

**DRAFT RED HERRING PROSPECTUS**

Dated: June 11, 2024

Please read Section 26 and 32 of the

Companies Act, 2013

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

100% Book Built Issue

**WORLD OF WINNERS  
CHETANA EDUCATION LIMITED**

(Formerly known as Chetana Education LLP)

CIN: U58111MH2024PLC417778

| Registered Office   | Contact Person  | Email and Telephone  | Website   |
|---|---|--|---|
| 401, E-Wing, B & C Block, Trade Link, Kamala Mill, Delisle Road, Mumbai, Mumbai City, Maharashtra, India, 400013. | Jignesha Jitendra Fofandi,<br>Company Secretary &<br>Compliance Officer | <b>E-mail:</b><br><a href="mailto:cs@chetanaeducation.com">cs@chetanaeducation.com</a><br><b>Tel No:</b> 91-22-6245 6000 | <b>Website:</b><br><a href="http://www.chetanaeducation.com">www.chetanaeducation.com</a> |

|                                 |   |
|---------------------------------|---|
| <b>Promoters of the Company</b> | <b>ANIL JAYANTILAL RAMBHIA, RAKESH JAYANTILAL RAMBHIA &amp; SHILPA ANIL RAMBHIA</b> |
|---------------------------------|---|

| DETAILS OF THE ISSUE |  |   |                               |  |
|----------------------|--|---|-------------------------------|--|
| Type                 | Fresh Issue Size (in ₹ lakhs)                                | OFS Size (by no. of Shares or by amount in ₹) | Total Issue Size (in ₹ lakhs) | Eligibility  |
| Fresh Issue          | Upto 54,00,000, Equity shares aggregating upto Rs. [●] Lakhs | Nil   | ₹ [●] Lakhs                   | This Issue is being made in terms of regulation 229(2) and 253(1) of chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. |

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES****RISK IN RELATION TO THE FIRST ISSUE**

The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “*Basis for Issue Price*” on page 86 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this 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 Red Herring Prospectus. Specific attention of the investors is invited to the section “*Risk Factors*” beginning on page 30 of this Draft Red Herring Prospectus.


**ISSUER’S ABSOLUTE RESPONSIBILITY**

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


**LISTING**

The Equity Shares Issued through Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (“NSE EMERGE”). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received “in principle” approval letter dated [●] from NSE (“NSE EMERGE”) for using its name in the Offer Document for listing of our shares on the SME Platform of NSE. For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited (“NSE”).

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

| Name and Logo   | Contact Person | Email & Telephone   |
|---|----------------|---|
|  <b>Hem Securities Ltd.</b> | Sourabh Garg   | <b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a><br><b>Tel. No.:</b> +91- 022- 49060000 |

**REGISTRAR TO THE ISSUE**

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

**BID/ISSUE PERIOD**

| ANCHOR PORTION ISSUE OPENS/CLOSES ON: [●]* | BID/ISSUE OPENS ON: [●] | BID/ISSUE CLOSES ON: [●]** |
|--|-------------------------|----------------------------|
|--|-------------------------|----------------------------|

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

\*\* Our Company, in consultation with the Book Running Lead Manager, may consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.



WORLD OF WINNERS  
CHETANA EDUCATION LIMITED

(Formerly known as Chetana Education LLP)

CIN: U58111MH2024PLC417778

DRAFT RED HERRING PROSPECTUS

100% Book Built Issue

Dated: June 11, 2024

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

Our Company was originally formed as a Limited Liability Partnership in the name and style of "Chetana Publications (India) LLP" under the provisions of the Limited Liability Partnership Act, 2008 on December 30, 2017 vide Certificate of Incorporation issued by Central Registration Centre, Registrar of Companies. Consequently, our name was changed to 'Chetana Education LLP', and a fresh certificate of incorporation dated October 17, 2021 was issued by the RoC. Subsequently, our Company was converted into a public limited company under Companies Act with the name 'Chetana Education Limited' pursuant to a fresh certificate of incorporation dated January 21, 2024 was issued by the Registrar of Companies, Mumbai, Maharashtra, bearing CIN: U58111MH2024PLC417778. For further details please refer to chapter titled "History and Corporate Structure" beginning on page 132 of this Draft Red Herring Prospectus.

**Registered Office:** 401, E-Wing, B & C Block Trade Link, Kamala Mill, Delisle Road, Delisle Road, Mumbai, Maharashtra, India, 400013.

**Tel No:** +91-22-6245 6000; **E-mail:** [cs@chetanaeducation.com](mailto:cs@chetanaeducation.com); **Website:** [www.chetanaeducation.com](http://www.chetanaeducation.com);

**Contact Person:** Jignesh Jitendra Fofandi, Company Secretary & Compliance Officer

**Promoters of our Company:** Anil Jayantilal Rambhia, Rakesh Jayantilal Rambhia & Shilpa Anil Rambhia

#### DETAILS OF THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 54,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE "EQUITY SHARES") OF CHETANA EDUCATION LIMITED ("OUR COMPANY" OR "THE ISSUER" OR "CEL ") AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS ("PUBLIC ISSUE") OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HERE IN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.47% AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND MUMBAI EDITION OF [●], A MARATHI REGIONAL NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE OF MUMBAI WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE ("NSE"). FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.

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

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" beginning on page 270 of this Draft Red Herring Prospectus.

#### ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on page 270 of this Draft Red Herring Prospectus.

#### RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Issue Price" on page 86 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

#### GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this 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 Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 30 of this Draft Red Herring Prospectus.

#### ISSUER'S ABSOLUTE RESPONSIBILITY

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

#### LISTING

The Equity Shares Issued through Red Herring Prospectus are proposed to be listed on the SME Platform of NSE ("NSE EMERGE"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received "in-principle" approval letter dated [●] from NSE ("NSE EMERGE") for using its name in the Offer Document for listing of our shares on the SME Platform of NSE ("NSE EMERGE"). For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited ("NSE").

#### BOOK RUNNING LEAD MANAGER TO THE ISSUE



**Hem Securities Ltd.**

**HEM SECURITIES LIMITED**

904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road,  
Lower Parel, Mumbai-400013, Maharashtra, India

**Tel. No.:** +91- 022- 49060000; **Fax No.:** +91- 022- 22625991

**Email:** [ib@hemsecurities.com](mailto:ib@hemsecurities.com)

**Investor Grievance Email:** [redressal@hemsecurities.com](mailto:redressal@hemsecurities.com)

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

**Contact Person:** Sourabh Garg

**SEBI Regn. No.** INM000010981

#### REGISTRAR TO THE ISSUE

**LINK Intime**

**Link Intime India Private Limited**

**Address:** C – 101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West),  
Mumbai - 400083, Maharashtra, India

**Telephone:** **Facsimile:** +91 810 811 4949

**Email:** [Chetana.smeipo@linkintime.co.in](mailto:Chetana.smeipo@linkintime.co.in)

**Investor Grievance Email:** [Chetana.smeipo@linkintime.co.in](mailto:Chetana.smeipo@linkintime.co.in)

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in); **Contact Person:** Ms. Shanti Gopalkrishnan

**SEBI Registration Number:** INR000004058

**CIN:** U99999MH1994PTC076534

#### ISSUE PROGRAMME

**ANCHOR PORTION ISSUE OPENS/CLOSES ON:** [●]\*

**BID/ISSUE OPENS ON:** [●]

**BID/ISSUE CLOSES ON:** [●]\*\*

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

\*\* Our Company, in consultation with the Book Running Lead Managers, may consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.

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**SECTION I – GENERAL**

**DEFINITIONS AND ABBREVIATIONS**

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the Securities Contracts Regulation Act, 1956 (“SCRA”), the Depositories Act or the rules and regulations made there under.*

*Notwithstanding the foregoing, terms used in of the sections “Statement of Special Tax Benefits”, “Financial Information of the Company” and “Main Provisions of the Articles of Association” on page 92, 156 and 304 respectively, shall have the meaning ascribed to such terms in such sections.*

**General Terms**

| <b>Terms</b>  | <b>Description</b>  |
|---|---|
| “The Company”, “our Company”, “the Issuer”, “CEL”, “we”, “us” and “our” | Chetana Education Limited, a Company incorporated in India under the Companies Act, 2013, having its Registered office at 401, E-Wing, B & C Block, Trade Link, Kamala Mill, Delisle Road, Mumbai, Mumbai City, Maharashtra, 400013, India. |
| “you”, “your” or “yours”  | Prospective investors in this Issue.  |

**Company related terms**

| <b>Term</b>  | <b>Description</b>   |
|--|--|
| AOA / Articles / Articles of Association                   | Articles of Association of our Company, as amended, from time to time  |
| Audit Committee  | The Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013 as described in the chapter titled "Our Management" beginning on page 136 of this Draft Red Herring Prospectus.                      |
| Auditors/ Statutory Auditors                               | The Statutory Auditors of our Company being Parsh Vora & Associates, Mumbai.   |
| Bankers to our Company                                     | [●]  |
| Board of Directors / the Board / our Board                 | The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled "Our Management" beginning on page 136 of this Draft Red Herring Prospectus.        |
| Chief Financial Officer/ CFO                               | The Chief Financial Officer of our Company being Prakash Ramakant Lad  |
| Company Secretary and Compliance Officer                   | The Company Secretary & Compliance Officer of our Company being Jignsha Jitendra Fofandi M. No. A72393   |
| CSR Committee or Corporate Social Responsibility Committee | The corporate social responsibility committee of our Board, constituted in accordance with the Section 135 of the Companies Act and as described in the chapter titled “Our Management” beginning on page 136 of this Draft Red Herring Prospectus |
| Director(s) / Our Directors                                | The Director(s) of our Company, unless otherwise specified.  |
| Equity Shareholders/Shareholders                           | Persons/ Entities holding Equity Shares of our Company.  |
| Equity Shares  | Equity Shares of our Company of face value of Rs. 10/- each unless otherwise specified in the context thereof.   |

|  |   |
|--|---|
| Executive Directors                                  | Executive director(s) on our Board, as described in “Our Management” on page 136 of the Draft Red Herring Prospectus.   |
| Group Companies                                      | Our group companies as disclosed in the section “Our Group Company” on page 242 of the Draft Red Herring Prospectus.  |
| Independent Director                                 | An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations. For details of our Independent Directors, see “Our Management” on page 136 of this Draft Red Herring Prospectus.  |
| Managing Director                                    | The Managing Director of our Company being Anil Jayantilal Rambhia  |
| Key Management Personnel/ KMP                        | Key Management Personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI Regulations and the Companies Act, 2013. For details, see section titled “Our Management” on page 136 of this Draft Red Herring Prospectus.  |
| Materiality Policy                                   | The policy adopted by our Board on for identification of Group Companies, material outstanding litigation and material outstanding dues to creditors, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations, 2018 as amended from time to time.   |
| MOA / Memorandum /Memorandum of Association          | Memorandum of Association of Chetana Education Limited as amended from time to time.  |
| Nomination and Remuneration Committee                | The Nomination and Remuneration Committee of our Board constituted in accordance with Section 178 of the Companies Act, 2013 as described in the chapter titled "Our Management" beginning on page 136 of this Draft Red Herring Prospectus.  |
| Non-Executive Director                               | Non-executive director(s) of our Company, as described in “Our Management” on page 136 of this Draft Red Herring Prospectus.  |
| Promoter Group                                       | Includes such Persons and companies constituting our promoter group covered under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section “Our Promoters and Promoter Group” beginning on page 150 of this Draft Red Herring Prospectus.   |
| Promoter(s)  | Shall mean promoters of our Company i.e. Anil Jayantilal Rambhia, Rakesh Jayantilal Rambhia & Shilpa Anil Rambhia. For further details, please refer to section titled Our Promoters & Promoter Group beginning on page 150 of this Draft Red Herring Prospectus.   |
| Registered Office of our Company                     | The Registered Office of our Company situated 401, E-Wing, B & C Block, Trade Link, Kamala Mill, Delisle Road, Mumbai, Mumbai City, Maharashtra, 400013, India.   |
| Restated Financial Statement                         | The restated financial information of the Company comprising of the restated financial statement of assets and liabilities as at January 21, 2024, March 31, 2023, March 31, 2022 and March 31, 2021, the restated financial statement of profit and loss and the restated financial statement of cash flows for the period ended January 21, 2024 and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 and the summary of significant accounting policies and explanatory notes and notes to restated financial statement prepared in terms of the Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended. |
| RoC / Registrar of Companies                         | Registrar of Companies, Mumbai, Maharashtra.  |
| SEBI (ICDR) Regulations /ICDR Regulation/ Regulation | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.   |
| SEBI (Venture Capital) Regulations                   | Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.  |
| SEBI Act/ SEBI                                       | Securities and Exchange Board of India Act, 1992, as amended from time to time.   |

|  |  |
|--|--|
| SEBI Insider Trading Regulations   | The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.  |
| SEBI Listing Regulations, 2015/SEBI Listing Regulations/ Listing Regulations/SEBI (LODR) | The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.  |
| SEBI Takeover Regulations or SEBI (SAST) Regulations                                     | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.   |
| Shareholders   | Shareholders of our Company from time to time.   |
| Stakeholders' Relationship Committee   | Stakeholders' relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and as described in the chapter titled "Our Management" beginning on page 136 of this Draft Red Herring Prospectus |
| Stock Exchange   | Unless the context requires otherwise, refers to, National Stock Exchange of India Limited.  |
| Shareholders   | Shareholders of our Company from time to time.   |
| Sub- Account   | Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.                          |
| Subscriber to MOA  | Initial Subscribers to MOA being Anil Jayantilal Rambhia, Rakesh Jayantilal Rambhia, Shilpa Anil Rambhia, Chetana Publications Private Limited, Diva Anil Rambhia, Aashna Anil Rambhia, Jania Rakesh Rambhia                                 |

**Issue Related Terms**

| <b>Terms</b>                             | <b>Description</b>  |
|--|---|
| Abridged Prospectus                      | Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf  |
| Acknowledgement Slip                     | The slip or document issued by the Designated Intermediary to a bidder as proof of registration of the Application.   |
| Allocation/ Allocation of Equity Shares  | The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Bidders.  |
| Allotment Advice                         | Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange  |
| Allotment/Allot/Allotted                 | Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Fresh Issue to successful Bidders  |
| Allottee (s)                             | A successful bidder to whom the Equity Shares are allotted.   |
| Anchor Investor                          | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least Rs. 200 lakhs.                              |
| Anchor Escrow Account /Escrow Account(s) | Account opened with Anchor Escrow Bank for the Issue and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS in respect of the Bid Amount when submitting a Bid.   |
| Anchor Investor Allocation               | The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus.  |
| Anchor Investor Allocation Price         | The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Managers during the Anchor Investor Bid/ Issue Period |
| Anchor Investor Application Form         | The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus   |

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| Anchor Investor Bid/Issue Period                      | One working day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.   |
| Anchor Investor Issue Price                           | The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price.<br><br>The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Manager.  |
| Anchor Investor Portion                               | Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.  |
| Anchor Investor Pay-in Date                           | With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/ Issue Closing Date.   |
| Application Amount                                    | The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.   |
| Application Supported by Block Amount (ASBA)          | An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the bidders using the UPI Mechanism.  |
| ASBA Account  | A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the Bid Amount extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a Retail Individual Investor/ non-institutional investors linked to a UPI ID, which will be blocked in relation to a Bid by a Retail Individual Investor/ non-institutional investors Bidding through the UPI Mechanism. |
| ASBA Application Location(s)                          | Locations at which ASBA Applications can be uploaded by the SCSBs.  |
| 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 except Anchor Investor   |
| ASBA Form/Bid cum Application                         | An application form (with or without UPI ID, as applicable), whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus.  |
| Bankers to the Issue/ Public Issue Bank/ Sponsor Bank | Collectively, Escrow Collection Bank(s), Public Issue Account Bank(s), Sponsor Bank and Refund Bank(s), as the case may be  |
| Banker to the Issue Agreement                         | Agreement dated [●] entered into amongst the Company, Book Running Lead Manager, the Registrar to the Issue and the Sponsor Bank/Banker to the Issue.   |
| Basis of Allotment                                    | The basis on which the Equity Shares will be Allotted to successful bidders under the Issue and which is described in the chapter titled “Issue Procedure” beginning on page 270 of this Draft Red Herring Prospectus.  |
| Bid   | An indication to make an offer during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to  |

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|  | subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.   |
| Bid Amount                                   | The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.  |
| Bid cum Application Form                     | The form in terms of which the Bidder has made a Bid, including ASBA Form, and which has been considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and this Prospectus   |
| Bid Lot                                      | [●] Equity Shares and in multiples of [●] Equity Shares thereafter  |
| Bid / Issue Closing Date                     | Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of [●], an English national newspaper, all editions of [●], a Hindi national newspaper and Mumbai edition of [●], Mumbai daily newspaper (Marathi being the regional language of Mumbai, where our Registered Office is located) each with wide circulation, and in case of any revision, the extended Bid / Issue closing Date also to be notified on the website and terminals of the Syndicate, SCSB’s and Sponsor Bank, as required under the SEBI ICDR Regulations |
| Bid / Issue Opening Date                     | Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of [●], an English national newspaper, all editions of [●], a Hindi national newspaper and Mumbai edition of [●], Marathi daily newspaper (Marathi being the regional language of Mumbai, where our Registered Office is located), each with wide circulation, and in case of any revision, the extended Bid / Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.              |
| Bid / Issue Period                           | Except in relation to any Bids received from the Anchor Investors, the period between the Bid / Issue Opening Date and the Bid / Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bid/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.  |
| Bidder/Investor/Applicant                    | Any prospective investor who makes a bid pursuant to the terms of the Red Herring Prospectus and the Bid-Cum-Application Form unless otherwise stated or implied, includes an Anchor Investor.  |
| Bidding Centres                              | Centres at which the designated intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centres for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.  |
| Book Building Process / Book Building Method | The book building route as provided under Schedule XIII of the SEBI (ICDR) Regulations, 2018 in terms of which this Issue is being made.  |
| BRLM / Book Running Lead Manager             | The Book Running Lead Manager to the Issue, namely Hem Securities Limited.  |
| Broker Centres                               | Broker Centres notified by the Stock Exchanges, where the bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges at <a href="http://www.nseindia.com">www.nseindia.com</a> .   |



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| CAN/Confirmation of Allocation Note           | Notice or intimation of allocation of the Equity Shares to be sent to Successful Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bid/Issue Period.  |
| Cap Price                                     | The higher end of the price band above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted.  |
| Client Id                                     | Client Identification Number maintained with one of the Depositories in relation to Demat account.  |
| Collecting Depository Participants or CDPs    | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and the SEBI UPI Circulars, issued by SEBI, as per the list available on the websites of the Stock Exchanges, nseindia.com as updated from time to time.                      |
| Collecting Registrar and Share Transfer Agent | Registrar to the Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and of the SEBI UPI Circulars.  |
| Controlling Branches of the SCSBs             | Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.   |
| Cut Off Price                                 | The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut – off Price. QIBs (including Anchor Investor) and Non – Institutional Investors are not entitled to Bid at the Cut-off Price.  |
| Demographic Details                           | The demographic details of the bidders such as their Address, PAN, name of the Bidders father/husband, investor status, Occupation and Bank Account details.  |
| Depositories Act                              | The Depositories Act, 1996, as amended from time to time.   |
| Depository / Depositories                     | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time, being NSDL and CDSL.   |
| Depository Participant/ DP                    | A Depository Participant as defined under the Depositories Act.   |
| Designated CDP Locations                      | Such locations of the CDPs where Bidder can submit the Bid-Cum-Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid-Cum-Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>                                |
| Designated Date                               | The date on which the funds from the Anchor Escrow Accounts are transferred to the Public Issue Account or the Refund Account(s), as appropriate, and the relevant amounts blocked by the SCSBs are transferred from the ASBA Accounts, to the Public Issue Account and/or are unblocked, as applicable, in terms of the Red Herring Prospectus and the Prospectus after finalization of basis of allotment with the Designated Stock Exchange. |
| Designated Intermediaries, Collecting Agent   | An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)   |
| Designated Locations                          | Such locations of the RTAs where Bidder can submit the Bid-Cum-Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid-Cum-Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>   |

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| Designated Branches                | Such branches of the SCSBs which shall collect the ASBA Bid-Cum-Application Form (other than ASBA Forms submitted by the UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism) from the Bidder and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a><br><br>Recognized- Intermediaries or at such other website as may be prescribed by SEBI from time to time. |
| Designated Stock Exchange          | SME platform of National Stock Exchange of India Limited (NSE Emerge)  |
| DP ID                              | Depository Participant's identity number.  |
| Draft Red Herring Prospectus       | Draft Red Herring Prospectus dated June 11, 2024 issued in accordance with Section 26 of the Companies Act, 2013   |
| Electronic Transfer of Funds       | Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.   |
| Eligible FPI(s)                    | FPIs that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices.  |
| Eligible NRI(s)                    | A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.  |
| Escrow Account(s)                  | The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid.  |
| Escrow Collection Bank(s)          | The bank(s) which are clearing members and registered with SEBI as bankers to an Issue under the SEBI BTI Regulations and with whom the Escrow Account(s) will be opened, in this case being [●]   |
| First Bidder/Applicant/Bidders     | Bidder(s) whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names  |
| Floor Price                        | The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares  |
| Fresh Issue                        | The Issue of up to 54,00,000 Equity Shares aggregating up to Rs. [●] lakhs by our Company for subscription pursuant to the terms of the Red Herring Prospectus.  |
| Foreign Venture Capital Investors  | Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.  |
| FPI / Foreign Portfolio Investor   | A Foreign Portfolio Investor who has been registered pursuant to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.  |
| Fraudulent Borrower                | Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.   |
| Fugitive economic offender         | Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)   |
| General Corporate Purposes         | Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document.  |
| General Information Document (GID) | The General Information Document for investing in public offers, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by SEBI, suitably modified and updated pursuant to the circular  |

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|   | (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 and the UPI Circulars and any subsequent circulars or notifications issued by SEBI from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM.  |
| Issue Agreement   | The Issue Agreement dated March 13, 2024 between our Company and Book Running Lead Manager pursuant to which certain arrangements have been agreed to in relation to the Issue.   |
| Issue Price   | The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company, in consultation with the BRLM on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus. |
| Issue Proceeds  | Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “Objects of the Issue” beginning on page 77 of this Draft Red Herring Prospectus   |
| Issue/Public Issue/Issue size/Initial Public Offer/ Initial Public Offering/IPO | The Initial Public Offer of upto 54,00,000 Equity shares of Rs. 10/- each at Issue price of Rs. [●]/- per Equity share, including a premium of Rs. [●]/- per equity share aggregating to Rs. [●] lakhs.   |
| Listing Agreement   | The Equity Listing Agreement to be signed between our Company and the Stock Exchange.   |
| Mandate Request   | Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.  |
| 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 UPI Bidders to submit Bids using the UPI Mechanism   |
| Mutual Funds  | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.   |
| Mutual Fund Portion   | 5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price  |
| Net Proceeds  | Proceeds received from the Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled “Objects of the Issue” beginning on page 77 of this Draft Red Herring Prospectus.  |
| Net QIB Portion   | The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.  |
| Non – Resident  | A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs  |
| Non-Institutional Investors/Non-Institutional Bidders                           | All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with the SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than Rs. 200,000 (but not including NRIs other than Eligible NRIs).   |
| Non-Institutional Portion/ Non-Institutional Category                           | The portion of the Issue being not less than 15% of the Issue, consisting of [●] Equity Shares, which shall be available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Issue Price.  |
| Overseas Corporate Body/OCB   | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management   |

