of the Company charged upon all or any part of the property of</p>

Title of Articles	Article Number	Content
		<p>the Company [both present and future] including its uncalled capital for the time being or by mortgaging or charging or pledging any lands, buildings, machinery, plant, goods or other property and securities of the Company or by other means as the Board deems expedient.</p> <p><b>vii. MANAGING DIRECTOR OR WHOLE TIME DIRECTOR</b></p> <p>a) The Board of Directors may, from time to time, appoint one or more of their body to the office of the Managing Director or whole time Director for such period and on such remuneration and other terms, as they think fit and subject to the terms of any agreement entered into in any particular case, may revoke such appointment. His appointment will be automatically terminated if he ceases to be a Director. Such appointment can be made with the formal Letter of Appointment and by passing of resolution as may be required in the Act. However -</p> <p>(i) Ratification from shareholder's for appointment of Managing Director or Whole Time Director shall not be required</p> <p>(ii) A notice of the Board Meeting proposing a resolution required to be passed for appointment of Managing Director or Whole Time Director shall not mandatorily contain Terms &amp; Conditions of appointment and details pertaining to remuneration.</p> <p>(iii) Any provisions contained in Schedule V shall not be applicable to Managing Director or Whole Time Director.</p> <p>b) A Managing or whole time Director may be paid such remuneration (whether by way of salary, commission or participation in profits or partly in one way and partly in other) as the Board of Directors may determine.</p> <p>c) The Board of Directors, subject to the provisions of the Act, may entrust to and confer upon a Managing or whole time Director or Committee of Directors any of the powers exercisable by them, upon such terms and conditions and with such restrictions, as they may think fit and either collaterally with or to the exclusion of their own powers and may, from time to time, revoke, withdraw or alter or vary all or any of such powers</p>
<b>PROCEEDINGS OF THE BOARD</b>	63.	<p>(i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.</p> <p>(ii) A director may, and the manager or secretary on the requisition of a director shall, at anytime, summon a meeting of the Board.</p>
	64.	<p>(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.</p> <p>(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.</p>
	65.	<p>i. 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.</p> <p>ii. An interested director can participate in any item of business at the board meeting in which he is interested after disclosure of his interest and he shall be counted for the purpose of ascertaining the quorum.</p>
	66.	<p>(i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.</p> <p>(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed</p>

Title of Articles	Article Number	Content
		for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
	67.	(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.
	68.	(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.
	69.	(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.
	70.	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.
	71.	Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
<b>CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER</b>	72.	Subject to the provisions of the Act,— (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
	73.	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.
<b>THE SEAL</b>	74.	No Common Seal is required as per the provisions of the Companies Act, 2013.
<b>DIVIDENDS AND RESERVE</b>	75.	The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
	76.	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.
	77.	(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

Title of Articles	Article Number	Content
		<p>dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.</p> <p>(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>
	78.	<p>(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.</p> <p>(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.</p> <p>(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.</p>
	79.	<p>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.</p>
	80.	<p>(i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>
	81.	<p>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.</p>
	82.	<p>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.</p>
	83.	<p>No dividend shall bear interest against the company.</p>
<b>ACCOUNTS</b>	84.	<p>(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.</p> <p>(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.</p>
<b>WINDING UP</b>	85.	<p>Subject to the provisions of Chapter XX of the Act and rules made there under—</p> <p>(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.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p>

Title of Articles	Article Number	Content
		(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.
<b>INDEMNITY</b>	86.	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.
<b>OTHERS</b>	87.	<p><b>A) EMPLOYEE STOCK OPTION SCHEME</b></p> <ul style="list-style-type: none"> <li>• Subject to and in accordance with the provisions of the Act and any other rules, regulations or guidelines as may be prescribed if any, the Company may frame guidelines or scheme to be known as Employee Stock Option Scheme (ESOP) or Employees Stock Purchase Scheme (ESPS).</li> <li>• ESOP or ESPS may provide for the issue of shares/warrants, bonds or other debt instruments including the terms of payment.</li> <li>• The Board of Directors shall have the power to vary, alter or amend the terms and conditions of the ESOP or ESPS, at their sole discretion, in such manner as they may deem fit in the best interest of the Company.</li> </ul> <p><b>B) ISSUE OF SWEAT EQUITY SHARES</b></p> <p>Notwithstanding anything contained in these articles the Company shall have right to issue sweat equity shares to its promoters, Directors, employees or to such other persons as may be decided by the Board in accordance with the provisions of the Companies Act, 2013 and any statutory amendments or re-enactment thereof.</p>