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|  | (Deposit) Regulations, 2000, as amended from time to time. OCSBs are not allowed to invest in this Issue.  |
| Payment through electronic transfer of funds | Payment through NECS, NEFT or Direct Credit, as applicable.  |
| Person / Persons                             | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and / or incorporated in the jurisdiction in which it exists and operates, as the context requires   |
| Price Band                                   | Price Band of a minimum price (Floor Price) of Rs. [●] and the maximum price (Cap Price) of Rs. [●] and includes revisions thereof. The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid / Issue Opening Date.   |
| Pricing Date                                 | The date on which our Company in consultation with the BRLM, will finalize the Issue Price.  |
| Prospectus                                   | The Prospectus, to be filed with the Registrar of Companies in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013, containing, inter alia, the Issue Price, size of the Issue and certain other information.   |
| Public Issue Account                         | Account to be opened with the Bankers to the Issue to receive monies from the ASBA Accounts and from the Escrow Accounts in case of Anchor Investor(s), on the Designated Date.  |
| Public Issue Account Bank                    | The bank with whom the Public Issue Account is opened for collection of Bid Amounts from Escrow Account and ASBA Account on the Designated Date, in this case being [●].   |
| QIB Portion / QIB Category                   | The portion of the Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue comprising [●]* Equity Shares which shall be allocated to QIBs (including Anchor Investors), on a proportionate basis, (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company in consultation with the Book Running Lead Manager), subject to valid Bids being received at or above the Issue Price.<br><br>*Subject to finalization of Basis of Allotment |
| Qualified Institutional Buyers/ QIBs         | Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.   |
| Red Herring Prospectus / RHP                 | The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto   |
| Refund Account                               | Account to which Application monies are to be refunded to the Bidders.   |
| Refund Bank / Refund Banker                  | Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being [●]   |
| Refund through electronic transfer of funds  | Refunds through NECS, direct credit, RTGS or NEFT, as applicable   |
| Registered Broker                            | Stock brokers registered with SEBI and the Stock Exchanges having nationwide terminals, other than the BRLM and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 and the SEBI UPI Circulars, issued by SEBI   |

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| Registrar Agreement  | The agreement dated March 13, 2024 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.  |
| Transfer Agents or RTAs  | Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.   |
| Registrar/ Registrar to the Issue/ RTI                               | Registrar to the Issue, in this case being Link Intime India Private Limited.  |
| Retail Individual Bidders /RIBs / Retail Individual Investors / RIIs | Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than Rs. 2,00,000/- in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).  |
| Retail Portion   | The portion of the Issue being not less than 35% of the Issue, consisting of [●] Equity Shares, available for allocation to Retail Individual Bidders.   |
| Revision Form  | The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid Cum Application Forms or any previous Revision Form(s), as applicable. QIBs and Non – Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.   |
| Self-Certified Syndicate Bank(s) / SCSB(s)                           | <p>(i) The banks registered with the SEBI which offer the facility of ASBA and the list of which is available on the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a>) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.</p> <p>(ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a></p> <p>Applications through UPI in the Issue can be made only through the SCSBs mobile applications whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public offers using UPI Mechanism is provided as Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list shall be updated on SEBI website.</p> |
| Specified Locations  | Collection centres where the SCSBs shall accept application form, a list of which is available on the website of SEBI ( <a href="https://www.sebi.gov.in/">https://www.sebi.gov.in/</a> ) and updated from time to time  |
| Specified Securities   | Equity shares issued through this Draft Red Herring Prospectus.  |
| Sponsor Bank   | A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public Issue in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the BRLM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of UPI Bidders as per the UPI Mechanism and carry out other responsibilities in terms of the UPI Circulars, in this case being [●].   |
| Sub Syndicate Member   | A SEBI Registered member of NSE appointed by the BRLM and / or syndicate member to act as a Sub Syndicate Member in the Issue.   |
| Syndicate  | Includes the BRLM, Syndicate Members and Sub Syndicate Members.  |
| Syndicate Agreement  | Agreement to be entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bid cum Application Forms by the Syndicate Members.   |
| Syndicate ASBA Bidding Locations                                     | Bidding Centres where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011.   |

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| Syndicate Members / Members of the Syndicate           | Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being [●].  |
| Syndicate or members of the Syndicate                  | Collectively, the BRLM and the Syndicate Members.   |
| Systemically Important Non – Banking Financial Company | Systemically important non-banking financial company as defined under Regulation 2(1) (iii) of the SEBI ICDR Regulations.   |
| Transaction Registration Slip/ TRS                     | The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Bidder as proof of registration of the Application.  |
| U.S. Securities Act                                    | U.S. Securities Act of 1933, as amended   |
| Underwriter  | The BRLM and the Underwriter, who have underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.   |
| Underwriting Agreement                                 | The Agreement dated March 13, 2024 entered between the Underwriter(s) and our Company.  |
| UPI  | Unified payments interface which is an instant payment mechanism, developed by the National Payment Corporation of India.   |
| UPI Bidders  | Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion and (ii) Non-Institutional Bidders with an application size of up to Rs. 500,000 in the non-institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agent. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public offers where the application amount is up to Rs. 500,000 shall use UPI and shall provide their UPI ID in the Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an Issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity) |
| UPI Circulars  | Circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as amended by its Circular number SEBI/HO/CED/DIL/CIR/2016/26 dated January 21, 2016 and Circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, Circular number 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/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.   |
| UPI ID   | ID created on UPI for single window mobile payment system developed by the National Payment Corporation of India.   |

|                                      |  |
|--------------------------------------|--|
| UPI Mandate Request/ Mandate Request | A request (intimating the UPI Bidders, by way of a notification on the UPI application and by way of a SMS directing the UPI Bidders to such UPI application) to the UPI Bidders initiated by the Sponsor Bank to authorise blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI, and the subsequent debit of funds in case of Allotment.   |
| UPI Mechanism                        | The Bidding mechanism that is used by Retail Individual Investors to make Bids in the Issue in accordance with the UPI Circulars to make as ABA bid in the Issue.  |
| UPI PIN                              | Password to authenticate UPI transaction   |
| Venture Capital                      | Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India   |
| Fund/VCF                             | (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.  |
| Wilful Defaulter(s)                  | Wilful defaulter as defined under Regulation 2(1) (III) of the SEBI (ICDR) Regulations, 2018.  |
| Working Day                          | In accordance with Regulation 2(1) (mmm) of SEBI (ICDR) Regulations, 2018, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of-<br><br>(a) announcement of Price Band; and<br>(b) Bid/ Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business;<br>(c) In respect to the time period between the Bid/ Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI. |

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

| <b>Term</b>  | <b>Description</b>   |
|--------------|--|
| CBSE         | Central Board of Secondary Education                                   |
| DISE         | The District Information System for Education                          |
| Edtech       | Education Technology   |
| GDP          | Gross Domestic Product   |
| ICSE         | The Council for the Indian School Certificate Examination              |
| Jr. Kg.      | Junior Kindergarten  |
| K-10         | kindergarten to 10th grade   |
| K-12         | kindergarten to 12th grade   |
| Kindergarten | Preschool educational  |
| MHRD         | The Indian Ministry of Human Resource Development, Government of India |
| NCERT        | The National Council of Educational Research and Training              |
| NEUPA        | The National University of Educational Planning and Administration     |
| QR           | Quick Response   |
| Sr. Kg.      | Senior Kindergarten  |

### **Conventional terms and Abbreviations**

| <b>Abbreviation</b>      | <b>Full Form</b>  |
|--------------------------|---|
| Rs. / Rupees/ INR / Rs.  | Indian Rupees   |
| AS / Accounting Standard | Accounting Standards as issued by the Institute of Chartered Accountants of India |

|                         |   |
|-------------------------|---|
| A/c                     | Account   |
| ACS                     | Associate Company Secretary   |
| AGM                     | Annual General Meeting  |
| ASBA                    | Applications Supported by Blocked Amount  |
| AMT                     | Amount  |
| AIF                     | Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.                      |
| AY                      | Assessment Year   |
| AOA                     | Articles of Association   |
| Approx.                 | Approximately   |
| B. A                    | Bachelor of Arts  |
| B. Com                  | Bachelor of Commerce  |
| B. E                    | Bachelor of Engineering   |
| B. Sc                   | Bachelor of Science   |
| B. Tech                 | Bachelor of Technology  |
| Bn                      | Billion   |
| BG/LC                   | Bank Guarantee / Letter of Credit   |
| BRLM                    | Book Running Lead Manager   |
| NSE                     | National Stock Exchange of India Limited  |
| CDSL                    | Central Depository Services (India) Limited   |
| CAGR                    | Compounded Annual Growth Rate   |
| CAN                     | Confirmation of Allocation Note   |
| Companies Act, 2013     | Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, 2013 along with the relevant rules made thereunder as amended.    |
| Companies Act, 1956     | Companies Act, 1956 (without reference to the provisions that have ceased upon notification of the Companies Act, 2013) along with the relevant rules made thereunder       |
| Consolidated FDI Policy | The extant consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time. |
| CA                      | Chartered Accountant  |
| CAIIB                   | Certified Associate of Indian Institute of Bankers  |
| CB                      | Controlling Branch  |
| CC                      | Cash Credit   |
| CIN                     | Corporate Identification Number   |
| CIT                     | Commissioner of Income Tax  |
| CS                      | Company Secretary   |
| CS & CO                 | Company Secretary & Compliance Officer  |
| CFO                     | Chief Financial Officer   |
| CSR                     | Corporate Social Responsibility   |
| C.P.C.                  | Code of Civil Procedure, 1908   |
| Cr.P.C.                 | Code of Criminal Procedure, 1973  |
| CENVAT                  | Central Value Added Tax   |
| CST                     | Central Sales Tax   |
| CWA/ICWA                | Cost and Works Accountant/Institute of Cost and Works Accountant  |
| CMD                     | Chairman and Managing Director  |
| DIN                     | Director Identification Number  |
| DIPPT                   | Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry ( <i>formerly Department of Industrial Policy and Promotion</i> ), GoI.          |
| DP                      | Depository Participant  |
| DP ID                   | Depository Participant's Identification Number  |



|                            |  |
|----------------------------|--|
| EBITDA                     | Earnings Before Interest, Taxes, Depreciation & Amortization   |
| ECS                        | Electronic Clearing System   |
| ESIC                       | Employee's State Insurance Corporation   |
| EPFA                       | Employee's Provident Funds and Miscellaneous Provisions Act, 1952  |
| EMI                        | Equated Monthly Instalment   |
| EPS                        | Earnings Per Share   |
| EGM /EOGM                  | Extraordinary General Meeting  |
| ESOP                       | Employee Stock Option Plan   |
| EXIM/ EXIM Policy          | Export – Import Policy   |
| FCNR Account               | Foreign Currency Non-Resident Account  |
| FIPB                       | Foreign Investment Promotion Board   |
| FY / Fiscal/Financial Year | Period of twelve months ended March 31 of that particular year, unless otherwise stated  |
| FEMA                       | Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.  |
| FCNR Account               | Foreign Currency Non-Resident Account  |
| FBT                        | Fringe Benefit Tax   |
| FDI                        | Foreign Direct Investment  |
| Fis                        | Financial Institutions   |
| FPIs                       | “Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992. |
| FTA                        | Foreign Trade Agreement  |
| FVCI                       | Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.   |
| FEMA                       | Foreign Exchange Management Act, 1999, including the rules and regulations thereunder  |
| FEMA Rules                 | Foreign Exchange Management (Non-debt Instruments) Rules, 2019   |
| Finance Act                | Finance Act, 1994  |
| FV                         | Face Value   |
| GoI/Government             | Government of India  |
| GDP                        | Gross Domestic Product   |
| GST                        | Goods and Services Tax   |
| GVA                        | Gross Value Added  |
| HUF                        | Hindu Undivided Family   |
| HNI                        | High Net Worth Individual  |
| HSL                        | Hem Securities Limited   |
| IBC                        | The Insolvency and Bankruptcy Code, 2016   |
| ICAI                       | The Institute of Chartered Accountants of India  |
| ISIN                       | International Securities Identification Number   |
| IST                        | Indian Standard Time   |
| ICWAI                      | The Institute of Cost Accountants of India   |
| IMF                        | International Monetary Fund  |
| IIP                        | Index of Industrial Production   |
| IPO                        | Initial Public Offer   |
| ICSI                       | The Institute of Company Secretaries of India  |
| IT                         | Information Technology   |
| IT Act                     | Information Technology Act, 2000   |
| IFRS                       | International Financial Reporting Standards  |
| INR / Rs./ Rupees          | Indian Rupees, the legal currency of the Republic of India   |
| I.T. Act                   | Income Tax Act, 1961, as amended from time to time   |

|                 |  |
|-----------------|--|
| IT Authorities  | Income Tax Authorities   |
| IT Rules        | Income Tax Rules, 1962, as amended, except as stated otherwise   |
| Indian GAAP     | Generally Accepted Accounting Principles in India  |
| Ind AS          | Indian Accounting Standards as referred to in and notified by the Ind AS Rules   |
| Ind AS Rules    | The Companies (Indian Accounting Standard) Rules, 2015   |
| IRDA            | Insurance Regulatory and Development Authority   |
| KMP             | Key Managerial Personnel   |
| LLB             | Bachelor of Law  |
| Ltd.            | Limited  |
| LLP             | Limited Liability Partnership  |
| MAT             | Minimum Alternate Tax  |
| MoF             | Ministry of Finance, Government of India   |
| MoU             | Memorandum of Understanding  |
| M. A            | Master of Arts   |
| MCA             | Ministry of Corporate Affairs, Government of India   |
| M. B. A         | Master of Business Administration  |
| MAT             | Minimum Alternate Tax  |
| M. Com          | Master of Commerce   |
| Mn              | Million  |
| M. E            | Master of Engineering  |
| M. Tech         | Masters of Technology  |
| Merchant Banker | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992   |
| MSME            | Micro, Small and Medium Enterprises  |
| MAPIN           | Market Participants and Investors Database   |
| NA              | Not Applicable   |
| NCLT            | National Company Law Tribunal  |
| Net worth       | The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus (excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account |
| NACH            | National Automated Clearing House  |
| NEFT            | National Electronic Funds Transfer   |
| NECS            | National Electronic Clearing System  |
| NAV             | Net Asset Value  |
| NCT             | National Capital Territory   |
| NPV             | Net Present Value  |
| NRI             | Non-Resident Indians   |
| NRE Account     | Non-Resident External Account  |
| NRO Account     | Non-Resident Ordinary Account  |
| NSE             | National Stock Exchange of India Limited   |
| NOC             | No Objection Certificate   |
| NSDL            | National Securities Depository Limited   |
| P.A.            | Per Annum  |
| PF              | Provident Fund   |
| PG              | Post Graduate  |
| PGDBA           | Post Graduate Diploma in Business Administration   |
| PLR             | Prime Lending Rate   |
| PAC             | Persons Acting in Concert  |
| P/E Ratio       | Price/Earnings Ratio   |
| PAN             | Permanent Account Number   |
| PAT             | Profit After Tax   |
| P.O.            | Purchase Order   |

|   |  |
|---|--|
| PBT   | Profit Before Tax  |
| PLI   | Postal Life Insurance  |
| POA   | Power of Attorney  |
| PSU   | Public Sector Undertaking(s)   |
| Pvt.  | Private  |
| Q.C.  | Quality Control  |
| RoC   | Registrar of Companies   |
| RBI   | The Reserve Bank of India  |
| Regulation S  | Regulation S under the U.S. Securities Act   |
| Registration Act  | Registration Act, 1908   |
| ROE   | Return on Equity   |
| R&D   | Research & Development   |
| Rs. or Rs.  | Rupees, the official currency of the Republic of India   |
| RONW  | Return on Net Worth  |
| RTGS  | Real Time Gross Settlement   |
| SBO Rules   | Significant Beneficial Owners, Rules, 2018   |
| SCRA  | Securities Contracts (Regulation) Act, 1956, as amended from time to time  |
| SCRR  | Securities Contracts (Regulation) Rules, 1957, as amended from time to time  |
| SME   | Small and Medium Enterprises   |
| SCSB  | Self-Certified syndicate Banks   |
| SEBI Act  | Securities and Exchange Board of India Act, 1992, as amended   |
| SEBI AIF Regulations  | Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended.  |
| SEBI FPI Regulations  | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time.  |
| SEBI FVCI Regulations   | Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.   |
| SEBI Insider Trading Regulations  | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended  |
| SEBI LODR/SEBI (Listing Obligations and Disclosure Requirement) Regulations/Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement), Regulations 2015, as amended from time to time.   |
| SEBI (PFUTP) Regulations / PFUTP Regulations  | Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003                                   |
| SEBI Regulations/ SEBI ICDR Regulations   | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.   |
| SEBI SBEB Regulations   | Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.  |
| SEBI Takeover Regulations / Takeover Regulations / Takeover Code                                | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.  |
| SEBI VCF Regulations  | Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.   |
| SEBI  | Securities and Exchange Board of India   |
| STT   | Securities Transaction Tax   |
| Sub-Account   | Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals. |
| Sec.  | Section  |
| SPV   | Special Purpose Vehicle  |
| TAN   | Tax Deduction Account Number   |
| TRS   | Transaction Registration Slip  |

|                            |  |
|----------------------------|--|
| Trade Marks Act            | Trade Marks Act, 1999  |
| TIN                        | Taxpayers Identification Number  |
| UIN                        | Unique identification number   |
| U.N.                       | United Nations   |
| US/United States           | United States of America   |
| USD/ US\$/ \$              | United States Dollar, the official currency of the Unites States of America  |
| U.S. GAAP                  | Generally Accepted Accounting Principles in the United States of America   |
| VAT                        | Value Added Tax  |
| VCF / Venture Capital Fund | Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India. |
| WDV                        | Written Down Value   |
| WTD                        | Whole Time Director  |
| w.e.f.                     | With effect from   |
| -, (Rs.)                   | Represent Outflow  |

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

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

### **Certain Conventions**

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

In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crores”. In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

### **Use of Financial Data**

Unless the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Statements. Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year or fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year and references to a Fiscal/Fiscal Year are to the year ended on March 31, of that calendar year.

The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Indian GAAP, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and law on the financial disclosures presented in this Draft Red Herring Prospectus should be limited. There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide a reconciliation of its financial statements with Indian GAAP, IFRS or U.S. GAAP requirements. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. For further details in connection with risks involving differences between Indian GAAP and other accounting principles, see “*Risk Factors - Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP, Ind (AS) and IFRS, which may be material to investors' assessments of our financial condition.*” on page 30 of this Draft Red Herring Prospectus.

Our fiscal year commences on April 1 of every year and ends on March 31<sup>st</sup> of every next year.

For additional definitions used in this Draft Red Herring Prospectus, see the section “*Definitions and Abbreviations*” on page 1 of this Draft Red Herring Prospectus. In the section titled “*Main Provisions of the Articles of Association*”, on page 304 of the Draft Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Certain Non-GAAP Measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, PAT Margin, and others, have been included in this Draft Red Herring Prospectus. We compute and disclose such Non-GAAP measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These Non- GAAP measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by the accounting standards and may not be comparable to similarly titled measures presented by other companies.

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

Unless stated otherwise, industry and market data and forecast used throughout the Draft Red Herring Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in the Draft Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, 2018 the section titled “*Basis for Issue Price*” on page 86 of the Draft Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

### **Currency of Financial Presentation**

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

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management's Discussion and Analysis of Financial Conditions and Results of Operations*” on page 30, 108 and 211 respectively of this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated based on our restated financial statements prepared in accordance with Indian GAAP.

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

### **FORWARD LOOKING STATEMENTS**

This Draft Red Herring Prospectus includes certain “forward-looking statements”. We have included statements in the Draft Red Herring Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although, we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include but are not limited to the following:

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in focus toward the Education industry, Digital learning, Government Policies on education;
3. Any change in government policies resulting in increase in taxes payable by us;
4. Our ability to retain our key managements persons and other employees;
5. Changes in laws and regulations that apply to the education industry in which we operate.
6. Our failure to keep pace with rapid changes in technology;
7. Our ability to grow our business;
8. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
9. General economic, political and other risks that are out of our control;
10. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
11. Company’s ability to successfully implement its growth strategy and expansion plans;
12. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
13. Inability to successfully obtain registrations in a timely manner or at all;
14. Occurrence of Environmental Problems & Uninsured Losses;
15. Conflicts of interest with affiliated companies, the promoter group and other related parties;
16. Any adverse legal proceedings initiated against our company or its promoters, directors and KMP’s;
17. Concentration of ownership among our Promoters;
18. The performance of the financial markets in India and globally; and

For further discussion of factors that could cause our actual results to differ, see the Section titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 30, 108 and 211 respectively of the Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Neither our Company or our Directors or our Officers or Book Running Lead Manager or Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the BRLM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

## SECTION II

### SUMMARY OF DRAFT RED HERRING PROSPECTUS

#### A. OVERVIEW OF BUSINESS

We are a content-based company, specializing in educational book publishing for the CBSE/State Board curriculum catering to the K-12 segment. Additionally, we provide access to educational software for learning videos (for teachers and Students) accessible through QR (Quick Response) codes, backed by a comprehensive sales and distribution network. We currently focus on serving the Maharashtra State Board and Central Board of Secondary Education (CBSE), covering the spectrum of education books from early pre-primary learning to K-12 course. During the Fiscal year 2023, we sold over 6 million books, covering students across different standards ranging from pre-primary, primary, secondary, and higher secondary levels.

For further details please refer to the chapter titled “**Our Business**” beginning on page 108 of this Draft Red Herring Prospectus.

#### B. OVERVIEW OF THE INDUSTRY

With ~26.31% of India’s population in the age group of 0-14 years, India’s education sector provides numerous opportunities for growth. According to the Union Budget 2023-24: The government allocated Rs. 68,804.85 crore (US\$ 8.3 billion) for the Department of School Education and Literacy, compared with Rs. 59,819.37 crore (US\$ 8 billion) in the Union Budget 2022-23, a 13.06% YoY increase. Government of India’s target of Gross Enrolment Ratio (GER) of 50% by 2035 for students in the 18-23 age group is expected to drive investments in the education space. According to KPMG, India has also become the second largest market for E-learning after the US.

For further details please refer to the chapter titled “**Industry Overview**” beginning on page 96 of this Draft Red Herring Prospectus.

#### C. PROMOTERS

Anil Jayantilal Rambhia, Rakesh Jayantilal Rambhia & Shilpa Anil Rambhia are the Promoters of our Company.

#### D. DETAILS OF THE ISSUE

Initial public offer consisting of 54,00,000 Equity shares of face value of ₹10.00 each (“equity shares”) by 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 ₹ [●] Lakh (“The Issue”), of which [●] equity shares of face value of ₹ 10.00 each for cash at a price of ₹[●] per equity share including a share premium of ₹[●] per equity share aggregating to ₹[●] Lakh will be reserved for subscription by Market Maker to the Issue (the “Market Maker Reservation Portion”). The Issue less the Market Maker Reservation Portion i.e. Net Issue of [●] equity shares of face value of ₹10.00 each at a price of ₹[●] per equity share aggregating to ₹[●] Lakh are herein after referred to as the “Net Issue”. The Issue and the Net Issue will constitute 26.47 % and [●] % respectively of the post Issue paid up equity share capital of the company.

#### E. OBJECTS OF THE ISSUE

Our Company intends to utilize the net Proceeds of the IPO to meet the following objects:-

| Sr. No. | Particulars  | Amount (₹ in lakhs) |
|---------|--|---------------------|
| 1.      | Repayment of certain borrowing availed by our Company, in part or full | 1300.00             |
| 2.      | To meet Working Capital requirements                                   | [●]                 |
| 3.      | General Corporate Purpose  | [●]                 |
|         | <b>Total</b>   | <b>[●]</b>          |



## F. PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP

Our Promoters and Promoter Group collectively holds 1,50,00,000 Equity shares of our Company aggregating to 100% of the pre-Issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and Promoter Group, as on date of this Draft Red Herring Prospectus:-

| Sr. No | Names                                | Pre IPO            |               | Post IPO           |               |
|--------|--------------------------------------|--------------------|---------------|--------------------|---------------|
|        |                                      | Shares Held        | % Shares Held | Shares Held        | % Shares Held |
|        | <b>Promoters</b>                     |                    |               |                    |               |
| 1.     | Anil Jayantilal Rambhia              | 69,00,000          | 46.00         | 69,00,000          | [●]           |
| 2.     | Rakesh Jayantilal Rambhia            | 69,00,000          | 46.00         | 69,00,000          | [●]           |
| 3.     | Shilpa Anil Rambhia                  | 1,50,000           | 1.00          | 1,50,000           | [●]           |
|        | <b>TOTAL (A)</b>                     | <b>1,39,50,000</b> | <b>93.00</b>  | <b>1,39,50,000</b> | <b>[●]</b>    |
|        | <b>Promoter Group</b>                |                    |               |                    |               |
| 4.     | Divya Anil Rambhia                   | 1,50,000           | 1.00          | 1,50,000           | [●]           |
| 5.     | Aashna Anil Rambhia                  | 1,50,000           | 1.00          | 1,50,000           | [●]           |
| 6.     | Jania Rakesh Rambhia                 | 4,50,000           | 3.00          | 4,50,000           | [●]           |
| 7.     | Chetana Publications Private Limited | 3,00,000           | 2.00          | 3,00,000           | [●]           |
|        | <b>TOTAL (B)</b>                     | <b>10,50,000</b>   | <b>7.00</b>   | <b>10,50,000</b>   | <b>[●]</b>    |
|        | <b>Total (A+B)</b>                   | <b>1,50,00,000</b> | <b>100.00</b> | <b>1,50,00,000</b> | <b>[●]</b>    |

## G. SUMMARY OF FINANCIAL INFORMATION

Following are the details as per the restated financial statements for the period January 21, 2024 and for the financial years ended on March 31, 2023, March 31, 2022 and March 31, 2021:

| Particulars   | (₹ in lakhs)     |                |                |                |
|---|------------------|----------------|----------------|----------------|
|   | January 21, 2024 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Equity Share Capital\ Partner's Capital Account                                       | 1500.00          | 2281.92        | 1947.33        | 2091.10        |
| Net Worth   | 1500.00          | 2281.92        | 1947.33        | 2091.10        |
| Total Income  | 5328.34          | 7560.77        | 4312.21        | 3270.96        |
| Profit after tax  | 178.92           | 685.47         | 168.06         | 280.30         |
| Earnings per Share (based on weighted average number of shares)                       | 1.19             | 4.57           | 1.12           | 1.87           |
| Net Asset Value/Book Value per Equity share (Based on no of share at the end of year) | 10.00            | 15.21          | 12.98          | 13.94          |
| Net Asset Value per Share (based on weighted average number of shares)                | 10.00            | 15.21          | 12.98          | 13.94          |
| Total Borrowings  | 4085.17          | 4299.50        | 3876.03        | 3487.85        |

## H. AUDITOR QUALIFICATIONS

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

## I. SUMMARY OF OUTSTANDING LITIGATIONS

Our Company, Promoters and Directors are involved in certain legal proceedings. A brief detail of such outstanding litigations as on the date of this Draft Red Herring Prospectus are as follows:

| Sr. No. | Name of Entity                                 | Criminal Proceedings | Tax proceedings | Material civil litigation | Aggregate amount involved (₹ in lakhs)* |
|---------|--|----------------------|-----------------|---------------------------|---|
| 1.      | <b>Company</b>                                 |                      |                 |                           |   |
|         | By the Company                                 | 110                  | Nil             | 1                         | 327.85                                  |
|         | Against the Company                            | 2                    | 1               | Nil                       | 30.20                                   |
| 2.      | <b>Directors (Other than Promoters)</b>        |                      |                 |                           |   |
|         | By the Directors                               | Nil                  | Nil             | Nil                       | Nil                                     |
|         | Against the Directors                          | Nil                  | Nil             | Nil                       | Nil                                     |
| 3.      | <b>Promoters</b>                               |                      |                 |                           |   |
|         | By the Promoter                                | Nil                  | Nil             | Nil                       | Nil                                     |
|         | Against the Promoter                           | Nil                  | Nil             | Nil                       | Nil                                     |
| 4.      | <b>Group Company (Material to our Company)</b> |                      |                 |                           |   |
|         | By the Group Company                           | Nil                  | Nil             | Nil                       | Nil                                     |
|         | Against the Group Company                      | Nil                  | 1               | Nil                       | 75.02                                   |

\*To the extent quantifiable

For further details, please see “*Outstanding Litigation and Material Developments*” on page 221.

## J. RISK FACTORS

For details on the risks involved in our business, please see the Chapter titled “*Risk Factors*” beginning on page 30 of this Draft Red Herring Prospectus.

## K. SUMMARY OF CONTINGENT LIABILITIES

Our Company have contingent liabilities of Rs. 9.43 Lakhs as on January 21, 2024.

(Amt in Rs. Lakhs)

| Particulars  | As at       |             |             |             |
|--|-------------|-------------|-------------|-------------|
|  | 21-01-2024  | 31-03-2023  | 31-03-2022  | 31-03-2021  |
| <b>Contingent liabilities in respect of:</b>   | -           | -           | -           | -           |
| Claims against the company not acknowledged as debts   | -           | -           | -           | -           |
| Guarantees given on Behalf of the Company  |             |             |             |             |
| Guarantees given on Behalf of the Subsidiary Company   |             |             |             |             |
| TDS Defaults with respect to Delay filing fee, Short Deduction and Interest thereon            | 0.75        | 0.09        | 0.02        | 0.01        |
| Estimated amount of contracts remaining to be executed on capital account and not provided for | -           |             |             |             |
| Income Tax Outstanding Demand  | 8.68        | 8.68        | 8.68        | 7.98        |
| Service Tax Demand   |             |             |             |             |
| <b>Total</b>   | <b>9.43</b> | <b>8.77</b> | <b>8.70</b> | <b>8.00</b> |

For further details, please refer to Annexure AB Contingent Liabilities of the chapter titled “*Financial Information of the Company*” on page 156 of this Draft Red Herring Prospectus.

## L. SUMMARY OF RELATED PARTY TRANSACTIONS

Following is the summary of the related party transactions entered by the Company (based on Restated Financial Statements) for the period January 21, 2024 and for the financial year ended on March 31, 2023, March 31, 2022 and March 31, 2021:-

(Amount in Rs. Lakhs)

| List of Related Parties as per AS - 18 |                          |                        |
|--|--------------------------|------------------------|
|  | Names of related parties | Nature of Relationship |

|  |                                     |   |
|--|-------------------------------------|---|
| Directors and Key Management Personnel (KMP) | Anil Jayantilal Rambhia             | Director (w.e.f. 21-.01-2024)               |
|  | Rakesh Jayantilal Rambhia           | Director & CFO (w.e.f. 21-.01-2024)         |
|  | Shilpa Anil Rambhia                 | Non-Executive Director (w.e.f. 07-.02-2024) |
|  | Shrenik Bakulesh Kotecha            | Independent Director (w.e.f. 05-03-2024)    |
|  | Punit Brij Behari Sexana            | Independent Director (w.e.f. 07-02-2024)    |
| Related Company/Firm                         | Chetana Publication Private Limited | Group Companies                             |
|  | Chetana Stationery                  |   |
|  | Chetana Book Depot                  |   |
|  | Achera Enterprise LLP               | Director are Partner in LLP                 |
|  | Egyan Edutainment LLP               |   |
|  | Anil Rambhia HUF                    | HUF of Directors                            |
|  | Rakesh Rambhia HUF                  |   |
|  | JD Shah HUF                         | HUF of Mr. Anil Rambhia                     |
| Relatives of KMP                             | Aashna Rambhia                      | Relatives of Director                       |
|  | Divya Rambhia                       |   |
|  | Jania Rambhia                       |   |
|  | Indumati Rambhia                    |   |
|  | Surekha Rambhia                     |   |
|  | Chetana Bharat Jain                 |   |

| (i) Transactions with Current Capital Account |   | 21-Jan-24      | 31-Mar-23      | 31-Mar-22      | 31-Mar-21      |
|---|---|----------------|----------------|----------------|----------------|
| <b>1</b>                                      | <b>Anil Jayantilal Rambhia</b>                |                |                |                |                |
|   | Opening loan                                  | <b>260.17</b>  | <b>149.67</b>  | <b>415.00</b>  | <b>501.35</b>  |
|   | Remuneration                                  | 100.00         | 75.00          | 42.00          | 30.00          |
|   | Capital Introduced                            | 0.00           | 126.08         | 0.00           | 0.00           |
|   | Transfer of Unsecured loan in current account | 0.00           | 37.19          | 0.00           | 0.00           |
|   | Withdrawal                                    | -325.95        | -463.64        | -389.68        | -121.89        |
|   | Share of Profit                               | 119.74         | 335.88         | 82.35          | 137.35         |
|   | Adjustment of Opening Reserve                 |                |                |                | -131.81        |
|   | Closing balance(Dr)/Cr.                       | <b>153.96</b>  | <b>260.17</b>  | <b>149.67</b>  | <b>415.00</b>  |
| <b>2</b>                                      | <b>Rakesh Jayantilal Rambhia</b>              |                |                |                |                |
|   | <b>Opening loan</b>                           | <b>613.90</b>  | <b>408.65</b>  | <b>373.99</b>  | <b>395.66</b>  |
|   | Remuneration                                  | 100.00         | 75.00          | 42.00          | 30.00          |
|   | Capital Introduced                            | 0.00           | 67.25          | 0.00           | 0.00           |
|   | Transfer of Unsecured loan in current account | 0.00           | 0.00           | 0.00           | 0.00           |
|   | Withdrawal                                    | -679.69        | -272.88        | -89.69         | -57.21         |
|   | Share of Profit                               | 119.74         | 335.88         | 82.35          | 137.35         |
|   | Adjustment of Opening Reserve                 |                |                |                | -131.81        |
|   | Closing balance(Dr)/Cr.                       | <b>153.94</b>  | <b>613.90</b>  | <b>408.65</b>  | <b>373.99</b>  |
| <b>3</b>                                      | <b>Chetana Publication Private Limited</b>    |                |                |                |                |
|   | <b>Opening loan</b>                           | <b>1406.85</b> | <b>1388.02</b> | <b>1301.12</b> | <b>1327.76</b> |
|   | Capital Introduced                            | 0.00           | 25.73          | 86.65          | 0.00           |
|   | Withdrawal                                    | -1417.22       | -20.61         | -3.11          | -26.87         |
|   | Share of Profit                               | 3.58           | 13.71          | 3.36           | 5.61           |
|   | Adjustment of Opening Reserve                 |                |                |                | -5.38          |
|   | Closing balance(Dr)/Cr.                       | <b>-6.79</b>   | <b>1406.85</b> | <b>1388.02</b> | <b>1301.12</b> |
| <b>4</b>                                      | <b>Shilpa Anil Rambhia</b>                    |                |                |                |                |
|   | Capital Introduced                            | 16.01          |                |                |                |

|   |  |              |               |               |               |
|---|--|--------------|---------------|---------------|---------------|
|   | Withdrawal                                   | 0.00         |               |               |               |
|   | Share of Profit                              | -10.69       |               |               |               |
|   | <b>Closing balance</b>                       | <b>5.32</b>  | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b>   |
| <b>5</b>                                      | <b>Aashna Rambhia</b>                        |              |               |               |               |
|   | Capital Introduced                           | 16.01        |               |               |               |
|   | Withdrawal                                   | 0.00         |               |               |               |
|   | Share of Profit                              | -10.69       |               |               |               |
|   | <b>Closing balance</b>                       | <b>5.32</b>  | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b>   |
| <b>6</b>                                      | <b>Diva Rambhia</b>                          |              |               |               |               |
|   | Capital Introduced                           | 16.01        |               |               |               |
|   | Withdrawal                                   | 0.00         |               |               |               |
|   | Share of Profit                              | -10.69       |               |               |               |
|   | <b>Closing balance</b>                       | <b>5.32</b>  | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b>   |
| <b>7</b>                                      | <b>Jania Rambhia</b>                         |              |               |               |               |
|   | Capital Introduced                           | 48.03        |               |               |               |
|   | Withdrawal                                   | 0.00         |               |               |               |
|   | Share of Profit                              | -32.07       |               |               |               |
|   | <b>Closing balance</b>                       | <b>15.96</b> | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b>   |
| <b>(ii) Transactions with Director in KMP</b> |  |              |               |               |               |
| <b>1</b>                                      | <b>Anil Jayantilal Rambhia</b>               |              |               |               |               |
|   | Dividend Paid                                |              |               |               |               |
|   | <b>Loan Transactions</b>                     |              |               |               |               |
|   | Opening balance of Loan taken by the Company | -            | 163.34        | 169.06        | 0.00          |
|   | Loan Taken by the Company                    |              | -             | -             | 167.00        |
|   | Loan Repaid by the Company                   |              | (170.65)      | (15.56)       | (1.21)        |
|   | Interest on Loan taken/Given                 |              | 7.97          | 10.76         | 3.27          |
|   | TDs on interest portion of loan              |              | (0.66)        | (0.92)        |               |
|   | <b>Closing Balance (cr/(dr) )</b>            | <b>-</b>     | <b>(0.00)</b> | <b>163.34</b> | <b>169.06</b> |
| <b>2</b>                                      | <b>Anil Jayantilal Rambhia- HUF</b>          |              |               |               |               |
|   | Opening balance of Loan taken by the Company | 71.76        | 68.96         | 62.27         | 55.64         |
|   | Loan Taken by the Company                    | 3,895.85     | 0.94          | -             | 6.65          |
|   | Loan Repaid by the Company                   | (3,967.61)   | (5.59)        | (0.03)        | (6.20)        |
|   | Interest on Loan taken/Given                 |              | 8.28          | 7.47          | 6.68          |
|   | TDs on interest portion of loan              |              | (0.83)        | (0.75)        | (0.50)        |
|   | <b>Closing Balance (cr/(dr) )</b>            | <b>-</b>     | <b>71.76</b>  | <b>68.96</b>  | <b>62.27</b>  |
| <b>3</b>                                      | <b>Rakesh Jayantilal Rambhia</b>             |              |               |               |               |
|   | <b>Loan Transactions</b>                     |              |               |               |               |
|   | Opening balance of Loan taken by the Company | 30.00        | 18.00         | -             | -             |
|   | Loan Taken by the Company                    | 10.00        | 12.00         | 18.00         | -             |
|   | Loan Repaid by the Company                   | (2.26)       | (1.998)       | -             | -             |
|   | Interest on Loan taken/Given                 | 2.26         | 1.998         | 0.00          | 0.00          |
|   | <b>Closing Balance (cr/(dr) )</b>            | <b>40.00</b> | <b>30.00</b>  | <b>18.00</b>  | <b>-</b>      |
| <b>4</b>                                      | <b>Rakesh Jayantilal Rambhia- HUF</b>        |              |               |               |               |
|   | Opening balance of Loan taken by the Company | 59.42        | 53.63         | 48.42         | 43.19         |
|   | Loan Taken by the Company                    | 5,643.10     | -             | -             | 5.25          |

|   |   |               |                |                 |               |
|---|---|---------------|----------------|-----------------|---------------|
|   | Loan Repaid by the Company                              | (5,702.52 )   | -              | (0.02)          | (4.81)        |
|   | Interest on Loan taken/Given                            |               | 6.44           | 5.81            | 5.18          |
|   | TDs on interest portion of loan                         |               | (0.64)         | (0.58)          | (0.39)        |
|   | <b>Closing Balance (cr/(dr) )</b>                       | <b>-</b>      | <b>59.42</b>   | <b>53.63</b>    | <b>48.42</b>  |
| <b>5</b>  | <b>Shilpa Anil Rambhia</b>                              |               |                |                 |               |
|   | Opening balance of Loan & Advances given by the Company | (19.07)       | 19.68          | 35.58           | 38.18         |
|   | Advances given by the Company                           | (139.45)      | 33.40          | -               | 10.90         |
|   | Loan Return to the Company                              | 160.13        | (72.15)        | (15.90)         | (13.50)       |
|   | Interest on Loan taken/Given                            | (1.79)        | -              | -               | -             |
|   | TDs on interest portion of loan                         | 0.18          |                |                 | -             |
|   | <b>Closing Balance ((Cr)/Dr )</b>                       | <b>0.00</b>   | <b>(19.07)</b> | <b>19.68</b>    | <b>35.58</b>  |
|   | <b>Salary paid during the period</b>                    | <b>5.40</b>   | <b>7.20</b>    | <b>7.20</b>     | <b>4.80</b>   |
| <b>(iii) Transaction with Relatives of KMP and Enterprises in which KMP/Relatives of KMP can exercise significant influence</b> |   |               |                |                 |               |
| <b>1</b>  | <b>Chetana Book Depot</b>                               |               |                |                 |               |
|   | Opening balance of Loan & Advances given by the Company | 658.43        | 1,186.31       | 922.19          | 980.15        |
|   | Advances given by the Company                           | 196.28        | 537.66         | 778.07          | 266.38        |
|   | Loan Return to the Company                              | (767.16)      | (1,065.54)     | (513.95)        | (324.34)      |
|   | Interest on Loan taken/Given                            |               | -              | -               | -             |
|   | TDs on interest portion of loan                         |               |                |                 | -             |
|   | <b>Closing Balance ((Cr)/Dr )</b>                       | <b>87.56</b>  | <b>658.43</b>  | <b>1,186.31</b> | <b>922.19</b> |
|   | <b>Sales made during the period/year</b>                | <b>153.01</b> | <b>191.70</b>  | <b>97.47</b>    | <b>171.28</b> |
|   | <b>Rent paid during the period/year</b>                 | <b>153.00</b> | <b>150.00</b>  | <b>150.00</b>   |               |
| <b>2</b>  | <b>Chetana Stationery</b>                               |               |                |                 |               |
|   | Opening balance of Loan & Advances given by the Company | (68.03)       | (47.92)        | 38.28           | 0.00          |
|   | Advances given by the Company                           | (24.67)       | (107.49)       | 2.17            | 99.05         |
|   | Loan Return to the Company                              | 93.18         | 87.38          | (88.37)         | (60.77)       |
|   | Interest on Loan taken/Given                            |               | -              | -               | -             |
|   | TDs on interest portion of loan                         |               |                |                 | -             |
|   | <b>Closing Balance ((Cr)/Dr )</b>                       | <b>0.48</b>   | <b>(68.03)</b> | <b>(47.92)</b>  | <b>38.28</b>  |
| <b>3</b>  | <b>Achera Enterprise LLP</b>                            |               |                |                 |               |
|   | Opening balance of Loan & Advances given by the Company | -             | 20.25          | 20.10           | 0.00          |
|   | Advances given by the Company                           |               | -              | 0.15            | 20.10         |
|   | Loan Return to the Company                              |               | (20.25)        | -               | -             |
|   | <b>Closing Balance ((Cr)/Dr )</b>                       | <b>-</b>      | <b>-</b>       | <b>20.25</b>    | <b>20.10</b>  |
| <b>4</b>  | <b>Egyan Edutainment LLP</b>                            |               |                |                 |               |
|   | Opening balance of Loan & Advances given by the Company | -             | -              | 0.20            | 0.00          |
|   | Advances given by the Company                           |               | -              | -               | 0.20          |
|   | Loan Return to the Company                              |               | -              | (0.20)          | -             |
|   | <b>Closing Balance ((Cr)/Dr )</b>                       | <b>-</b>      | <b>-</b>       | <b>-</b>        | <b>0.20</b>   |

|           |  |               |               |              |               |
|-----------|--|---------------|---------------|--------------|---------------|
| <b>5</b>  | <b>Aashna Rambhia</b>                        |               |               |              |               |
|           | <b>Loan Transactions</b>                     |               |               |              |               |
|           | Opening balance of Loan taken by the Company | 51.70         | 51.70         | 35.64        | 30.54         |
|           | Loan Taken by the Company                    |               | -             | 14.20        | 5.35          |
|           | Loan Repaid by the Company                   | (55.89)       | -             | (3.18)       | (3.65)        |
|           | Interest on Loan taken/Given                 | 4.66          | -             | 5.60         | 3.67          |
|           | TDs on interest portion of loan              | (0.47)        |               | (0.56)       | (0.27)        |
|           | <b>Closing Balance (cr/(dr) )</b>            | <b>(0.00)</b> | <b>51.70</b>  | <b>51.70</b> | <b>35.64</b>  |
| <b>6</b>  | <b>Diva Rambhia</b>                          |               |               |              |               |
|           | <b>Loan Transactions</b>                     |               |               |              |               |
|           | Opening balance of Loan taken by the Company | 2.94          | 3.07          | 2.07         | 2.04          |
|           | Loan Taken by the Company                    |               | -             | 11.00        | 0.25          |
|           | Loan Repaid by the Company                   | (2.94)        | (0.12)        | (10.00)      | (0.23)        |
|           | Interest on Loan taken/Given                 |               | -             | 0.00         | -             |
|           | TDs on interest portion of loan              | -             | -             | -            | -             |
|           | <b>Closing Balance (cr/(dr) )</b>            | <b>0.00</b>   | <b>2.94</b>   | <b>3.07</b>  | <b>2.07</b>   |
| <b>7</b>  | <b>Jania Rambhia</b>                         |               |               |              |               |
|           | <b>Loan Transactions</b>                     |               |               |              |               |
|           | Opening balance of Loan taken by the Company | 7.55          | 6.81          | 2.40         | 0.80          |
|           | Loan Taken by the Company                    | 20.00         | -             | 3.75         | 1.60          |
|           | Loan Repaid by the Company                   | (18.28)       | -             | -            | (0.09)        |
|           | Interest on Loan taken/Given                 | 0.81          | 0.82          | 0.74         | 0.10          |
|           | TDs on interest portion of loan              | (0.08)        | (0.08)        | (0.07)       | (0.01)        |
|           | <b>Closing Balance (cr/(dr) )</b>            | <b>10.00</b>  | <b>7.55</b>   | <b>6.81</b>  | <b>2.40</b>   |
|           | <b>Salary paid during the period</b>         | <b>1.20</b>   | <b>-</b>      | <b>-</b>     | <b>-</b>      |
| <b>8</b>  | <b>Indumati Rambhia</b>                      |               |               |              |               |
|           | <b>Loan Transactions</b>                     |               |               |              |               |
|           | Opening balance of Loan taken by the Company | 104.71        | 94.50         | 162.50       | 153.95        |
|           | Loan Taken by the Company                    |               | -             | 5.60         | -             |
|           | Loan Repaid by the Company                   | (113.20)      | -             | (80.37)      | -             |
|           | Interest on Loan taken/Given                 | 9.44          | 11.34         | 0.01         | 9.24          |
|           | TDs on interest portion of loan              | (0.94)        | (1.13)        | (0.75)       | (0.69)        |
|           | <b>Closing Balance (cr/(dr) )</b>            | <b>(0.00)</b> | <b>104.71</b> | <b>94.50</b> | <b>162.50</b> |
| <b>9</b>  | <b>Surekha Rambhia</b>                       |               |               |              |               |
|           | <b>Loan Transactions</b>                     |               |               |              |               |
|           | Opening balance of Loan taken by the Company | 5.97          | 64.91         | 44.41        | 42.90         |
|           | Loan Taken by the Company                    | 139.75        | 6.75          | 14.55        | 13.80         |
|           | Loan Repaid by the Company                   | (145.72)      | (73.12)       | (0.42)       | (16.80)       |
|           | Interest on Loan taken/Given                 |               | 8.25          | 7.08         | 4.88          |
|           | TDs on interest portion of loan              |               | (0.82)        | (0.71)       | (0.37)        |
|           | <b>Closing Balance (cr/(dr) )</b>            | <b>-</b>      | <b>5.97</b>   | <b>64.91</b> | <b>44.41</b>  |
|           | <b>Salary paid during the period</b>         | <b>5.40</b>   | <b>7.20</b>   | <b>7.20</b>  | <b>4.80</b>   |
| <b>10</b> | <b>JD Shah HUF</b>                           |               |               |              |               |
|           | <b>Loan Transactions</b>                     |               |               |              |               |
|           | Opening balance of Loan taken by the Company | 47.18         | 42.58         | 38.45        | 34.58         |
|           | Loan Taken by the Company                    |               | -             | -            | 3.90          |
|           | Loan Repaid by the Company                   | (51.01)       | -             | (0.03)       | (3.86)        |