## SECTION XIV – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our company or contracts entered into more than two (2) years before the date of filing of this Draft 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 Draft Prospectus, will be delivered to the ROC for registration/submission of the Prospectus and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at -55/Ashra Ind. Estate B/h. Mahalaxmi Fabrics, Narol, Ahmedabad – 382405, Gujarat, India from the date of filing the Prospectus with ROC on all Working Days until the Bid/Issue Closing Date. Copies of below Material Contracts and Documents are also available on the website of the company on [www.thekatex.com](http://www.thekatex.com)

#### A. MATERIAL CONTRACTS

1. Issue Agreement dated June 27, 2024, executed between our Company and Lead Manager to the Issue.
2. Registrar and Transfer Agent Agreement dated June 27, 2024, executed between our Company and the Registrar to the Issue.
3. Market Making Agreement dated [●], executed between our Company, Lead Manager and Market Maker to the Issue.
4. Banker to the Issue Agreement dated [●], executed between our Company, Lead Manager, Banker to the Issue and the Registrar to the Issue.
5. Underwriting Agreement dated [●], executed between our Company, Lead Manager, and Underwriter.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated October 6, 2023.
7. Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated January 3, 2024.

#### B. MATERIAL DOCUMENTS

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Board Resolution dated June 26, 2024 and Special Resolution passed pursuant to Section 62(1)(C) of the Companies Act, 2013 at the EGM by the shareholders of our Company held on June 27, 2024.
3. Statement of Tax Benefits dated June 29, 2024 issued by our Statutory Auditors M/s. Piyush Kothari & Associates, Chartered Accountants.
4. Copy of Restated Financial Statement and along with Report from the peer review certified auditor M/s. Piyush Kothari & Associates, Chartered Accountants for the period ended on December 31, 2023 financial year ended on March 31, 2023, 2022 and 2021 dated June 28, 2024 included in this Draft Prospectus.
5. Copy of Audited Standalone Financial Statement for the period ended on December 31, 2023 and the year ended on March 2023, 2022 and 2021.
6. Certificate dated June 29, 2024 certifying Key Performance Indicators as disclosed in chapter titled Basis of Issue Price issued by M/s. Piyush Kothari & Associates, Chartered Accountants.
7. Certificate dated June 29, 2024 certifying Working Capital Requirements of the company as disclosed in the chapter titled Object of the Issue issued by M/s. Piyush Kothari & Associates, Chartered Accountants.
8. Consents of Promoter, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the Lead Manager to the Issue, Registrar to the Issue, Banker to the Issue\*, Market Maker\* and Underwriter to the Issue\* to act in their respective capacities.  
*\*to be obtained prior filing of Prospectus.*
9. Due Diligence Certificate from Lead Manager dated June 30, 2024 and [●] addressing BSE and SEBI respectively.
10. Copy of In-principle approval letter dated [●] from the BSE Limited.

Any of the contracts or documents mentioned in the Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

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## DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Draft Prospectus/Prospectus are true and correct.

**SIGNED BY THE DIRECTOR AND CHIEF FINANCIAL OFFICER OF OUR COMPANY**

Sd/-

**Sajal Rakesh Bansal**  
**Chairman and Managing Director, Chief Financial Officer**

**Date: June 30, 2024**

**Place: Ahmedabad**

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### DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Draft Prospectus/Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

Sd/-

**Niranjan Dwarkaprasad Agarwal**  
**Non-Executive Director**

**Date: June 30, 2024**

**Place: Ahmedabad**

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## DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Draft Prospectus/Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

**Sd/-**

**Monika Shekhawat  
Independent Director**

**Date: June 30, 2024  
Place: Ahmedabad**

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## DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Draft Prospectus/Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

**Sd/-**

**Aayush Kamleshbhai Shah  
Independent Director**

**Date: June 30, 2024  
Place: Ahmedabad**

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## DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Draft Prospectus/Prospectus are true and correct.

**SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER OF OUR COMPANY**

**Sd/-**

**Shivani Mittal**  
**Company Secretary cum Compliance Officer**

**Date: June 30, 2024**  
**Place: Ahmedabad**