|           |  |               |              |              |              |
|-----------|--|---------------|--------------|--------------|--------------|
|           | Interest on Loan taken/Given                 | 4.25          | 5.11         | 4.61         | 4.15         |
|           | TDs on interest portion of loan              | (0.43)        | (0.51)       | (0.46)       | (0.31)       |
|           | <b>Closing Balance (cr/(dr) )</b>            | <b>(0.00)</b> | <b>47.18</b> | <b>42.58</b> | <b>38.45</b> |
| <b>11</b> | <b>Chetana Bharat Jain</b>                   |               |              |              |              |
|           | <b>Loan Transactions</b>                     |               |              |              |              |
|           | Opening balance of Loan taken by the Company | 1.00          | 1.00         | 1.00         | 1.00         |
|           | Loan Taken by the Company                    |               | -            | -            | -            |
|           | Loan Repaid by the Company                   | (1.08)        | (0.08)       | (0.08)       | (0.08)       |
|           | Interest on Loan taken/Given                 | 0.09          | 0.09         | 0.09         | 0.09         |
|           | TDs on interest portion of loan              | (0.01)        | (0.01)       | (0.01)       | (0.01)       |
|           | <b>Closing Balance (cr/(dr) )</b>            | <b>0.00</b>   | <b>1.00</b>  | <b>1.00</b>  | <b>1.00</b>  |
|           | <b>Commission paid during the period</b>     | <b>4.88</b>   | <b>12.50</b> | <b>14.00</b> | <b>4.75</b>  |
| <b>12</b> | <b>Learning Leap LLP</b>                     |               |              |              |              |
|           | <b>Investment made</b>                       |               |              |              |              |
|           | Capital Introduced                           | 0.60          |              |              |              |
|           | Capital withdrawal                           | (0.60)        |              |              |              |
|           | <b>Closing Balance (cr/(dr) )</b>            | <b>-</b>      |              |              |              |

**Note:** The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

For further details, please refer to the Annexure Y – Related Party Disclosures of chapter titled “*Financial Information of the Company*” on page 192 of this Draft Red Herring Prospectus.

#### M. DETAILS OF FINANCING ARRANGEMENTS

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

#### N. WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY EACH OF OUR PROMOTERS IN LAST ONE YEAR

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

| Sr. No. | Name of the Promoter      | No. of Shares acquired in last one year | Weighted Average Price (in ₹)* |
|---------|---------------------------|---|--------------------------------|
| 1.      | Anil Jayantilal Rambhia   | 69,00,000                               | 10.00                          |
| 2.      | Rakesh Jayantilal Rambhia | 69,00,000                               | 10.00                          |
| 3.      | Shilpa Anil Rambhia       | 1,50,000                                | 10.00                          |

*The Company has issued equity shares to the existing partners of the erstwhile Chetana Education LLP pursuant to the conversion of the LLP into the Company against the Capital of the Partners outstanding.*

#### O. AVERAGE COST OF ACQUISITION OF SHARES FOR PROMOTERS

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

| Sr. No. | Name of the Promoters     | No. of Shares held | Average cost of Acquisition (in ₹) |
|---------|---------------------------|--------------------|------------------------------------|
| 1.      | Anil Jayantilal Rambhia   | 69,00,000          | 10.00                              |
| 2.      | Rakesh Jayantilal Rambhia | 69,00,000          | 10.00                              |

|    |                     |          |       |
|----|---------------------|----------|-------|
| 3. | Shilpa Anil Rambhia | 1,50,000 | 10.00 |
|----|---------------------|----------|-------|

*The Company has issued equity shares to the existing partners of the erstwhile Chetana Education LLP pursuant to the conversion of the LLP into the Company against the Capital of the Partners outstanding.*

**P. PRE-IPO PLACEMENT**

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus till the listing of the Equity Shares.

**Q. EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH**

Our Company has not issued any Equity Shares for consideration other than cash since its incorporation.

**R. SPLIT/ CONSOLIDATION OF EQUITY SHARES**

Our company has not done any split/consolidation/ subdivision of equity shares of the Company since incorporation.

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

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



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

*An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Draft Red Herring Prospectus, particularly the “**Financial Information of the Company**” and the related notes, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on page 156, 108 and 211 respectively of this Draft Red Herring Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.*

*The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.*

*This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

#### **Materiality**

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

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

#### **Note:**

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

*In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “**Risk Factors**” on page 30 and “**Management Discussion and Analysis of Financial Condition and Results of Operations**” on page 211 of this Draft Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “**Restated Financial Statements**”.*

- 1. **Our business is intricately tied to the academic cycle, making it somewhat cyclical in nature. As a result, our revenue and profitability may not be comparable from one period to another.***

*The sale of our books under the K-12 business are linked to the academic cycle, and is, therefore, seasonal in nature. In the K-12 segment, majority of the sale starts with the beginning of the new academic year i.e. first and fourth quarter. In addition, the working capital cycle for publishing and printing tends to be unduly high at the fiscal year end on account of high sales in the specific quarter, which comes down significantly in the subsequent periods. Below are*

the details of the quarter-wise sale % of the company during the last three financial year and period January 21, 2024

–

(Amt in Rs. Lakhs)

| Year                  | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | Total          |
|-----------------------|-----------|-----------|-----------|-----------|----------------|
| Upto January 21, 2024 | 5587.68   | (13.96)   | (436.99)  | 184.00*   | <b>5320.72</b> |
| March 2023            | 5227.80   | 113.28    | (445.85)  | 2660.48   | <b>7555.71</b> |
| March 2022            | 2217.25   | 573.33    | (322.23)  | 1840.70   | <b>4309.05</b> |
| March 2021            | 1404.76   | 2135.85   | (346.78)  | 61.93     | <b>3255.76</b> |

\*Includes revenue generated upto January 21, 2024.

Our sales seasonality in our K-12 segment materially affects our operating revenue, margins and cash flows from period to period. Accordingly, our operating revenues and margins may be higher during one quarter of the year as compared to another quarter. As a result, our period-on-period data regarding our operating revenue, margins and cash flows may not be comparable for any future fiscal periods.

**2. Our product is subject to changing examination paper pattern and syllabus, and customer preferences, our inability to meet such needs or preferences may affect our business.**

The success of our products depends on the content which we provide and the its ability to meet the end user’s requirement based on changing examination paper pattern and syllabus, and evolving customer preferences.

The acceptability of these products depends on the capacity of these books to stay ahead of changing customer requirements and remain attuned to emerging preferences. A failure to do so could result in a difference between our contents and the current demands of the market, potentially impacting our revenue from operations, customer satisfaction, and overall business performance.

It is very important for our Company to maintain a robust feedback loop with customers, closely monitor industry trends and invest in research and development to anticipate and respond to evolving demand in the education sector. This serves as a strategic approach not only for meeting current demands but also for staying ahead of competitors and fostering long-term customer loyalty in the domain. In case we fail to respond to the frequently changing syllabus, education patterns and customer preferences, this may have an adverse impact on our business operation, revenue from operations and profitability.

**3. The contents of the books we publish and the authors who drafts these content are very significant for our business. The loss of all or any of our authors could adversely affect our business, results of operation, cash flows and financial condition.**

We operate in an environment where there is intense competition for successful authors. The success of our business largely depends on the quality of the content we prepare and publish which directly depends on the authors and editors who are involved in the preparation and finalization of the contents. We have over the years, developed a team of authors and editors who are involved in the preparation and updation of the content published in the books. In case, we lose any of our authors or editors due to any reason beyond our control like better opportunities provided by the competitors, independent working by the authors etc. we may be required to make alternative arrangement for the content development and upgradation. In case we are not able to make suitable arrangement for the same we may have an adverse effect on our business operation, future revenue and profitability. Further, the heavy dependence on these authors and editors increases the risk that the loss of, or problems with, any author could have significant effect on our sales and profitability.

**4. We generate our major portion of revenue from Maharashtra Board and CBSE and any adverse developments affecting our operations with them could have an adverse impact on our revenue and results of operations.**

We generate majority of our revenue from selling our books for the Maharashtra State Boards and CBSE. Apart from the sale of books for Maharashtra State Board and CBSE, we also export our books to countries like UAE and Sri Lanka. For the period and financial year ended January 21, 2024, March 31, 2023, March 31, 2022 and March 31, 2021, we derived major portion of our revenue from the Maharashtra State Board and CBSE. For the period and financial year ended January 21, 2024, March 31, 2023 and March 31, 2022, we derived major portion of our revenue from the state of Maharashtra i.e. 72.90%, 66.12% and 64.83% respectively. Due to the geographical concentration of

our revenue and operations at Maharashtra, our operations are prone to local, regional and environmental factors, thus any materially adverse social, political or economic development, civil disruptions, or changes in the policies of the state government or state or local governments and require a modification of our business strategy or require us to incur significant capital expenditure or suspend our operations. Any such adverse development affecting our continuing operations could result in significant loss due to an inability to meet customer orders, which could materially affect our business reputation within the industry. Further, as we enter into new State education board or any new geographical areas, we are likely to compete with not only national players, but also the local players, who might have an established local presence, and are more familiar with local business practices and have stronger relationships with local distributors, dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into other areas may adversely affect our business prospects, financial conditions and results of operations.

**5. Our business and results of operations may be adversely affected by factors such as general economic conditions, changes in the educational policies of the government and changes to the syllabus and curriculum standard and Stock damages.**

The performance and growth of our businesses which could be adversely affected by general economic conditions and other factors outside of our control. In response to general economic conditions, private schools and school organisations may reduce educational spending to protect against existing or expected economic conditions or seek cost savings for the end customers being students. Similarly, changes in the procurement process for print content, binding and content editing could also affect our markets and sales.

Further, our business, results of operations and financial condition may be materially adversely affected by changes in educational syllabus and curriculum of schools coupled with any delays in our ability to adapt to the changes in the syllabus and curriculum and educational processes in a timely manner. These changes may adversely affect our inventory of books as we may be left with print content which is no longer viable. In the event there are significant changes in the curriculum and we are unable to update our educational materials to such changes in a timely and cost-efficient manner, or if it is required to discontinue certain titles, our business, results of operations and financial condition could be materially adversely affected.

Further, the Company may face challenges of damaged stock, which can occur during the transit. Materials may get damaged while being transported or while in storage.

**6. Our promoters and directors are involved in certain legal proceedings.**

Our Promoters and Directors is involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and forums. Mentioned below are the details of the proceedings involving our Company as on the date of this Draft Red Herring Prospectus along with the amount involved, to the extent quantifiable.

| Sr. No. | Name of Entity                                 | Criminal Proceedings | Tax proceedings | Material civil litigation | Aggregate amount involved (₹ in lakhs)* |
|---------|--|----------------------|-----------------|---------------------------|---|
| 4.      | <b>Company</b>                                 |                      |                 |                           |   |
|         | By the Company                                 | 110                  | Nil             | 1                         | 327.85                                  |
|         | Against the Company                            | 2                    | 1               | Nil                       | 30.20                                   |
| 5.      | <b>Directors (Other than Promoters)</b>        |                      |                 |                           |   |
|         | By the Directors                               | Nil                  | Nil             | Nil                       | Nil                                     |
|         | Against the Directors                          | Nil                  | Nil             | Nil                       | Nil                                     |
| 6.      | <b>Promoters</b>                               |                      |                 |                           |   |
|         | By the Promoter                                | Nil                  | Nil             | Nil                       | Nil                                     |
|         | Against the Promoter                           | Nil                  | Nil             | Nil                       | Nil                                     |
| 4.      | <b>Group Company (Material to our Company)</b> |                      |                 |                           |   |
|         | By the Group Company                           | Nil                  | Nil             | Nil                       | Nil                                     |
|         | Against the Group Company                      | Nil                  | 1               | Nil                       | 75.02                                   |

*\*To the extent quantifiable*

For further details of litigation proceedings, please refer the chapter titled “Outstanding Litigations and Material Developments” on page 221 of this Draft Red Herring Prospectus

**7. We have had negative net cash flows in the past and may continue to have negative cash flows in the future**

The following table sets forth our cash flow for the periods indicated:

|   | <i>(Amount in ₹ Lakhs)</i> |                       |                       |                       |
|---|----------------------------|-----------------------|-----------------------|-----------------------|
| <b>Particulars</b>                      | <b>January 21, 2024</b>    | <b>March 31, 2023</b> | <b>March 31, 2022</b> | <b>March 31, 2021</b> |
| Cash flow from operating activities     | 1239.29                    | 166.26                | 550.41                | 1028.62               |
| Net cash flow from investing activities | (23.00)                    | (179.46)              | (5.66)                | (8.93)                |
| Net cash flow from financing activities | (1385.14)                  | (191.45)              | (208.18)              | (1025.89)             |

Cash flows of a company is a key indicator to show the extent of cash generated from the operations of a company to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations. For further details, see section titled “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 156 and 211, respectively of this Draft Red Herring Prospectus.

**8. Any rise in costs or a deficiency in the availability of the raw materials we procure could impact on our company's sales, profitability, and operational results in an adverse manner.**

Our Company is dependent on third party suppliers for procuring the raw materials and other designing and decorative bought out material which we use to print and publish the books which we sell to our customers. We are exposed to fluctuations in the prices of these materials as well as its unavailability, particularly as we typically do not enter into any long-term supply agreements with all our suppliers and our major requirement is met in the spot market. The cost and availability of such materials are subject to a variety of factors and any increase in their cost and their availability at a reasonable price or at all, could adversely affect our margins, sales and results of operations. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of materials. If we were to experience a significant or prolonged shortage of such materials from any of our suppliers, and we cannot procure the products from other sources, we would be unable to meet our execution schedules and to deliver our products to our customers in timely fashion, which would adversely affect our sales, margins and customer relations. We cannot assure you that a particular supplier will continue to supply the required materials to us in the future. Any change in the supplying pattern of our products can adversely affect our business and profits.

**9. Our results of operations and cash flows could be adversely affected, if we are unable to collect our dues and receivables from our customers in a timely manner.**

Our business depends on our ability to successfully obtain payment from our customers of the amounts they owe us for work performed. There can be no guarantee that we will be accurate in assessing the creditworthiness of our customers. Such conditions could cause clients to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. If we are unable to meet our contractual obligations, we might experience delays in the collection of, or be unable to collect, our client balances, and if this occurs, our results of operations and cash flows could be adversely affected

**10. We operate in markets which are dependent on IT systems and technological change. If we are unable to keep our systems and technologies updated, it will adversely affect our business conditions.**

We use IT systems and products to support our business activities. As our operations grow in size and scope, we must continuously upgrade our systems and infrastructure, while maintaining the reliability and integrity of our systems

and infrastructure in a cost-effective manner. We face several technological risks associated with software product development and service delivery in our educational businesses, information technology security (including virus and hacker attacks), e-commerce, enterprise resource planning, system implementations and upgrades. In particular, the provision of our QR code product depends on the capacity, reliability and security of our hosting and electronic delivery systems. Any failures of our systems whether as a result of operational failures, tampering or hacking, human error, natural disasters, computer viruses or other factors could disrupt our operations, interrupt their availability or result in loss of data. The occurrence of such problems or other operational disruptions could result in liability or harm to our reputation which in turn could adversely affect our business, results of operations and financial condition.

***11. Our business may be impacted by technological change, including the digital evolution and other disruptive technologies, and the presence and development of open-sourced content could continue to increase, which could adversely affect our revenue.***

Post the impact of covid -19 pandemic, digital migration has brought changes in the content distribution, consumers' perception of value and the content provider's position. Though we have taken substantial steps towards the digitalization of the contents for better understanding through our QR Code system of digital learning for our customers, but if we are unable to adapt or move towards digitalization at the rate of our competitors, our ability to effectively compete in the marketplace will be adversely affected. Further, technology has generally resulted in short lead times for producing products that meet customer specifications. Shorter time to market our products increases the risk that our products may contain flaws or corrupted data, and these defects may only become apparent after product launch, particularly for new products and new features to existing products that are developed and brought to market under tight time constraints which could result in liability, loss of revenue or harm to our reputation.

Further, with the increase in digitalization free or relatively inexpensive educational products are becoming increasingly accessible, through the internet and some governmental and regulatory agencies have increased the amount of information they make publicly available for free. To the extent that such open-sourced content is developed and made available to educational content customers in India and is competitive with our materials, our sales opportunities and net sales could be adversely affected. Technological changes and the availability of free or relatively inexpensive information and materials may also affect changes in consumer behaviour and expectations. These free or relatively inexpensive information and lower pricing of digital educational products may reduce demand and impact the prices we can charge for our products and services. To the extent that technological changes and the availability of free or relatively inexpensive information and materials limit the prices we can charge or demand for our products and services, our business, financial position and results of operations may be materially adversely affected.

***12. Our business depends on our reputation and customer perception of our brand, and any negative publicity or other harm to our brand may materially adversely affect our business, results of operations and financial condition.***

We also believe our reputation has helped us attract and retain customers who use our products throughout the education cycle. As a result, our reputation and customer perception of our brands are critical to the success of our business. However, our ability to maintain our brand recognition depends on a number of factors, some of which are beyond our control. Maintaining and enhancing our reputation and brand recognition depends primarily on the quality and consistency of our print content and educational offerings, as well as the success of marketing and promotional efforts by us and our distributors. Maintaining and enhancing our brands is essential to our efforts to maintain and expand our customer base. If customers do not perceive our products to be of high quality or differentiated owing to its content, our brand image may be harmed, thereby decreasing the attractiveness of our print content and educational offerings.

Further, it is possible that our marketing and promotional initiatives may be insufficient or unsuccessful in increasing awareness of our brand. Any failure to allocate appropriate resources to brand investment, to refine our existing marketing approach or to introduce new marketing approaches and marketing channels in an effective manner could reduce our market share, cause our revenue to decline and negatively impact our profitability. Additionally, if our competitors increase their spending on marketing and promotions, our marketing or promotions could become less effective than those of our competitors, and we could experience a material adverse effect on our business, financial condition and results of operations.

***13. Inventories and trade receivables constitute a major part of our current assets. Inadequate management of these assets could negatively impact our net sales, profitability, cash flow and liquidity.***

Our Company's business is working capital intensive and hence, inventories and trade receivables form a major part of our current assets. We work on an asset light model where we focus on content creation, distribution and marketing activities. The printing and binding activities are outsourced to third party vendors. Under this business model, a certain portion of our assets comprises of an inventory of raw materials and finished products. Maintaining sufficient inventory is critical for our operations which could act as a buffer against any supply disruptions. Any failure on our part to effectively manage our inventory 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. During the period ending January 21, 2024 and FY 2022- 23, 2021-22 and 2020-21 our inventories were ₹ 3756.73 lakhs, ₹ 2460.79 lakhs, ₹ 2124.81 lakhs and ₹ 2004.90 lakhs. To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if we fail to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. During the period ending January 21, 2024 and FY 2022-23, 2021-22 and 2020-21 our trade receivables were ₹ 2110.32 Lakhs, ₹ 4285.66 lakhs, ₹ 3526.76 lakhs and ₹ 3331.04 lakhs respectively. Further, the amount of trade receivable exceeding 365 days during the period ending January 21, 2024 and FY 2022-23, 2021-22 and 2020-21 were ₹ 646.56 Lakhs, ₹ 925.66 lakhs, ₹ 932.95 lakhs and ₹ 965.83 lakhs respectively.

We may be subject to working capital risks due to delays or defaults in payment by clients, which may restrict our ability to procure raw materials and make payments when due. In addition, any delay or failure on the part of the clients to make payment of the amount dues may lead to legal consequences with our customers. Such defaults/delays by our customers in meeting their payment obligations to us may have a material effect on our business, financial condition and results of operations. A liquidity crunch may also result in case of increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

***14. Illegal copying of our books and piracy of our digital content, can affect our sales and future growth.***

The success of our business largely depends on the quality of the content i.e. published or digital which we prepare and publish. The sale of our books and the acceptability of our books and digital content to a large extent depends on the quality of the contents we offer. In case of any illegal copying of our books or any piracy of the digital contents, which we are not able to detect may have an adverse effect on our business operation, future revenue and profitability. Further, even if we are able to detect such illegal copying or piracy, we may not be able to defend the same in our favour and may subject us to legal proceeding and have an adverse effect on our business operations and financial position.

***15. Our company has been recently formed by conversion of the erstwhile LLP into the company, thus we have limited operating history as a Company which may make it difficult for investors to evaluate our historical performance or future prospects.***

Our Company was incorporated as a limited Company under the Companies Act, 2023 with Registrar of Companies, dated January 21, 2024. The company has been incorporated by conversion of the erstwhile LLP, thus we have limited operating history as a company from which one can evaluate our business, future prospects and viability. Our future business operation and financial position may not comparable with that of the LLP and difficult to estimate and could fluctuate significantly and as a result the price of our Equity Shares may remain volatile. Although , our overall presence in the publishing business is of over three decades , as the Limited liability partnership firm has been converted into the public limited company on a going concern basis but, there can be no assurance that we will be able to successfully pursue our growth strategies, or that pursuing these strategies will provide us the anticipated benefits post conversion of the LLP to company. Any inability to pursue our growth strategies successfully or at all, or an inability to manage our growth, may adversely affect our prospects. For further details, see the chapter titled "History and Corporate Structure" and "Restated Financial Statements" on page 132 and 156 respectively of the Draft Red Herring Prospectus.

**16. *We do not own the registered office and other premises used by our Company for business purposes. In case of non-renewal of lease agreements or dispute in relation to use of the said premise, our business and results of operations can be adversely affected***

As on the date of this Draft Red Herring Prospectus, the premises on which our Registered Office and certain of our branch offices, and warehouse are held by us on a leasehold basis or a leave and license basis. While we typically enter lease or license arrangements that provide the lessor or licensor with the right to terminate upon notice or to renew with the terms mutually agreed on between the parties. Although our premises of registered office and warehouse belong to the Promoters /Promoter Group. If any of the Property Arrangements are terminated, we may be unable to procure premises like the ones on which we currently operate and may suffer a disruption in our operations or be required to pay increased rental rates, which could have a material adverse effect on our business, results of operations and financial condition. Additionally, four of our rent agreements for our Branch are due for renewal and we are yet to apply for the renewal of the same. Also, we are yet to apply for change in the name of our Company instead of LLP in these lease agreements. If any of our leases are not renewed or are not renewed on terms and conditions that are favourable to us, we may suffer disruptions in our operations which could have a material adverse effect on our business. Additionally, we may be required to change the locations of our leased premises, and we may be unable to recover the costs of moving. If we are forced to move, we may also be required to obtain fresh regulatory licenses and approvals for new locations. Until we receive such approvals and licenses, we may suffer disruptions in our operations which may adversely affect our business, results of operations and financial condition.

Further, in the event of default on behalf of the lessor/licensor, we may be unable to enforce our leases/licenses if such lease or license is not duly registered. For lease/license agreements that are deemed as insufficiently stamped, we may be required to pay additional stamp duty or make similar payments, which could have an adverse effect on our business, results of operations and financial condition.

Title to the properties we lease could be affected by improperly executed, unregistered or insufficiently stamped conveyance instruments, unregistered encumbrances in Favor of third parties, rights of adverse possessors, ownership claims of family members of prior owners or third parties, or other defects. In addition, there may be other irregularities, defects, non-compliance, or unsettled claims in relation to the properties that we lease or hold on a leave and license basis from time to time. Any of the above factors may affect uninterrupted possession and use of the properties we occupy, cause us to incur significant additional compliance costs or rental expenses, which may adversely affect our business, results of operations and financial condition.

**17. *Unexpectedly large amount of sales returns could adversely affect our financial results. If we are unable to accurately forecast customer demand, we may not be able to maintain adequate inventory levels.***

We typically permit our distributors to return products that they purchase from us if the products are not sold within a prescribed time period or if the product does not conform to specifications such as printing error or any other damage at the same cost for which the products were purchased from us. If we receive a greater number of returns than expected, based on historical averages, our business and operations could be adversely affected and we may incur significant expenses associated with such returns.

Further, printing of our content and other products is decided based on management estimates of demand using historical sales data which is used to judge the future sales pattern and we start printing before the preparation of an order book. If we fail to accurately forecast customer demand, we may experience excessive inventory levels or a shortage of products available for sale. There can be no assurance that we will be able to successfully manage our inventory at a level appropriate for future customer demand.

**18. *We currently rely on third parties for our printing and publishing requirements. Any inability to obtain sufficient quantities of printing of the requisite quality in a timely manner and at acceptable prices, or a slowdown, shutdown or disruption in such third parties' operations and performance, could adversely affect our business, results of operations and financial condition.***

We believe in an asset light model of business. We are currently focusing on the activities relating to content creation, marketing and distribution of the books published through our network of dealers and distributors. Pursuant to this approach, we outsource our printing activities to third party suppliers. Apart from the printing activities, we outsource

the QR code and digital content creation activities to Allern Enterprises Private Limited. We rely on these third parties to provide us with an uninterrupted supply of their services. However, we cannot assure you that they may do so in a timely manner, or if at all. These third parties may decide not to accept our future orders on the same or similar terms, or at all. We may face the risk of our competitors offering them better terms, which may cause them to cater to our competitors alongside, or even instead of us. They may discontinue their work on short notice and our production process may be stalled or hindered due to this.

Further, in case of increased customer demand for our products, we may need to obtain these services more from third parties, and any inability to do so may render us unable to execute our growth strategy. Additionally, our job workers processing facilities may be subject to operating risks, such as performance below expected levels of efficiency, excessive wastage of raw materials, delays in production, decrease in quality of products made, labour disputes, natural disasters, industrial accidents, interruptions in power supply and statutory and regulatory restrictions. In addition, we cannot ensure that the processes done by them on products will be of satisfactory quality. Any failure to adhere with quality may damage our reputation, and adversely affect our business, results of operations and financial condition. Any defects in the products they supply could expose us to product liability or damage our reputation and reduce demand for our products.

***19. Our inability to expand or effectively manage our distribution network may have an adverse effect on our business, results of operations and financial condition.***

Over the years, our company generates the sales from schools and other customers through its own sales team and the orders are generally given through the dealers dealing with the relevant school. Our ability to expand and grow our product reach significantly depends on the reach and effective management of our dealership network. We continuously seek to increase the penetration of our products by appointing new dealers targeted at different customer groups and geographies. We cannot assure you that we will be able to successfully identify or appoint new dealers or effectively manage our existing network. We may be unable to appoint replacement in a timely manner, or at all, which may reduce our sales volumes and adversely affect our business, results of operations and financial condition. We typically do not have any exclusive agreements with many of our dealers and while we offer them certain incentive schemes to distribute our products, we may not be able to effectively implement them across our distribution network.

Also, our competitors may adopt innovative distribution models, which could be more effective than the distribution models adopted by us resulting in a reduction in the sales of our products. We may also face disruptions in the delivery of our products for various reasons beyond our control, including poor handling of our products, transportation bottlenecks, natural disasters and labour issues, which could lead to delayed or lost deliveries. In addition, failure to provide distributors with sufficient inventories of our products may result in a reduction in the sales of our products. If our distributors fail to distribute our products in a timely manner, or loss of any of our dealers may adversely affect our business and results of operations.

***20. Our ability to enforce our intellectual property and proprietary rights may be limited, and any increase in unauthorized copying and distribution of our productions could harm our competitive position and materially adversely affect our business and results of operations.***

Our intellectual property rights are important to our business. Our portfolio of intellectual property includes logos and trademarks. We own 13 trademarks, which are registered in the name of the erstwhile LLP firm and applied by 3 trademarks of which 2 are currently objected relating to our publishing business, which helps us in differentiating our products with our competitors. Also, we are yet to apply for the change in the status and name in the Trademark registration required pursuant to the conversion of the LLP into the Company. Though, we take proactive steps in case we find any unauthorized use of the logo or the trademark owned by our company. However, we cannot be certain that the steps we have taken will prevent unauthorized use of our intellectual property. Third parties may infringe upon or misappropriate our intellectual property. The misappropriation or duplication of our intellectual property could cause damage to our business prospects, reputation and goodwill, distract our management and employees, reduce our revenue and increase our expenses. The competitive advantage that we derive from our intellectual property may also be diminished or eliminated. We may need to litigate to enforce our intellectual property rights or to determine the validity and scope of the proprietary rights of others; any such litigation could be time-consuming and costly and a favourable outcome cannot be guaranteed. Moreover, we may not be able to detect any unauthorized use or be able to



take appropriate and timely steps to enforce or protect our intellectual property. For further details, see “Business – Intellectual Property” on page 108 of this Draft Red Herring Prospectus.

Further, we have not registered some of the trademarks which are used as brand for our business, we may be susceptible to claims from third parties asserting infringement and other related claims. If claims or actions are asserted against us, we may be required to defend the same or obtain new logo or trademark which could be extremely costly. In addition, we may decide to settle a claim or action against us, the settlement of which could be costly. We may also be liable for any past infringement. Any of the foregoing could adversely affect our business, results of operations and financial condition.

**21. *We operate in a highly-competitive and disintegrated industry, and our business, results of operations and financial condition may be adversely affected if we are not able to compete effectively.***

The Indian market for education content is highly competitive and fragmented. The Indian education market consist of multiple boards, including the state education boards, the Central Board of Secondary Education (“CBSE”), and the Indian Certificate of Secondary Education (“ICSE”). Further, there are only a few large, established industry participants similar to us, as the market is characterized between smaller regional, state and local content providers and also includes subject specific content providers for particular subjects or course material. Also, many of the content providers have strong brand recognition in the markets and long-term relationships with schools, school authorities and educational authorities. Further, we also face competition from the National Council of Educational Research and Training (“NCERT”) and the State Council of Educational Research and Training (“SCERT”), which publish books for the K-12 market at subsidized costs. Additionally, intense competition may require us to price our products competitively and provide purchasing incentives to our dealers, distributors and customers. Failure to do so may result in the reduction of our sales in the market. Our future success depends on our ability to compete effectively, including distinguishing our products, content or services from our competitors, by expanding our brands and titles, by providing higher quality content, expanding our distribution, sales and marketing forces, etc. We cannot assure you that we will be able to sufficiently and promptly respond to changes in customer preferences and other competitive practices in the future, nor can we assure you that we will be able to maintain or increase our existing market share.

**22. *We may not be able to effectively implement our business and growth strategies and achieve future growth.***

We operate in a dynamic industry, and on account of changes in market conditions, industry parameters, or technological improvements, our management is required to continually assess our strategies to position us for future growth. Our business strategy is to expand our presence in the Maharashtra, CBSE Boards in different States and other boards and strengthening technology enabled system including digital media. Our growth strategies and plans may undergo changes or modifications from time to time, and such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands. We may not be able to efficiently or effectively implement our growth strategies or manage the growth of our operations and any failure to do so may limit future growth and have an adverse effect on our business. Further, revenues may not grow as quickly as we currently expect, and we may be incorrect in our assumptions and expectations of consumer requirements and changing technologies. Also, the fund requirement and deployment for our strategies are based purely on management estimates and assumptions considering the current market scenario and are subject to revision in the light of changes in external circumstances or costs. If we are unsuccessful in executing our strategic plan, or if the underlying estimates or assumptions used to develop our strategic plan are materially inaccurate, our business and financial condition would have an adverse impact.

**23. *The success of our business is dependent on our warehouse and logistics capabilities, and disruptions in operations and supply chain could reduce or restrict sales and materially adversely affect our business, results of operation, cash flows and financial condition.***

Our business is dependent on our warehouse and logistics capabilities. We have developed a supply chain by rationalizing and integrating our procurement, manufacturing and logistic capabilities. Our logistics network, which as on January 2024, comprised of one warehouse located in Bhiwandi, Maharashtra and C&F agencies space used for logistics with overall built up area of about 70,000 sq ft to allow coverage across India, including where, we have entered into consigning and forwarding agreement for the distribution of our Books in North India and South India. Further, we have fleet of around 13 vehicles, apart from the owned vehicles we also use the services of various local

carriers to transport our inventory between our warehouse and our distributors and dealers. Transportation delays, disruptions and accidents can disrupt our operations from time to time.

If our warehouse or logistics operations are substantially disrupted, we may not be able to replace the equipment or inventories, or use a different facility to continue our operations in a timely and cost-effective manner or at all. In addition, while our facilities have been insured, we may not be able to recover from damage or interruptions caused in a timely manner, or at all. The occurrence of any such event could result in the temporary or long-term closure of our warehouse. The occurrence of any of the above could materially adversely affect our business, results of operation, cash flows and financial condition.

***24. We are required to obtain, renew or maintain certain statutory and regulatory permits and approvals required to operate our business and if we fail to do so in a timely manner or at all, our business, financial conditions, results of operations, and cash flows may be adversely affected***

We require certain statutory and regulatory licenses, registrations and approvals to operate our business. Many of these approvals are granted for specific duration and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will renew such licenses, registrations and approvals in a timely manner or at all. We need to initiate the process of changing our Company name in all our registrations and statutory approvals, updating them to reflect our new status. Any delay or failure to do so could have an adverse effect on our business and results of operations.

Further, these licenses, registrations and approvals are subject to several conditions, and we cannot assure that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. Failure by us to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our operations and may have a material adverse effect on our business, results of operations and financial condition. For further details of the approvals yet to be obtained by us, and please see the chapter titled “Government and Other Statutory Approvals” beginning on page 237 of this Draft Red Herring Prospectus.

***25. Any unsecured loans drawn by us may be recalled by the lenders at any time, which may adversely affect our business, financial condition, results of operation and prospects.***

Our Company has availed unsecured loans which may be recalled by lenders at any time with or without the existence of an event of default, on short or no notice. As of January 21, 2024, such loans amounted to ₹ 1332.54 lakhs. In the event that any lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, any such demand may materially affect our business, cash flows, financial condition and results of operations. For further details, please see the section entitled “Statement of Financial Indebtedness” on page 207 of this Draft Red Herring Prospectus.

***26. Our success depends largely on the continued efforts of our senior management and our ability to attract and retain skilled personnel.***

Our future success depends on the continued services and performance of the members of our management team and other key employees. We may not be able to retain our existing senior management or attract and retain new senior management in the future. Our competitors, with greater financial capabilities, may offer such personnel higher salaries and greater benefits than we are able to offer, which may impact our ability to attract and retain personnel. The loss of the services of key persons in the organization could seriously impair our ability to continue to manage and expand our business. Further, the loss of any other member of our senior management or other key personnel may adversely affect our business, results of operations, financial condition and cash flows.

Further, we incur significant costs to retain our personnel and such costs have increased in recent years in view of the general growth in our business and industry and we may need to continue to increase the levels of compensation to our personnel to remain competitive and manage attrition. Such increase in compensation may have an adverse effect on our business, results of operations and financial condition.

**27. *Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***

Our ability to pay dividends in the future will depend on our earnings, financial condition, future cash flows, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. 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, 2013.

We may retain all future earnings, if any, for use in the operations and expansion of the 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 and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future. For details of our Dividend history refer to the Section “*Dividend Policy*” on page 155 of the Draft Red Herring Prospectus.

**28. *Fluctuation in foreign currency exchange rates could affect our financial condition and results of operations.***

Our business includes export transactions with foreign companies, which is received in foreign currencies. Any appreciation of Rupee against these foreign currencies would adversely affect the export value of our products. During the period ending January 21, 2024 and FY 22-23 and FY 2021-22 the exports accounted for approximately Rs.7.80 lakhs, Rs. 12.49 lakhs and Rs. 7.03 lakhs respectively. The exchange rate between the Rupee and these foreign currencies has fluctuated substantially in recent years and may continue to fluctuate significantly in the future. The foreign exchange gain/(loss) for period ending January 21, 2024, FY 2022-23, 2021-22 and 2020-21 accounted for Rs. 0.73 Lakhs, Rs. 0.24 lakhs, Rs. 0.24 lakhs and Rs. 1.02 lakhs respectively. We bear the complete risk of currency exchange rate fluctuations.

**29. *Our Group Company and certain of our promoter group entities are engaged in the similar line of business as of our Company. There are no non - compete agreements between our Company and such entities. We cannot assure that our Promoters will not favour the interests of such entities over our interest or that the said entities will not expand which may increase our competition and may adversely affect business operations and financial condition of our Company.***

Our Group Company, namely, Chetana Publication Private Limited and certain of our promoter group entities are engaged in the business of printing and publication of books for the education industry in India, which is the same line of business of our Company. Further, we have not entered into any non-compete agreement with any of the said entities. We cannot assure that our Promoters who have common interest in said entities will not favour the interest of the said entities. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and aforesaid entities in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour other entities in which our Promoter has interests. There can be no assurance that our Promoters or our Promoter Group entities will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations.

**30. *Any adverse revision to our credit rating by rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such funding is available.***

The borrowing facilities availed by our company from bank are rated by a credit rating agency. The credit ratings assigned to our Company, by ICRA Limited vide a letter dated December 12, 2023 was Long Term Rating – ICRA BB and Short Term Rating – ICRA A4+, which is valid till December 04, 2024. Any downgrade in our credit ratings by rating agencies in future may increase our costs of accessing funds in the capital markets and adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such funding is available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures or other purposes.

**31. Our Group Company have incurred losses in past and any operating losses in the future could adversely affect the results of operations and financial conditions of our group company.**

The details of profit and loss of our Group Company in past years are as follows: -

| Group Company                       | For the year ended on (in Rs. Lakhs) |                |                |
|-------------------------------------|--------------------------------------|----------------|----------------|
|                                     | March 31, 2023                       | March 31, 2022 | March 31, 2021 |
| Chetana Publication Private Limited | (17.68)                              | (2.24)         | 12.08          |

Any operating losses could adversely affect the overall operations of the group and financial conditions and also divert the attention of the management and promoter towards the group company which could have an adverse effect on our operations and financials. For more information, regarding the Company, please refer chapter titled “Our Group Companies” beginning on page 242 of this Draft Red Herring Prospectus.

**32. We may not be able to detect or prevent fraud or other misconduct committed by our employees or third parties.**

Fraud or other misconduct by our employees, such as unauthorized business transactions, bribery may be difficult to detect or prevent. It could subject us to financial loss while seriously damaging our reputation. While we have not experienced any material instances of fraud or other misconduct in the past, we cannot assure you that fraud or other misconduct will not occur in the future. In such event, our ability to effectively attract prospective stakeholders, obtain financing on favourable terms and conduct other business activities may be impaired.

**33. The Promoters and the Promoter Group may retain majority control of the Company after the Issue, and may have interests that are adverse to, or conflict with, the interests of other shareholders.**

After the completion of the Issue, the Promoters and the Promoter Group may continue to hold a majority of our issued and paid-up equity share capital. For further details of their current shareholding, see the section entitled “Capital Structure” on page 67. The Promoters will have the ability to exercise significant control over our business and all matters requiring shareholder approval, and may cause us to take actions that are not in, or may conflict with, our or our shareholders’ best interests, including matters relating to our management and policies and the election of our directors and senior management, the approval of lending and investment policies, revenue budgets, capital expenditure, dividend policy, strategic acquisitions and fund raising activities. The extent of their shareholding in our Company may also delay, prevent or deter a change in control, even if such transaction is beneficial to other shareholders.

Further, the interest of our Promoters as our controlling shareholders could also conflict with our interest or the interest of our other shareholders. We have in the past and will continue to enter into related party transactions with our Promoters. We cannot assure you that our Promoters will act to resolve any conflicts of interest in our favour and they may take actions that are not in the best interest of our Company or that of our other shareholders.

**34. We have entered certain related party transactions, which may involve conflicts of interest, and we may continue to do so in the future.**

We have in the past, and expect to continue to enter into, transactions with related parties in the ordinary course of business. For information on related party transactions please see the section entitled “Related Party Disclosures” on page 192. Our related party transactions include, remuneration, loan, sales, purchases and rent transactions with different related parties. We may enter similar arrangements in the future with respect to our facilities and services. Although, we believe that all these past transactions have been entered in compliance with the applicable laws and confirm that the future transactions shall be in compliance with Companies Act and other applicable laws and Regulation.

We cannot assure you that we will be able to maintain the terms of such transactions or in the event that we enter future transactions with related parties, that the terms of the transactions will be favourable to us. Additionally, while it is our belief that all our related party transactions have been conducted on an arm’s-length basis and in compliance

with the applicable provisions, but we cannot provide assurance that we could have achieved more favourable terms had such transactions been entered with third parties. We may also enter related party transactions in the future, which could involve conflicts of interest, although going forward, all related party transactions that we may enter will be subject to board or shareholder approval, as under the Companies Act, 2013 and the Listing Regulations. As such, we can provide no assurance that these transactions will not adversely affect our business, results of operation, cash flows and financial condition.

For related party transactions during the last five Fiscal and further information, see the section entitled “Related Party Disclosures” on page 192.

**35. Any increase in or materialization of our contingent liabilities could adversely affect our business, results of operation, cash flows and financial condition.**

Our contingent liabilities as of January 21, 2024 were as follows:

| Particulars  | As at       |             |             |             |
|--|-------------|-------------|-------------|-------------|
|  | 21-01-2024  | 31-03-2023  | 31-03-2022  | 31-03-2021  |
| <b>Contingent liabilities in respect of:</b>   | -           | -           | -           | -           |
| Claims against the company not acknowledged as debts   | -           | -           | -           | -           |
| Guarantees given on Behalf of the Company  |             |             |             |             |
| Guarantees given on Behalf of the Subsidiary Company   |             |             |             |             |
| TDS Defaults with respect to Delay filing fee, Short Deduction and Interest thereon            | 0.75        | 0.09        | 0.02        | 0.01        |
| Estimated amount of contracts remaining to be executed on capital account and not provided for | -           |             |             |             |
| Income Tax Outstanding Demand  | 8.68        | 8.68        | 8.68        | 7.98        |
| Service Tax Demand   |             |             |             |             |
| <b>Total</b>   | <b>9.43</b> | <b>8.77</b> | <b>8.70</b> | <b>8.00</b> |

(Rs. in lakhs)

In the event any such contingencies described were to materialize or if our contingent liabilities were to increase in the future, our business, results of operation, cash flows and financial condition could be adversely affected. For further details, see the section entitled “Financial Statements” on page 199.

**36. Our insurance coverage is limited and may not adequately protect us against all material hazards.**

While we are covered against certain risks, but our insurance coverage is limited. Our significant insurance policies consist of coverage for risks related to burglary insurance policy, standard fire and special perils policy, marine sales turnover policy and vehicle insurance policy. We have insurance policies covering our vehicles, fire and special perils insurance for some of our facilities and premises, including the equipment contained therein.

While we believe the policies that we maintain would be adequate to cover all normal risks associated with the operation of our business, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have obtained sufficient insurance (either in amount or in terms of risks covered) to cover all material losses. To the extent that we suffer loss or damage for events for which we are not insured or for which our insurance is inadequate, the loss would have to be borne by us, and, as a result, our business, results of operations and financial condition could be adversely affected.

**37. Our operations could be adversely affected if we fail to comply with the laws and regulations of India and the conditions stipulated in our licenses, permits or approval.**

There can be no assurance that we have been or will be in complete compliance with all laws, regulations and permits or that we have been or will be able to meet the relevant requirements set by the authorities at all times. We are required to obtain various licenses, permits and approvals for our operations, including but not limited to certain business-related licenses, and failure to obtain and maintain any licenses, permits and approvals necessary to operate our

business may have a material adverse effect on our business and operations. Breach or non-compliance with the laws and regulations may result in the suspension, withdrawal or termination of our business licenses or permits, or the imposition of penalties, by the relevant authorities.

**38. *If we are unable to maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.***

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports, and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our shares.

We and our operations are subject to anti-corruption laws and regulations. These laws prohibit us and our employees and intermediaries from engaging in bribes or making other types of prohibited payments to prohibited persons to gain a business advantage. If we break any of the anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement, other sanctions and remedial measures, as well as associated legal expense, which could have an adverse impact on our business, results of operation, cash flows and financial condition.

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

We propose to utilize the Net Proceeds for the following purposes:

- Repayment in full or in part, of certain loans availed of by our Company from other parties; and
- For additional working Capital Requirement
- General corporate purposes.

For further details of the proposed objects of the Issue, see the section titled “Objects of the Issue” on page 77. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the shareholders’ approval through a special resolution. In the event of any such circumstances that requires us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the Shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders’ approval may adversely affect our business or operations. Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Issue as prescribed in the SEBI ICDR Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected.

Therefore, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition, and may adversely affect our business and results of operations.

**40. *We have overseas exports and operations and are subject to risks associated with doing business internationally.***

We exported our print content to country outside India, which subject is to risks associated with doing business internationally. There are a number of risks in having overseas operations and sales, where we have less experience, including political and economic uncertainty, social unrest, sudden changes in laws and regulations, shortages of trained labour and the uncertainties associated with entering joint ventures or similar arrangements in foreign countries. These risks may impact our ability to expand our operations in different regions and otherwise achieve our objectives relating to our foreign operations. In addition, compliance with multiple and potentially conflicting foreign laws and regulations, import and export limitations and exchange controls are burdensome and expensive. Our foreign operations also subject us to the risks of international terrorism and hostilities and to foreign currency risks, including exchange rate fluctuations and limits on the repatriation of funds.

**41. *Certain documents in relation to educational qualifications and experience for certain of our Directors and Key Management Personnel are not available and reliance has been made on declarations and affidavits furnished by such Directors and Key Management Personnel for details of their profiles included in this Draft Red Herring Prospectus.***

Our Promoter and Director Anil Jayantilal Rambhia has been unable to trace copies of documents pertaining to their educational qualifications and prior experience. Accordingly, reliance has been placed on declarations, undertakings and affidavits furnished by him to us, to disclose details of their educational qualifications and professional experience in this Draft Red Herring Prospectus. We have been unable to independently verify these details prior to inclusion in this Draft Red Herring Prospectus. Further, there can be no assurances that our Directors and Key Management Personnel will be able to trace the relevant documents pertaining to their qualifications and prior experience in future, or at all.

**42. *Our debt financing agreements contain restrictive covenants that may adversely affect our business, credit ratings, prospects, results of operations and financial condition.***

Certain of our debt financing agreements contain restrictive covenants and/or events of default that limit our ability to undertake certain types of transactions. These agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities. These debt financing agreements also require us to maintain certain financial covenants. For further details, please see the section titled “Financial Indebtedness” on page 207.

We cannot assure you that we have complied with all such restrictive covenants in a timely manner, or at all, or that we will be able to comply with all such restrictive covenants in the future. Further, during any period in which we are in default, we may be unable to raise, or may face difficulties raising, further financing. In such eventuality, other third parties may have concerns over our financial position. Any of these circumstances could adversely affect our business, credit ratings, prospects, results of operations and financial condition. Additionally, any such action initiated by our lenders could result in the price of the Equity Shares being adversely affected.

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

Our Company is engaged in publication and sales of educational books which are exempt from GST and subject to Income Tax, and Professional Tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contribution with Provident Fund and ESI. Though, we have deposited the required returns under various applicable Acts but any demand or penalty raised by the concerned authority in future for any previous year and current year will affect the financial position of the Company.

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

The details of average cost of acquisition of Equity Shares of our Promoters are as under:

| <b>Sr. No.</b> | <b>Name of the Promoters</b> | <b>No. of Shares held</b> | <b>Average cost of Acquisition (in ₹)</b> |
|----------------|------------------------------|---------------------------|---|
| 1.             | Anil Jayantilal Rambhia      | 69,00,000                 | 10.00                                     |
| 2.             | Rakesh Jayantilal Rambhia    | 69,00,000                 | 10.00                                     |
| 3.             | Shilpa Anil Rambhia          | 1,50,000                  | 10.00                                     |

Accordingly, our Promoters’ average cost of acquisition of Equity Shares in Company may be lower than the Issue Price decided by the Company in consultation with the Book Running Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and buildup of Equity Shares by our Promoters in our Company, please refer to the chapters “Capital Structure” beginning on pages 67 of this Draft Red Herring Prospectus.

**45. *Our company has encountered challenges in meeting the designated timelines for filing statutory returns, which may subject us to penalty under the relevant laws.***

There have been delays in filing GST, EPF and ESIC returns by our Company. After conducting an internal review, we have identified that the primary reasons for these delays are related to reconciliation and operational issues. Delays in the submission of these returns may result in financial penalties and potential legal consequences, which may affect our operations. Furthermore, delayed provident fund and ESIC returns can adversely affect our relationship with regulatory authorities, potentially leading to increased scrutiny and further financial repercussions. To address this issue, we have implemented corrective measures to mitigate future delays. These measures include - Enhancing our reconciliation process to minimize discrepancies, implementing improved cash flow forecasting and management practices, strengthening communication and coordination within our team to expedite return filing.

***46. Our Company has allotted Equity Shares during the preceding one (1) year from the date of this Draft Red Herring Prospectus which may lower than the Issue Price.***

In the last 12 (twelve) months, we have issued and allotted certain equity shares at a price which may be lower than the Issue Price which is as follows:

- Allotment of 1,50,00,000 equity shares to the Partners of the LLP against their capital account pursuant to the conversion of the LLP into Company on January 21, 2024

The Equity Shares allotted to investors pursuant to this Issue may be priced significantly higher due to various reasons including better performance by the Company, better economic conditions and passage of time. For further details of equity shares issued, please refer to the chapter titled “Capital Structure” beginning on page 67 of this Draft Red Herring Prospectus

***47. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule.***

The proposed fund requirement for our working capital requirement, as detailed in the section titled "Objects of the Issue" is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the Chapter titled “Objects of the Issue” beginning on page 77 of this Draft Red Herring Prospectus.

***48. Certain key performance indicators for certain listed industry peers included in this Draft Red Herring Prospectus have been sourced from public sources and there is no assurance that such financial and other industry information is complete***

Pursuant to the requirements of the SEBI ICDR Regulations, we have included certain key performance indicators, comprising financial and operational information, for certain listed industry peers, in the “Basis for Issue Price” beginning on page 86 of the Draft Red Herring Prospectus. Although this information is sourced from and relied upon on the audited financial statements of the relevant listed industry peers as available on the websites of the Stock Exchanges, including the annual reports of the respective companies submitted to Stock Exchanges, there is no assurance that this information with respect to industry peers is either complete. There may be different methodologies and formulas used to compute the various ratios.

***49. 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 operating expenses, inventories, trade receivables and cash and cash equivalents. As on the date of this Draft Red Herring Prospectus, our working capital facility and overdraft facility stood at Rs. 4030 lakhs from The Saraswat Co-op Bank and ICICI Bank Limited. Our growing scale and expansion, if any, 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 high 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. For further details regarding working capital requirement, please refer to the section “Objects of the Issue” on page 77 of this Draft Red Herring Prospectus.

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid, and are not permitted to withdraw or lower their Bids (in terms of quantity of equity shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until closure of the Issue.

Therefore, QIBs and Non-Institutional Investors would not be able to withdraw or lower their Bids, notwithstanding adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition, or otherwise, between the dates of the submission of their Bids and the Allotment.

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

Indian legal principles related to corporate procedures, directors’ fiduciary duties and liabilities, and shareholders’ rights may differ from those that would apply to a company in another jurisdiction. Shareholders’ rights under Indian law, including those related to class actions, may not be as extensive as shareholders’ rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as a shareholder in an Indian company than as a shareholder of a corporation in another jurisdiction.

**52. *The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. Any variation between the estimation and actual expenditure as estimated by the management could result in execution delays or influence our profitability adversely.***

The deployment of funds as stated in the “Objects of the Issue” beginning on page 77 of the Draft Red Herring Prospectus is entirely at the discretion of our management and has not been appraised by any independent agency. Further, the purposes for which the Net Proceeds are to be utilized have not been appraised by an independent entity and are based on our estimates. In the event, for whatsoever reason, we are unable to execute our plans, we could have a significant amount of unallocated net proceeds.

In such a situation, we would have broad discretion in allocating these net proceeds from the Issue without any action or approval of our shareholders. In case the assumptions on which these estimates have been made are not correct or they become un-realistic then there will be a variation in the estimates and the actual expenditure incurred which could result in execution delays and have an adverse effect on our operations and profitability. The cost estimated by our management are based on their experience. However, we may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost and other financial and operational factors. Accordingly, prospective investors in the issue will need to rely upon our management’s judgment with respect to the use of proceeds. If we are unable to deploy the proceeds of the issue in a timely or an efficient manner, it may affect our business and results of operations

**53. *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 Rs.10,000.00 Lacs. 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.

- 54. *Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us and any sale of Equity Shares by our significant shareholders may dilute your shareholding and adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us may dilute your shareholding in the Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. No assurance may be given that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our significant shareholders, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that we will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

- 55. *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 has been based on many factors 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 86 of the Draft Red Herring 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.

- 56. *We have not independently verified certain data in this Draft Red Herring Prospectus.***

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

## **EXTERNAL RISK FACTORS**

- 57. *Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP, Ind (AS) and IFRS, which may be material to investors' assessments of our financial condition.***

We prepare our annual and interim financial statements under Indian GAAP. We have not attempted to quantify the impact of US GAAP, IND AS or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, IND AS or IFRS. US GAAP, IND AS and IFRS differ in significant respects from Indian GAAP. Accordingly, the degree to which the Indian GAAP financial statements, which are restated as per SEBI ICDR Regulations included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian GAAP and accounting practices. Any reliance by persons not familiar with Indian GAAP and accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

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

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

- any increase in Indian interest rates or inflation;
- political instability, a change in government or a change in the economic and deregulation policies;
- domestic consumption and savings;
- balance of trade movements, namely export demand and movements in key imports (oil and oil products);
- annual rainfall which affects agricultural production;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India's tax, trade, fiscal or monetary policies;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets; and
- other significant regulatory or economic developments in or affecting India or its education and technology sector.

High rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins. Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operation, cash flows and financial condition and the price of the Equity Shares.

***59. Communal disturbances, riots, terrorist attacks and other acts of violence or war involving India and/or other countries, health epidemics and natural calamities could adversely affect India's economy and the financial markets, result in loss of client confidence, and adversely affect the price of our Equity Shares, our business, results of operations and financial condition.***

India has experienced communal disturbances, terrorist attacks and riots during earlier years. Any major hostilities or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business and may adversely affect the Indian stock markets where our Equity Shares will trade as well as global equity markets generally. Such acts could negatively impact business sentiment and consumer confidence, which could adversely affect our business and profitability.

India and other countries may enter armed conflict or war with other countries or extend pre-existing hostilities. Military activity or terrorist attacks could adversely affect the Indian economy by, for example, disrupting communications and making travel more difficult. Such events could also create a perception that investments in Indian companies involve a higher degree of risk. This could adversely affect client confidence in India, which could have a negative impact on the economies of India and other countries, on the markets for our products and services and on our business.

Since 2003, outbreaks of severe acute respiratory syndrome in Asia, avian influenza across Asia and Europe, Ebola virus in western Africa, and Influenza A (H1N1) and recent Covid19 pandemic across the world have adversely affected a number of countries including India and companies. Any future outbreak of infectious diseases or other serious public health epidemics may have a negative impact on the economies, financial markets and level of business activity in affected areas, which may adversely affect our business. India has also experienced natural calamities such as earthquakes, floods, drought and a tsunami in the recent past. The length and severity of these natural disasters determine the extent of their impact on the Indian economy. Prolonged spells of abnormal rainfall and other natural calamities could have an adverse impact on the Indian economy.

Such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares, and adversely affect our business, results of operations and financial condition.

***60. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares and/or the ability of others to acquire us, which could prevent us from operating our business or entering a transaction that is in the best interests of our shareholders.***

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

Additionally, as an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources for our business and could therefore constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business, results of operations and financial condition.

**61. *Changes in laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax law could adversely affect our business, prospects and results of operations.***

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

Taxes and other levies imposed by the Government of India or state governments in India that affect our industry include GST and other levies, income tax and other new or special taxes and surcharges introduced on a permanent or temporary basis from time to time. Any adverse change in Indian tax rules and regulations or policy may have an adverse effect on our business, financial condition and results of operations.

We have not determined the impact of such proposed legislations on our business. 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.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if STT has been paid on the transaction upto Rs. 1 lakhs. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid to an Indian resident, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the equity shares will be exempt from taxation in India in cases where the exemption is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

**63. *A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely affect us.***

A decline or future material decline in India's foreign exchange reserves could impact the valuation of the Rupee and could result in reduced liquidity and higher interest rates which could adversely affect our business, results of operations and financial condition.

**64. *If certain labour laws become applicable, our profitability may be adversely affected.***

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

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

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

**SECTION-IV – INTRODUCTION****THE ISSUE**

| <b>PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>               |   |
|--|---|
| <b>Equity Shares Offered through Public Issue<sup>(1)(2)</sup></b>               | Issue of upto 54,00,000* Equity Shares of ₹10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] Lakhs. |
| <b>Out of which:</b>   |   |
| <b>Issue Reserved for the Market Maker</b>                                       | Upto [●] Equity Shares of ₹10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs                    |
| <b>Net Issue to the Public</b>   | Upto [●] Equity Shares of ₹10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs                     |
| <b>Out of which*</b>   |   |
| <b>QIB Portion<sup>(3)(4)</sup></b>  | Not more than [●] Equity Shares of ₹10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs            |
| <b>Of which</b>  |   |
| <b>Anchor Investor Portion</b>   | Upto [●] Equity Shares of ₹10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs                     |
| <b>Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)</b>    | Upto [●] Equity Shares of ₹10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs                     |
| <b>Out Of which</b>  |   |
| <b>Available for allocation to Mutual Funds only (5% of the Net QIB Portion)</b> | Upto [●] Equity Shares of ₹10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs                    |
| <b>Balance of QIB Portion for all QIBs including Mutual Funds</b>                | Upto [●] Equity Shares of ₹10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs                    |
| <b>Non-Institutional Portion</b>   | Not less than [●] Equity Shares of ₹10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs           |
| <b>Retail Portion</b>  | Not less than [●] Equity Shares of ₹ 10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs           |
| <b>Pre and Post – Issue Equity Shares</b>  |   |
| <b>Equity Shares outstanding prior to the Issue</b>                              | 1,50,00,000 Equity Shares of face value of Rs.10 each.  |
| <b>Equity Shares outstanding after the Issue</b>                                 | Upto 2,04,00,000 Equity Shares of face value Rs.10 each.  |
| <b>Use of Net Proceeds by our Company</b>  | Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 77 of this Draft Red Herring Prospectus.  |

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

(1) Public issue of upto 54,00,000 Equity Shares face value of Rs.10.00 each for cash at a price of Rs. [●] per Equity Share of our Company aggregating to Rs. [●] Lakhs. This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to section “Issue Structure” beginning on page 266 of this Draft Red Herring Prospectus.

**Notes:**

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229(2) of SEBI (ICDR) Regulations

read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.

- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on March 04, 2024 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on March 05, 2024.
- 3) The SEBI (ICDR) Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders.
- 4) Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled “*Issue Procedure*” beginning on page 270 of this Draft Red Herring Prospectus.

**SUMMARY OF OUR FINANCIALS****RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

(Amount in Rs. Lakhs)

| PARTICULARS |  | As at the Period/Year ended |                |                |                |
|-------------|--|-----------------------------|----------------|----------------|----------------|
|             |  | 21-01-2024                  | 31-03-2023     | 31-03-2022     | 31-03-2021     |
| <b>A)</b>   | <b>EQUITY AND LIABILITIES</b>  |                             |                |                |                |
| 1.          | Shareholders' Funds  |                             |                |                |                |
| (a)         | Share Capital- Partner's Capital   | 1500.00                     | 2281.92        | 1947.33        | 2091.10        |
| (b)         | Reserves & Surplus   | 0.00                        | 0.00           | 0.00           | 0.00           |
|             |  |                             |                |                |                |
| <b>2.</b>   | <b>Non-Current Liabilities</b>   |                             |                |                |                |
| (a)         | Long Term Borrowings   | 840.48                      | 669.12         | 540.00         | 2.30           |
| (b)         | Deferred Tax Liabilities (Net)   | 32.35                       | 28.34          | 25.16          | 21.81          |
| (c)         | Long Term Provisions   | 35.21                       | 32.89          | 23.17          | 16.41          |
|             |  |                             |                |                |                |
| <b>3.</b>   | <b>Current Liabilities</b>   |                             |                |                |                |
| (a)         | Short Term Borrowings  | 3244.69                     | 3630.38        | 3336.03        | 3485.55        |
| (b)         | Trade Payables   |                             |                |                |                |
|             | (i) total outstanding dues of micro enterprises and small enterprises; and                   | 0.00                        | 0.00           | 0.00           | 0.00           |
|             | (ii) total outstanding dues of creditors other than micro enterprises and small enterprises. | 808.77                      | 1027.68        | 1183.27        | 717.61         |
| (c)         | Other Current Liabilities  | 221.13                      | 405.78         | 367.66         | 328.44         |
| (d)         | Short Term Provisions  | 0.00                        | 238.96         | 183.20         | 161.87         |
|             | <b>Total</b>   | <b>6682.64</b>              | <b>8315.08</b> | <b>7605.82</b> | <b>6825.10</b> |
|             |  |                             |                |                |                |
| <b>B)</b>   | <b>ASSETS</b>  |                             |                |                |                |
| <b>1.</b>   | <b>Non-Current Assets</b>  |                             |                |                |                |
| (a)         | <b>Property, Plant &amp; Equipment and Intangible Assets</b>                                 |                             |                |                |                |
| i)          | Tangible Assets  |                             |                |                |                |
|             | (i) Gross Block  | 453.06                      | 438.89         | 270.88         | 271.56         |
|             | (ii) Depreciation  | 276.79                      | 229.75         | 202.94         | 176.35         |
|             | (iii) Net Block  | 176.27                      | 209.13         | 67.94          | 95.21          |
| ii)         | Intangible Assets  |                             |                |                |                |
|             | (i) Gross Block  | 82.29                       | 72.03          | 58.33          | 51.16          |
|             | (ii) Depreciation  | 47.99                       | 37.61          | 25.28          | 15.10          |
|             | (iii) Net Block  | 34.30                       | 34.42          | 33.06          | 36.06          |
| iii)        | Capital Work in Progress   | 0.00                        | 0.00           | 0.00           | 0.00           |
| (b)         | <b>Non-Current Investment</b>  | 0.13                        | 0.13           | 0.13           | 0.13           |
| (c)         | <b>Deferred Tax Assets (Net)</b>   |                             |                |                |                |
| (d)         | <b>Long Term Loans and Advances</b>  | 8.28                        | 7.14           | 7.45           | 6.63           |
| <b>2.</b>   | <b>Current Assets</b>  |                             |                |                |                |
| (a)         | Current Investment   | 0.00                        | 0.00           | 0.00           | 0.00           |
| (b)         | Inventories  | 3756.73                     | 2460.79        | 2124.81        | 2004.90        |
| (c)         | Trade Receivables  | 2110.32                     | 4285.66        | 3526.76        | 3331.04        |
| (d)         | Cash and Cash equivalents  | 17.18                       | 186.03         | 390.67         | 54.09          |
| (e)         | Short-Term Loans and Advances  | 398.82                      | 955.75         | 1400.32        | 1189.15        |
| (f)         | Other Current Assets   | 180.60                      | 176.03         | 54.69          | 107.91         |
|             | <b>Total</b>   | <b>6682.64</b>              | <b>8315.08</b> | <b>7605.82</b> | <b>6825.10</b> |



## RESTATED STATEMENT OF PROFIT AND LOSS

(Amount in Rs. Lakhs)

| PARTICULARS |  | For the Period/Year ended on |                |                |                |
|-------------|--|------------------------------|----------------|----------------|----------------|
|             |  | 21-01-2024                   | 31-03-2023     | 31-03-2022     | 31-03-2021     |
| 1           | Revenue From Operations  | 5320.72                      | 7555.71        | 4309.05        | 3255.76        |
| 2           | Other Income   | 7.62                         | 5.07           | 3.15           | 15.21          |
| <b>3</b>    | <b>Total Income (1+2)</b>  | <b>5328.34</b>               | <b>7560.77</b> | <b>4312.21</b> | <b>3270.96</b> |
| <b>4</b>    | <b>Expenditure</b>   |                              |                |                |                |
| (a)         | Cost of Material Consumed  | 2823.35                      | 4053.20        | 2086.52        | 1365.11        |
| (b)         | Purchases of Stock in Trade  | 0.00                         | 0.00           | 0.00           | 0.00           |
| (c)         | Changes in inventories of finished goods.                                  | (589.47)                     | (349.08)       | (110.33)       | (143.04)       |
| (d)         | Employee Benefit Expenses  | 1446.64                      | 1495.16        | 999.60         | 726.84         |
| (e)         | Finance Cost   | 267.02                       | 267.13         | 292.12         | 356.94         |
| (f)         | Depreciation and Amortisation Expenses                                     | 61.59                        | 42.03          | 38.18          | 50.57          |
| (g)         | Other Expenses   | 1026.72                      | 967.14         | 719.58         | 420.17         |
| <b>5</b>    | <b>Total Expenditure 4(a) to 4(d)</b>                                      | <b>5035.83</b>               | <b>6475.58</b> | <b>4025.66</b> | <b>2776.59</b> |
| <b>6</b>    | <b>Profit Before Exceptional &amp; extraordinary items &amp; Tax (3-5)</b> | <b>292.50</b>                | <b>1085.20</b> | <b>286.54</b>  | <b>494.37</b>  |
| <b>7</b>    | <b>Exceptional item</b>  | <b>0.00</b>                  | <b>0.00</b>    | <b>0.00</b>    | <b>0.00</b>    |
| <b>8</b>    | <b>Profit Before Tax (6-7)</b>   | <b>292.50</b>                | <b>1085.20</b> | <b>286.54</b>  | <b>494.37</b>  |
| <b>9</b>    | <b>Tax Expense:</b>  |                              |                |                |                |
| (a)         | Tax Expense for Current Year   | 109.57                       | 396.55         | 115.13         | 192.26         |
| (b)         | Short/(Excess) Provision of Earlier Year                                   |                              |                |                |                |
| (c)         | Deferred Tax   | 4.01                         | 3.18           | 3.35           | 21.81          |
|             | Net Current Tax Expenses   | 113.59                       | 399.73         | 118.48         | 214.07         |
| <b>10</b>   | <b>Profit for the Year (8-9)</b>   | <b>178.92</b>                | <b>685.47</b>  | <b>168.06</b>  | <b>280.30</b>  |
| <b>11</b>   | <b>Earnings per equity shares (Face Value of Rs. 10 each)</b>              |                              |                |                |                |
|             | Basic  | 1.19                         | 4.57           | 1.12           | 1.87           |
|             | Diluted  | 1.19                         | 4.57           | 1.12           | 1.87           |

## RESTATED STANDALONE CASH FLOW STATEMENT

(Amount in Rs. Lakhs)

| PARTICULARS   | For the Period/ Year ended on |                 |                 |                  |
|---|-------------------------------|-----------------|-----------------|------------------|
|   | 21-01-2024                    | 31-03-2023      | 31-03-2022      | 31-03-2021       |
| A) Cash Flow From Operating Activities :                          |                               |                 |                 |                  |
| Net Profit before tax   | 292.50                        | 1085.20         | 286.54          | 494.37           |
| Adjustment for :  |                               |                 |                 |                  |
| Depreciation  | 61.59                         | 42.03           | 38.18           | 50.57            |
| Interest Paid   | 259.94                        | 264.04          | 284.26          | 349.98           |
| Provision of Gratuity   | 4.62                          | 9.72            | 6.76            | (5.80)           |
| Interest Income   | (6.89)                        | (3.50)          | (1.50)          | (2.80)           |
| Profit/loss on sale of Motor car                                  | 0.14                          | (1.22)          | (1.27)          | (0.26)           |
| Dividend Income   | 0.00                          | (0.10)          | (0.05)          | 0.00             |
| <b>Operating profit before working capital changes</b>            | <b>611.91</b>                 | <b>1396.17</b>  | <b>612.91</b>   | <b>886.06</b>    |
| Changes in Working Capital  |                               |                 |                 |                  |
| (Increase) in Inventory   | (1295.94)                     | (335.98)        | (119.91)        | (188.19)         |
| (Increase)/Decrease in Trade Receivables                          | 2175.34                       | (758.91)        | (195.71)        | (465.08)         |
| (Increase)/Decrease in Short Term Loans & Advances and Provisions | 556.93                        | 444.57          | (211.17)        | (5.67)           |
| Increase/(Decrease) in Trade Payables                             | (218.91)                      | (155.58)        | 465.65          | 246.75           |
| Increase/(Decrease) in Other Current Liabilities                  | (184.65)                      | 38.12           | 39.22           | 303.98           |
| (Increase)/Decrease in Other Current Assets                       | (4.58)                        | (121.34)        | 53.22           | 288.12           |
| Increase/(Decrease) in Short Term Provisions                      | 0.00                          | 0.00            | 0.00            | (6.97)           |
| <b>Cash generated from operations</b>                             | <b>1640.09</b>                | <b>507.05</b>   | <b>644.21</b>   | <b>1059.01</b>   |
| Less:- Income Taxes paid  | (400.81)                      | (340.79)        | (93.80)         | (30.39)          |
| <b>Net cash flow from operating activities</b>                    | <b>1239.29</b>                | <b>166.26</b>   | <b>550.41</b>   | <b>1028.62</b>   |
| B) Cash Flow From Investing Activities :                          |                               |                 |                 |                  |
| Purchase of Property, plant and Equipments including of CWIP      | (29.16)                       | (185.27)        | (8.54)          | (5.75)           |
| Net proceeds from Sale of Property, plant and Equipments          | 0.41                          | 1.90            | 2.15            | 0.65             |
| Long term Investment made/Sold during the year                    | 0.00                          | 0.00            | 0.00            | 0.00             |
| Increase/(Decrease) in Long Term Loans and Advances               | (1.14)                        | 0.31            | (0.83)          | (6.63)           |
| Interest Income Received  | 6.89                          | 3.50            | 1.50            | 2.80             |
| Dividend Income Received  | 0.00                          | 0.10            | 0.05            | 0.00             |
| <b>Net cash flow from investing activities</b>                    | <b>(23.00)</b>                | <b>(179.46)</b> | <b>(5.66)</b>   | <b>(8.93)</b>    |
| C) Cash Flow From Financing Activities :                          |                               |                 |                 |                  |
| Proceeds from Issue of Share Capital                              | 0.00                          | 0.00            | 0.00            | 0.00             |
| Addition/(Withdrawal) in Partner's Capital Account                | (910.88)                      | (350.88)        | (312.09)        | (148.11)         |
| Increase/(Decrease) in Short Term Borrowings                      | (385.69)                      | 294.35          | (149.53)        | 1214.26          |
| Increase/(Decrease) in Long Term Borrowings                       | 171.36                        | 129.12          | 537.70          | (1742.06)        |
| Interest Paid   | (259.94)                      | (264.04)        | (284.26)        | (349.98)         |
| <b>Net cash flow from financing activities</b>                    | <b>(1385.14)</b>              | <b>(191.45)</b> | <b>(208.18)</b> | <b>(1025.89)</b> |
| Net Increase/(Decrease) In Cash & Cash Equivalents                | (168.85)                      | (204.65)        | 336.58          | (6.20)           |
| Cash equivalents at the beginning of the year                     | 186.03                        | 390.67          | 54.09           | 60.28            |
| Cash equivalents at the end of the year                           | 17.18                         | 186.03          | 390.68          | 54.08            |

## GENERAL INFORMATION

### **Brief Summary:**

Our Company was originally formed as a Limited Liability Partnership in the name and style of "Chetana Publications (India) LLP" under the provisions of the Limited Liability Partnership Act, 2008 on December 30, 2017 vide Certificate of Incorporation issued by Central Registration Centre, Registrar of Companies. Consequently, our name was changed to 'Chetana Education LLP', and a fresh certificate of incorporation dated October 17, 2021 was issued by the RoC. Subsequently, our Company was converted into a public limited company under Companies Act with the name 'Chetana Education Limited' pursuant to a fresh certificate of incorporation dated January 21, 2024 was issued by the Registrar of Companies, Mumbai, Maharashtra, bearing CIN: U58111MH2024PLC417778.

For further details please refer to chapter titled "History and Corporate Structure" beginning on page 132 of this Draft Red Herring Prospectus.

The registration number and corporate identity number of our Company are as follow:

**Corporate identity number:** U58111MH2024PLC417778

**Company registration number:** 417778

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

#### **Chetana Education Limited**

401, E-Wing, B & C Block, Trade Link,  
Kamala Mill, Delisle Road, Mumbai,  
Mumbai City, Maharashtra, India, 400013.

**Tel.:** +91-22-6245 6000

**E-mail:** cs@chetanaeducation.com

**Website:** www.chetanaeducation.com

### **Registrar of Companies**

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai which is situated at the following address:

#### **Registrar of Companies, Maharashtra at Mumbai**

100, Everest, Marine Drive,  
Mumbai 400 002,  
Maharashtra, India

### **Board of Directors:**

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

| <b>Name of Director</b>   | <b>Designation</b>             | <b>Address</b>  | <b>DIN</b> |
|---------------------------|--------------------------------|---|------------|
| Anil Jayantilal Rambhia   | Chairman and Managing Director | 23 <sup>rd</sup> Floor, 2304, Omkar 1973 Tower Pandurang Budhkar Marg, Worli, Near Shani Mandir, Mumbai, Maharashtra- 400018, India | 00332241   |
| Rakesh Jayantilal Rambhia | Whole Time Director            | Room No. 801, 8 <sup>th</sup> Floor, A Wing, Ansal Heights, G. M. Bhosle Marg, Worli, Mumbai, Maharashtra, 400018, India.           | 00332208   |
| Shilpa Anil Rambhia       | Non-Executive Director         | 23 <sup>rd</sup> Floor, 2304, Omkar 1973 Tower Pandurang Budhkar Marg, Worli, Near Shani Mandir, Mumbai, Maharashtra- 400018, India | 00333355   |

|                              |                      |  |          |
|------------------------------|----------------------|--|----------|
| Punit Saxena                 | Independent Director | Flat No. 702, 7 <sup>th</sup> Floor, Gold Crest, CHSL Road No. 3, Santacruz East, Sunder Nagar, Mumbai, Suburban, Maharashtra, 40098, India. | 01057161 |
| Dr. Shrenik Bakulesh Kotecha | Independent Director | A-603/604, Siddhi Eastern Express Highway, Near MHADA, Signal, MHADA, Layout, Mumbai, Maharashtra-400081, India.                             | 01727660 |

For further details in relation to our directors, please refer to chapter titled “Our Management” on page 136 of this Draft Red Herring Prospectus.

| Chief Financial Officer   | Company Secretary & Compliance Officer   |
|---|--|
| <b>Prakash Ramakant Lad</b><br><b>Chetana Education Limited</b><br>401, E-Wing, B & C Block, Trade Link, Kamala Mill, Delisle Road, Mumbai, Mumbai City, Maharashtra, 400013, India.<br><b>Tel.:</b> +91-22-6245 6000<br><b>E-mail:</b> cs@chetanaeducation.com<br><b>Website:</b> <a href="http://www.chetanaeducation.com">www.chetanaeducation.com</a> | <b>Jignesha Jitendra Fofandi</b><br><b>Chetana Education Limited</b><br>401, E-Wing, B & C Block, Trade Link, Kamala Mill, Delisle Road, Mumbai, Mumbai City, Maharashtra, 400013, India.<br><b>Tel.:</b> +91-22-6245 6000<br><b>E-mail:</b> cs@chetanaeducation.com<br><b>Website:</b> <a href="http://www.chetanaeducation.com">www.chetanaeducation.com</a> |

### **Investor Grievances:**

**Investors can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.**

All grievances relating to the Issue other than the Anchor Investors may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidders should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, details of UPI IDs (if applicable), address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

Further, the investors shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the Anchor Investors may be addressed to the BRLM, giving full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidders DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form.

For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

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

| Book Running Lead Manager   | Legal Advisor to the Issue   |
|---|--|
| <b>Hem Securities Limited</b><br><b>Address:</b> 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai- 400013, Maharashtra, India<br><b>Tel No.:</b> +91-22-4906 0000<br><b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a><br><b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a> | <b>Mindspright Legal</b><br><b>Address:</b> 712-714, C-Wing, Trade World, Kamla City, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013, Maharashtra, India.<br><b>Tel No.:</b> +91-22-42197000<br><b>Email:</b> <a href="mailto:ipo@mindspright.co.in">ipo@mindspright.co.in</a><br><b>Website:</b> <a href="http://www.mindspright.co.in">www.mindspright.co.in</a> |

|   |   |
|---|---|
| <b>Contact Person:</b> Sourabh Garg<br><b>SEBI Reg. No.:</b> INM000010981   | <b>Contact Person:</b> Richa Bhansali<br><b>Designation:</b> Partner  |
| <b>Registrar to the Issue</b>   | <b>Statutory Auditor</b>  |
| <b>Link Intime India Private Limited</b><br><b>Address:</b> C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai – 400 083 Maharashtra, India<br><b>Tel. No.:</b> +91 810 811 4949<br><b>Email:</b> chetana.smeipo@linkintime.co.in<br><b>Website:</b> www.linkintime.co.in<br><b>Investor Grievance Email:</b> chetana.smeipo@linkintime.co.in<br><b>Contact Person:</b> Shanti Gopalkrishnan<br><b>SEBI Registration No.:</b> INR000004058 | <b>Paresh Vora &amp; Associates</b><br><b>Address -</b> 402, Vaibhav CHS, Bhavani Shankar Road, Near Brahman Seva Mandal, Dadar(W), Mumbai, Maharashtra, 400028, India<br><b>Tel:</b> 0222-24303937<br><b>Website:</b> www.pareshvoraca.com<br><b>Email:</b> info@pareshvoraca.com<br><b>Peer Review Number:</b> 016150<br><b>Contact Person:</b> CA. Paresh Vora<br><b>FRN No. :</b> 118090W |
| <b>Banker to the Company</b>  | <b>Bankers to the Issue/Sponsor Bank</b>  |
| [•]   | [•]   |
| <b>Syndicate Members*</b>   |   |
| [•]   |   |

\*The Banker to the Issue (Sponsor Bank) and Syndicate Members shall be appointed prior to filing of the Red Herring Prospectus with the RoC.

#### Designated Intermediaries:

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

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>

#### Syndicate SCSB Branches

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

### **Registered Brokers**

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

### **Registrar 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 email address, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>, as updated from time to time.

### **Collecting Depository Participants (CDP's)**

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

### **Brokers to the Issue**

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

### **Expert Opinion**

Our Company has not obtained any expert opinions except for the consent from the Statutory Auditor of the Company to include their name as an expert in this Draft Red Herring Prospectus in relation to the (a) Independent Auditors' reports on the restated Audited financial statements; and (b) Statement of Tax Benefits (c) Statement of Financial Indebtedness and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

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

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

### **Monitoring Agency**

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

### **Appraising Entity**

None of the objects for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution.

### **Credit Rating**

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

### **IPO Grading**

No credit rating agency registered with SEBI has been appointed for grading the Issue.

### Debenture Trustees

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

### Filing of Offer Documents with the Designated Stock Exchange/SEBI/ROC

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

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

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 26 & 32 of the Companies Act, 2013 will be filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be filed to the RoC through the electronic portal at <http://www.mca.gov.in>

### Underwriting

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the Underwriter, Hem Securities Limited in the capacity of Underwriter to the Issue.

Pursuant to the terms of the Underwriting Agreement dated March 13, 2024 entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

| Details of the Underwriter   | No. of shares underwritten | Amount Underwritten (Rs. in Lakhs) | % of Total Issue Size Underwritten |
|--|----------------------------|------------------------------------|------------------------------------|
| <b>Hem Securities Limited</b><br>Address: 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai 400013, India<br>Tel No.: +91-22-4906 0000<br>Email: <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a><br>Investor Grievance Email: <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a><br>Website: <a href="http://www.hemsecurities.com">www.hemsecurities.com</a><br>Contact Person: Rohit Sharma<br>SEBI Registration Number.: INM000010981 | 54,00,000                  | [●]                                | 100%                               |

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

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

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

Except as stated below, there have been no changes in our Company's auditors in the last three (3) years:

| Details of Statutory Auditor | Date of Change | Reason of Change |
|------------------------------|----------------|------------------|
|------------------------------|----------------|------------------|

|   |   |  |
|---|---|--|
| <b>Paresh Vora &amp; Associates</b><br><b>Address</b> - 402, Vaibhav CHS, Bhavani Shankar Road, Near Brahman Seva Mandal, Dadar(W), Mumbai, Maharashtra, 400028, India<br><b>Tel:</b> 0222-24303937<br><b>Website:</b> www.pareshvoraca.com<br><b>Email:</b> info@pareshvoraca.com<br><b>Peer Review Number:</b> 016150<br><b>Contact Person:</b> CA. Paresh Vora<br><b>FRN No. :</b> 118090W | Appointed as Auditor on<br>January 21, 2024 | Appointed as the Statutory<br>auditor of the Company |
|---|---|--|

### Book Building Process

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

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

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

The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “**Anchor Investor Portion**”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

**All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing**



**Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.**

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (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. For details in this regards, specific attention are invited to the chapter titled “**Issue Procedure**” beginning on page 270 of the Draft Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “**Issue Procedure**” on page 270 of this Draft Red Herring Prospectus.

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

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled “**Issue Procedure**” on page 270 of this Draft Red Herring Prospectus.

**Bid/ Issue Program:**

| <b>Event</b>  | <b>Indicative Dates</b> |
|---|-------------------------|
| Bid/ Issue Opening Date   | [●]                     |
| Bid/ Issue Closing Date   | [●]                     |
| Finalization of Basis of Allotment with the Designated Stock Exchange                                   | [●]                     |
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account | [●]                     |
| Credit of Equity Shares to Demat accounts of Allottees  | [●]                     |
| Commencement of trading of the Equity Shares on the Stock Exchange                                      | [●]                     |

<sup>(1)</sup> Our Company in consultation with the Book Running Lead Manager may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI ICDR Regulations.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

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

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

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

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

### **Withdrawal of the Issue**

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

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

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

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

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

Our Company has entered into a Market Making Agreement dated March 13, 2024 with the following Market Maker for fulfilling the Market Making obligations under this Issue:

|                                |   |
|--------------------------------|---|
| <b>Name</b>                    | Hem Finlease Private Limited                                  |
| <b>Correspondence Address:</b> | 203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India. |

|                                      |                       |
|--------------------------------------|-----------------------|
| <b>Tel No.:</b>                      | 0141-4051000          |
| <b>E-mail:</b>                       | mbd@hemsecurities.com |
| <b>Website:</b>                      | www.hemsecurities.com |
| <b>Contact Person:</b>               | Ashok Soni            |
| <b>SEBI Registration No.:</b>        | INZ000167734          |
| <b>Market Maker Registration No.</b> | SMEREG2020090906741   |

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with NSE to fulfil the obligations of Market Making) dated March 13, 2024 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issue.

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

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

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

- The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the NSE (NSE EMERGE) and SEBI from time to time.
- The minimum depth of the quote shall be Rs.1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the NSE EMERGE platform (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the NSE SME platform from time to time).
- After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
- There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
- There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final

- The Market Maker(s) shall have the right to terminate said arrangement by giving a six months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement. In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the BRLM reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our office from 10.00 a.m. to 5.00 p.m. on working days.
- **Risk containment measures and monitoring for Market Makers:** Stock Exchange will have all margins, which are applicable on NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. Stock Exchange can impose any other margins as deemed necessary from time-to-time.
- **Punitive Action in case of default by Market Makers:** SME Platform of NSE (NSE EMERGE) will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
- **Price Band and Spreads:** The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time
- Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and as follows:

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

The 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 securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

| S. 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 |

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

**CAPITAL STRUCTURE**

Set forth below are the details of the Equity Share Capital of our Company as on the date of this Draft Red Herring Prospectus.

| (₹ in lakhs)               |   |                               |                                |
|----------------------------|---|-------------------------------|--------------------------------|
| Sr. No.                    | Particulars   | Aggregate Value at Face Value | Aggregate Value at Issue Price |
| A                          | <b>Authorized Share Capital</b><br>2,10,00,000 Equity Shares having Face Value of ₹ 10/- each   | 2100.00                       | -                              |
| B                          | <b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Issue</b><br>1,50,00,000 Equity Shares having Face Value of ₹10/- each                               | 1500.00                       | -                              |
| C                          | <b>Present Issue in terms of this Draft Red Herring Prospectus*</b><br>Upto 54,00,000 Equity Shares having Face Value of ₹ 10/-each at a Premium of ₹ [●] per share | 540.00                        | [●]                            |
| <i>Which comprises of:</i> |   |                               |                                |
| D                          | <b>Reservation for Market Maker Portion</b><br>[●] Equity Shares of ₹10/- each at a price of ₹ [●] per Equity Shares Share reserved as Market Maker Portion         | [●]                           | [●]                            |
| E                          | <b>Net Issue to Public</b><br>Net Issue to Public of [●] Equity Shares of ₹10/- each at a price of ₹ [●] per Equity Shares Share to the Public                      | [●]                           | [●]                            |
| <i>Of which:</i>           |   |                               |                                |
|                            | i) At least [●] Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Retail Individual Investors                                       | [●]                           | [●]                            |
|                            | ii) At least [●] Equity Shares aggregating upto Rs. [●] lakhs will be available for allocation to Non-Institutional Investor  | [●]                           | [●]                            |
|                            | iii) Not more than [●] Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Qualified Institutional Buyers.                            | [●]                           | [●]                            |
| F                          | <b>Issued, Subscribed and Paid up Equity Shares Share Capital after the Issue</b><br>Upto 2,04,00,000 Equity Shares of face value of ₹10/- each                     |                               | [●]                            |
| G                          | <b>Securities Premium Account</b><br>Before the Issue (as on date of this Draft Red Herring Prospectus)   |                               | -                              |
|                            | After the Issue   |                               | [●]                            |

\*The Present Issue of upto 54,00,000 Equity Shares in terms of this Draft Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated March 04, 2024 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra Ordinary General Meeting of the members held on March 05, 2024.

**Classes of Shares: -**

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

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

| Sr. No. | Particulars of Changes | Cumulative No. of Equity Shares | Face Value of Equity Shares Share | Cumulative Authorized Share Capital (Rs. in lakhs) | Date of Shareholders' Meeting | Whether AGM/EGM |
|---------|------------------------|---------------------------------|-----------------------------------|--|-------------------------------|-----------------|
| 1.      | Upon incorporation     | 2,00,00,000                     | 10/-                              | 2000.00  | On Incorporation              | -               |

|    |   |             |      |         |                |     |
|----|---|-------------|------|---------|----------------|-----|
| 2. | Increase in Authorised Share Capital from ₹2000.00 Lakhs to ₹ 2100.00 Lakhs | 2,10,00,000 | 10/- | 2100.00 | March 05, 2024 | EGM |
|----|---|-------------|------|---------|----------------|-----|

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

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

| Date of Allotment of Equity Shares | No. of Equity Shares allotted | Face Value (₹) | Issue Price (including Premium if applicable (₹)) | Consideration Cash/ Other than Cash | Nature of Allotment                | Cumulative No. of Equity Shares | Cumulative Securities Premium (₹) | Cumulative Paid-Up Capital (₹) |
|------------------------------------|-------------------------------|----------------|---|-------------------------------------|------------------------------------|---------------------------------|-----------------------------------|--------------------------------|
| Upon Incorporation                 | 150,00,000                    | 10/-           | 10/-  | Cash                                | Subscription to MOA <sup>(i)</sup> | 1,50,00,000*                    | Nil                               | 15,00,00,000                   |

*\*This allotment was made pursuant to conversion of partner's capital into Equity Share capital upon conversion of the Limited Liability Partnership to a Public Limited Company.*

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

i. *Initial Subscribers to the Memorandum of Association subscribed 1,50,00,000 Equity Shares of Face Value of Rs. 10/- each, details of which are given below:*

| Sr. No. | Name of Subscribers                  | Number of Shares Subscribed |
|---------|--------------------------------------|-----------------------------|
| 1.      | Anil Jayantilal Rambhia              | 69,00,000                   |
| 2.      | Rakesh Jayantilal Rambhia            | 69,00,000                   |
| 3.      | Chetana Publications Private Limited | 3,00,000                    |
| 4.      | Shilpa Anil Rambhia                  | 1,50,000                    |
| 5.      | Diva Rakesh Rambhia                  | 1,50,000                    |
| 6.      | Jania Rakesh Rambhia                 | 4,50,000                    |
| 7.      | Aashna Anil Rambhia                  | 1,50,000                    |
|         | <b>Total</b>                         | <b>1,50,00,000</b>          |

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

3. *Our Company has not issued any Equity Shares for consideration other than cash since its incorporation.*
4. *No Equity Shares have been allotted pursuant to any scheme approved under sections 230-234 of the Companies Act, 2013 or under the erstwhile corresponding provisions of the Companies Act, 1956.*
5. *Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.*
6. *Except for the shares mentioned under 2 (a) (i) above, no Equity Shares have been issued at price below the Issue price within last one year from the date of the Draft Red Herring Prospectus.*

7. Details of Allotment made in the last two years preceding the date of Draft Red Herring Prospectus

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

| Date of Allotment  | Number of Equity Shares | Face Value (Rs.) | Issue Price (Rs.) | Reasons for Allotment   | Name of Allottees           |
|--------------------|-------------------------|------------------|-------------------|---|-----------------------------|
| Upon Incorporation | 1,50,00,000             | 10/-             | 10/-              | Subscription to MOA pursuant to conversion of Limited Liability Partnership into Public Limited Company | Refer table 2 (a) (i) above |

8. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

9. Shareholding Pattern of the Company

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

| Category | Category of shareholder    | Nos. of shareholders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C) | Number of Voting Rights held in each class of securities* |                 |             | No. of Shares Underlying Outstanding convertible | Shareholding, as % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C) | Number of Locked in shares |      | Number of Shares pledged or otherwise encumbered |     | Number of equity shares held in dematerialized form |                                 |
|----------|----------------------------|----------------------|---|--|--|------------------------|---|---|-----------------|-------------|--|---|----------------------------|------|--|-----|---|---------------------------------|
|          |                            |                      |   |  |  |                        |   | No of Voting Rights                                       |                 |             |  |   | Total as a % of (A+B+C)    | No.  | As a % of total Shares held (b)                  | No. |   | As a % of total Shares held (b) |
|          |                            |                      |   |  |  |                        |   | Class Equity Shares of Rs.10/- each                       | Class e.g. :- y | Total       |  |   |                            |      |  |     |   |                                 |
| I        | II                         | II I                 | IV                                      | V  | VI   | VII = IV+V+VI          | VIII  | IX  |                 |             | X  | XI=VII+X  | XII                        | XIII | XIV  |     |   |                                 |
| (A)      | Promoters & Promoter Group | 7                    | 1,50,00,000                             | -  | -  | 1,50,00,000            | 100.00  | 1,50,00,000   | -               | 1,50,00,000 | 100.00   | -   | -                          | -    | 1,50,00,000                                      |     |   |                                 |



|      |                            |          |                    |          |          |                    |               |                    |          |                    |               |          |               |          |          |                    |
|------|----------------------------|----------|--------------------|----------|----------|--------------------|---------------|--------------------|----------|--------------------|---------------|----------|---------------|----------|----------|--------------------|
| (B)  | Public                     | -        | -                  | -        | -        | -                  | -             | -                  | -        | -                  | -             | -        | -             | -        | -        | -                  |
| (C)  | Non Promoter - Non Public  | -        | -                  | -        | -        | -                  | -             | -                  | -        | -                  | -             | -        | -             | -        | -        | -                  |
| (C1) | Shares underlying DRs      | -        | -                  | -        | -        | -                  | -             | -                  | -        | -                  | -             | -        | -             | -        | -        | -                  |
| (C2) | Shares held by Emp. Trusts | -        | -                  | -        | -        | -                  | -             | -                  | -        | -                  | -             | -        | -             | -        | -        | -                  |
|      | <b>Total</b>               | <b>7</b> | <b>1,50,00,000</b> | <b>-</b> | <b>-</b> | <b>1,50,00,000</b> | <b>100.00</b> | <b>1,50,00,000</b> | <b>-</b> | <b>1,50,00,000</b> | <b>100.00</b> | <b>-</b> | <b>100.00</b> | <b>-</b> | <b>-</b> | <b>1,50,00,000</b> |

**Notes-**

*\*As on date of this Draft Red Herring Prospectus 1 Equity share holds 1 vote. We have only one class of Equity Shares of face value of Rs. 10/- each. We have entered into tripartite agreement with CDSL and NSDL.*

*Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the stock exchanges before commencement of trading of such Equity Shares.*

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

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

| <b>Sr. No.</b> | <b>Names of Shareholders</b>         | <b>Shares held (Face Value of ` 10 each)</b> | <b>% Pre-Issue paid up Share Capital</b> |
|----------------|--------------------------------------|--|--|
| 1.             | Anil Jayantilal Rambhia              | 69,00,000                                    | 46.00                                    |
| 2.             | Rakesh Jayantilal Rambhia            | 69,00,000                                    | 46.00                                    |
| 3.             | Chetana Publications Private Limited | 3,00,000                                     | 2.00                                     |
| 4.             | Jania Rakesh Rambhia                 | 4,50,000                                     | 3.00                                     |
| 5.             | Shilpa Anil Rambhia                  | 1,50,000                                     | 1.00                                     |
| 6.             | Diva Rakesh Rambhia                  | 1,50,000                                     | 1.00                                     |
| 7.             | Aashna Anil Rambhia                  | 1,50,000                                     | 1.00                                     |
|                | <b>Total</b>                         | <b>1,50,00,000</b>                           | <b>100.00</b>                            |

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

| <b>Sr. No.</b> | <b>Names of Shareholders</b>         | <b>Shares held (Face Value of ` 10 each)</b> | <b>% Pre-Issue paid up Share Capital</b> |
|----------------|--------------------------------------|--|--|
| 1.             | Anil Jayantilal Rambhia              | 69,00,000                                    | 46.00                                    |
| 2.             | Rakesh Jayantilal Rambhia            | 69,00,000                                    | 46.00                                    |
| 3.             | Chetana Publications Private Limited | 3,00,000                                     | 2.00                                     |
| 4.             | Jania Rakesh Rambhia                 | 4,50,000                                     | 3.00                                     |
| 5.             | Shilpa Anil Rambhia                  | 1,50,000                                     | 1.00                                     |
| 6.             | Diva Rakesh Rambhia                  | 1,50,000                                     | 1.00                                     |
| 7.             | Aashna Anil Rambhia                  | 1,50,000                                     | 1.00                                     |
|                | <b>Total</b>                         | <b>1,50,00,000</b>                           | <b>100.00</b>                            |

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

*Our Company incorporated on January 21, 2024 pursuant to conversion of the Limited Liability Partnership “Chetana Education LLP” viz. less than one year prior to the date of filing of the Draft Red Herring Prospectus. Hence, requirement of disclosing the list of shareholders prior to one year from the date of filing of the Draft Red Herring Prospectus, is not applicable on us.*

d) Two Years prior to the date of filing of this Draft Red Herring Prospectus: -

*Our Company incorporated on January 21, 2024 pursuant to conversion of the Limited Liability Partnership “Chetana Education LLP” viz. less than two years prior to the date of filing of the Draft Red Herring Prospectus. Hence, requirement of disclosing the list of shareholders prior to two years from the date of filing of the Draft Red Herring Prospectus, is not applicable on us.*

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

11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the issue, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue Equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

12. Capital Buildup in respect of Shareholding of our Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters, Anil Jayantilal Rambhia, Rakesh Jayantilal Rambhia and Shilpa Anil Rambhia, collectively hold 1,39,50,000 Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

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

| Date of Allotment and made fully paid up/ Transfer | No. of Equity Shares | Face Value Per Share (₹) | Issue/ Acquisition/ Transfer Price (₹) | Consideration | Nature of Issue  | Pre-Issue Shareholding % | Post-Issue Shareholding % |
|--|----------------------|--------------------------|--|---------------|------------------|--------------------------|---------------------------|
| <b>(A) Anil Jayantilal Rambhia</b>                 |                      |                          |  |               |                  |                          |                           |
| January 21, 2024                                   | 69,00,000            | 10                       | 10                                     | Cash          | On Incorporation | 46.00                    | [●]                       |
| <b>Total (A)</b>                                   | <b>69,00,000</b>     |                          |  |               |                  | <b>46.00</b>             | <b>[●]</b>                |
| <b>(B) Rakesh Jayantilal Rambhia</b>               |                      |                          |  |               |                  |                          |                           |
| January 21, 2024                                   | 69,00,000            | 10                       | 10                                     | Cash          | On Incorporation | 46.00                    | [●]                       |
| <b>Total (B)</b>                                   | <b>69,00,000</b>     |                          |  |               |                  | <b>46.00</b>             | <b>[●]</b>                |
| <b>(C) Shilpa Anil Rambhia</b>                     |                      |                          |  |               |                  |                          |                           |
| January 21, 2024                                   | 1,50,000             | 10                       | 10                                     | Cash          | On Incorporation | 1.00                     | [●]                       |
| <b>Total (B)</b>                                   | <b>1,50,000</b>      |                          |  |               |                  | <b>1.00</b>              | <b>[●]</b>                |
| <b>Grand Total</b>                                 | <b>1,39,50,000</b>   |                          |  |               |                  | <b>93.00</b>             | <b>[●]</b>                |

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

| Sr. No. | Name of the Promoters     | No. of Shares held | Average cost of Acquisition (in ₹) |
|---------|---------------------------|--------------------|------------------------------------|
| 1.      | Anil Jayantilal Rambhia   | 69,00,000          | 10.00                              |
| 2.      | Rakesh Jayantilal Rambhia | 69,00,000          | 10.00                              |
| 3.      | Shilpa Anil Rambhia       | 1,50,000           | 10.00                              |

14. Shareholding of Promoters & Promoter Group

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

| Sr. No | Names                                | Pre IPO            |               | Post IPO           |               |
|--------|--------------------------------------|--------------------|---------------|--------------------|---------------|
|        |                                      | Shares Held        | % Shares Held | Shares Held        | % Shares Held |
|        | <b>Promoters</b>                     |                    |               |                    |               |
| 1.     | Anil Jayantilal Rambhia              | 69,00,000          | 46.00         | 69,00,000          | [●]           |
| 2.     | Rakesh Jayantilal Rambhia            | 69,00,000          | 46.00         | 69,00,000          | [●]           |
| 3.     | Shilpa Anil Rambhia                  | 1,50,000           | 1.00          | 1,50,000           | [●]           |
|        | <b>TOTAL (A)</b>                     | <b>1,39,50,000</b> | <b>93.00</b>  | <b>1,39,50,000</b> | <b>[●]</b>    |
|        | <b>Promoter Group</b>                |                    |               |                    |               |
| 4.     | Diva Anil Rambhia                    | 1,50,000           | 1.00          | 1,50,000           | [●]           |
| 5.     | Aashna Anil Rambhia                  | 1,50,000           | 1.00          | 1,50,000           | [●]           |
| 6.     | Jania Rakesh Rambhia                 | 4,50,000           | 3.00          | 4,50,000           | [●]           |
| 7.     | Chetana Publications Private Limited | 3,00,000           | 2.00          | 3,00,000           | [●]           |
|        | <b>TOTAL (B)</b>                     | <b>10,50,000</b>   | <b>7.00</b>   | <b>10,50,000</b>   | <b>[●]</b>    |
|        | <b>Total (A+B)</b>                   | <b>1,50,00,000</b> | <b>100.00</b> | <b>1,50,00,000</b> | <b>[●]</b>    |

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

| Date of Allotment  | Number of Equity Shares | Face Value (Rs.) | Issue Price (Rs.) | Reasons for Allotment   | Name of Allottees           |
|--------------------|-------------------------|------------------|-------------------|---|-----------------------------|
| Upon Incorporation | 1,50,00,000             | 10/-             | 10/-              | Subscription to MOA pursuant to conversion of Limited Liability Partnership into Public Limited Company | Refer table 2 (a) (i) above |

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

#### 17. Details of Promoters’ Contribution Locked-in for Three Years

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post issue capital held by our Promoters shall be considered as Promoter’s Contribution (“Promoters Contribution”) and shall be locked-in for a period of three years from the date of allotment of Equity Shares issued pursuant to this Issue. The Lock In of Promoter’s Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 1,39,50,000 Equity Shares constituting [●]% of the Post – Issued, subscribed and paid-up Equity Share Capital of our Company.

Our Promoters, Rakesh Jayantilal Rambhia, have given written consent to include 42,00,000 Equity Shares held by them and subscribed by them as part of Promoters Contribution constituting 20.59% of the post Issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters contribution, for a period of three years from the date of allotment in the Issue.

| Date of Allotment/ Transfer and | No. of Equity Shares locked-in* | Face Value Per | Issue/ Acquisition/ | Nature of transaction | Post-Issue Shareholding % | Lock in Period |
|---------------------------------|---------------------------------|----------------|---------------------|-----------------------|---------------------------|----------------|
|---------------------------------|---------------------------------|----------------|---------------------|-----------------------|---------------------------|----------------|

| made fully Paid Up               |           | Share (₹) | Transfer Price (₹) |  |     |         |
|----------------------------------|-----------|-----------|--------------------|--|-----|---------|
| <b>Rakesh Jayantilal Rambhia</b> |           |           |                    |  |     |         |
| January 21, 2024                 | 42,00,000 | 10/-      | 10.00              | Allotted pursuant to conversion of LLP | [●] | 3 Years |
| <b>Total</b>                     | 42,00,000 |           |                    |  | [●] |         |
| <b>Grand Total</b>               | 42,00,000 |           |                    |  |     |         |

\*Assuming full subscription to the Issue.

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "Promoter" under the SEBI (ICDR) Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 237 of the SEBI (ICDR) Regulations, 2018 and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations, 2018 i.e. for a period of three years from the date of allotment of Equity Shares in this issue.

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

#### Eligibility of Share for "Minimum Promoters Contribution in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018

| Reg. No.       | Promoters' Minimum Contribution Conditions   | Eligibility Status of Equity Shares forming part of Promoter's Contribution   |
|----------------|--|---|
| 237(1)(a)(i)   | Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction  | The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible</b>   |
| 237 (1)(a)(ii) | Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters' contribution   | The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible</b>   |
| 237 (1)(b)     | Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer   | The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible.</b>  |
| 237(1)(c)      | Specified securities allotted to promoters during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management: Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible | The minimum Promoter's contribution consists of specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis. <b>Hence Eligible.</b> |
| 237 (1)(d)     | Specified securities pledged with any creditor.  | Our Promoters have not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible.</b>                                       |

#### Details of Promoters' Contribution Locked-in for One Year

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution which is locked in for three years, as specified above, the entire pre-Issue Equity Shares share capital constituting 1,08,00,000 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

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

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

1. In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018 the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important non-banking finance company or a housing finance company as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
  2. In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
  3. Further in terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 the specified securities held by the promoters and locked-in as per regulation 238 may be transferred to another promoter or any person of the promoter group or a new promoter or a person in control of the issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
18. Neither, we nor our Promoters, Directors and the BRLM to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.
  19. As on the date of this Draft Red Herring Prospectus, the entire Issued, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire Issue price in respect of the offer is payable on application, all the successful applicants will be allotted fully paid-up Equity Shares.
  20. The BRLM i.e. Hem Securities Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus.
  21. As on the date of this Draft Red Herring Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan from the proposed Issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
  22. We have 7 (seven) shareholders as on the date of filing of this Draft Red Herring Prospectus.
  23. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer
  24. Our Company has not raised any bridge loan against the proceeds of the Issue.

25. As on the date of this Draft Red Herring Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.
26. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft Red Herring Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Issue.
27. An over-subscription to the extent of 1% of the Issue, subject to the maximum post Issue paid up capital of Rs. 25 Crore can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 1% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post issue paid-up capital is locked in.
28. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
29. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
30. There are no Equity Shares against which depository receipts have been issued.
31. Other than the Equity Shares, there is no other class of securities issued by our Company.
32. There are no safety net arrangements for this public issue.
33. As per RBI regulations, OCBs are not allowed to participate in this issue.
34. Our Promoters and Promoter Group will not participate in this issue.
35. This Issue is being made through Book Building process.
36. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
37. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Shares Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
38. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Bidder/Applicant.

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

## OBJECTS OF THE ISSUE

This Issue includes a fresh issue of upto 54,00,000 Equity Shares of our Company at an Issue Price of Rs. [●] per Equity Share. We intend to utilize the proceeds of the Issue to meet the following objects:-

1. Repayment of certain borrowing availed by our Company, in part or full
2. To meet Working Capital requirements
3. General Corporate Purpose

(Collectively referred as the “Objects”)

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

We are a content-based company, specializing in educational book publishing for the CBSE/State Board curriculum catering to the K-12 segment. Additionally, we provide access to educational software for learning videos (for teachers and Students) accessible through QR (Quick Response) codes, backed by a comprehensive sales and distribution network. We currently focus on serving the Maharashtra State Board and Central Board of Secondary Education (CBSE), covering the spectrum of education books from early pre-primary learning to K-12 course. During the Fiscal year 2023, we sold over 6 million books, covering students across different standards ranging from pre-primary, primary, secondary, and higher secondary levels.

### Net Proceeds

The details of the Net Proceeds are set forth below:

| Particulars  | Amount (₹ in Lakhs) |
|--|---------------------|
| Gross Proceeds of the Issue                            | [●]                 |
| Less: Issue related expenses in relation to the Issue* | [●]                 |
| Net Proceeds   | [●]                 |

<sup>(1)</sup> To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

### Requirement of Funds and Utilization of Net Proceeds

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

| S. No. | Particulars  | Amount (₹ in Lakhs) |
|--------|--|---------------------|
| 1.     | Repayment of certain borrowing availed by our Company, in part or full | 1300.00             |
| 2.     | To meet Working Capital requirements                                   | [●]                 |
| 3.     | General Corporate Purpose**  | [●]                 |
|        | <b>Total</b>   | [●]                 |

\*\*To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

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

### Means of Finance

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



| Particulars        | Amount (₹ in Lakhs) |
|--------------------|---------------------|
| Net Issue Proceeds | [●]                 |
| <b>Total</b>       | [●]                 |

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

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.

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 30 of this Draft Red Herring Prospectus.

#### **Details of Utilization of Net Proceeds**

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

##### **1. Repayment of certain borrowing availed by our Company, in part or full**

As on January 21, 2024, our total outstanding fund-based borrowings amounted to ₹ 4085.17 lakhs. Our Company proposes to utilize an estimated amount of ₹ 1300.00 lakhs proceeds towards full or partial repayment or pre-payment of certain borrowings availed from the lenders by our Company.

Our Company has entered into various financial arrangements from time to time, with banks, financial institutions and other parties. The loan facilities availed by our Company include borrowing in the form of, inter alia, term loans and working capital facility from various lenders. For further details, see "**Statement of Financial Indebtedness**" on page 207 of this Draft Red Herring Prospectus. Our Company proposes to utilize an estimated amount of ₹ 1300.00 lakhs from the Net Proceeds towards full or partial repayment or pre-payment of certain borrowings, listed below, availed from the lenders by our Company. Pursuant to the terms of the financing arrangements, prepayment of certain borrowings may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, will be funded from the internal accruals of our Company.

We believe that such repayment/ pre-payment will help reduce our outstanding indebtedness, debt servicing costs, assist us in maintaining a favorable debt to equity ratio and enable utilization of our internal accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

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

| Sr. No. | Name of the lender                    | Nature of the borrowing | Sanctioned amount (in ₹ lakhs) | Amount Outstanding as at January 21, 2024 (in ₹ lakhs) | Rate of interest (%) | Repayment date/ Schedule   | Prepayment Penalty          | Purpose for which the loan was sanctioned* |
|---------|---------------------------------------|-------------------------|--------------------------------|--|----------------------|--|-----------------------------|--|
| 1       | The Saraswat Co-op Bank               | Business Loan-GECL      | 540.00                         | 540.00   | 9.25%                | Repayable in 36 Monthly instalment after moratorium period of 24 Month | As per Bank/ FI Instruction | General business Purpose                   |
| 2       | Diya Bhavesh Shah                     | Unsecured Business Loan | -                              | 51.02  | 9%                   | Payable on Demand  | Nil                         | General business Purpose                   |
| 3       | Rajul B. Shah                         | Unsecured Business Loan | -                              | 306.12   | 9%                   | Payable on Demand  | Nil                         | General business Purpose                   |
| 4       | Sun Overseas (Bhaveshbhai-Walkeshwar) | Unsecured Business Loan | -                              | 51.02  | 9%                   | Payable on Demand  | Nil                         | General business Purpose                   |
| 5       | Bhavesh B Shah                        | Unsecured Business Loan | -                              | 25.51  | 9%                   | Payable on Demand  | Nil                         | General business Purpose                   |
| 6       | Brijesh P. Avichal HUF                | Unsecured Business Loan | -                              | 106.12   | 9%                   | Payable on Demand  | Nil                         | General business Purpose                   |
| 7       | Hema N Shah ( Babu)                   | Unsecured Business Loan | -                              | 85   | 9%                   | Payable on Demand  | Nil                         | General business Purpose                   |
| 8       | Mayuri Kantilal Gosar                 | Unsecured Business Loan | -                              | 25.51  | 9%                   | Payable on Demand  | Nil                         | General business Purpose                   |
| 9       | Darshana V Parekh                     | Unsecured Business Loan | -                              | 25   | 12%                  | Payable on Demand  | Nil                         | General business Purpose                   |
| 10      | Brijesh P Avichal                     | Unsecured Business Loan | -                              | 28.57  | 9%                   | Payable on Demand  | Nil                         | General business Purpose                   |
| 11      | Kantilal Chanabhai Gosar              | Unsecured Business Loan | -                              | 25.51  | 9%                   | Payable on Demand  | Nil                         | General business Purpose                   |
| 12      | Kaushik Pravin Gogri (C/O Nulith)     | Unsecured Business Loan | -                              | 30.61  | 9%                   | Payable on Demand  | Nil                         | General business Purpose                   |

Note: The details included in the above table have been certified by our Statutory Auditors pursuant to their certificate dated March 30, 2024.

\*Our Statutory Auditors by way of their certificate dated March 30, 2024, have confirmed that the borrowings specified above has been utilized for the purposes availed, as per the sanction letters/loan agreements issued by the respective banks.

## 2. To Meet Working Capital Requirements

Our business requires working capital majorly for investment in trade receivables, inventories and payment to trade payables and funding day to day operations. The sale of our books under the K-12 business are linked to the academic cycle, and is, therefore, seasonal in nature. As per the business cycle of our company, we start procuring orders from the Schools, dealers and distributors, etc. during the period of January to March for State Boards and November to February for CBSE Boards. Post procuring the orders from the schools, dealers and distributors we start the books publishing process. Similarly, the major sales to the CBSE occurs during the period February to March and the sales to State Boards happen majorly during March to June period; hence, the company have higher level of trade receivables and inventories during certain period of the year.

The Company will meet the requirement to the extent of ₹[●] from the Net Proceeds of the Issue and balance from internal accruals and borrowings at an appropriate time.

Details of Estimation of Working Capital requirement are as follows:

| S. No.     | Particulars                               | Actual         |                |                |                |                |                 | (Rs. In Lakhs)  |
|------------|---|----------------|----------------|----------------|----------------|----------------|-----------------|-----------------|
|            |   | 31-March-2021  | 31-March-2022  | 31-March-2023  | 21- Jan - 2024 | 31-March-2024  | 31-March-2025   | 31-March-2026   |
| <b>I</b>   | <b>Current Assets</b>                     |                |                |                |                |                |                 |                 |
|            | Inventories                               | 2004.90        | 2124.81        | 2460.79        | 3756.73        | 3304.50        | 3487.18         | 3888.26         |
|            | Trade Receivables                         | 3331.04        | 3526.76        | 4285.66        | 2110.32        | 5359.54        | 6699.47         | 8374.34         |
|            | Cash and Cash equivalents                 | 54.09          | 390.67         | 186.03         | 17.18          | 40.17          | 112.95          | 184.89          |
|            | Short-Term Loans and Advances             | 1189.15        | 1400.32        | 955.75         | 398.82         | 325.00         | 571.15          | 705.50          |
|            | Other Current Assets                      | 107.91         | 54.69          | 176.03         | 180.60         | 191.03         | 200.03          | 350.03          |
|            | <b>Total (A)</b>                          | <b>6687.09</b> | <b>7497.25</b> | <b>8064.26</b> | <b>6463.65</b> | <b>9220.24</b> | <b>11070.78</b> | <b>13503.02</b> |
| <b>II</b>  | <b>Current Liabilities</b>                |                |                |                |                |                |                 |                 |
|            | Trade payables                            | 717.61         | 1183.27        | 1027.68        | 808.77         | 1278.60        | 973.46          | 1116.82         |
|            | Other current liabilities                 | 328.44         | 367.66         | 405.78         | 221.13         | 275.00         | 325.00          | 325.00          |
|            | Short-term provisions                     | 161.87         | 183.20         | 238.96         | 0.00           | 331.33         | 571.15          | 705.50          |
|            | <b>Total (B)</b>                          | <b>1207.92</b> | <b>1734.13</b> | <b>1672.42</b> | <b>1029.9</b>  | <b>1884.93</b> | <b>1869.61</b>  | <b>2147.32</b>  |
| <b>III</b> | <b>Total Working Capital Gap (A-B)</b>    | <b>5479.17</b> | <b>5763.12</b> | <b>6391.84</b> | <b>5433.75</b> | <b>7335.31</b> | <b>9201.17</b>  | <b>11355.7</b>  |
| <b>IV</b>  | <b>Funding Pattern</b>                    |                |                |                |                |                |                 |                 |
|            | Short Term Borrowings & Internal accruals | <b>5479.17</b> | <b>5763.12</b> | <b>6391.84</b> | <b>5433.75</b> | <b>7335.31</b> | [●]             | [●]             |
|            | <b>IPO Proceeds</b>                       |                |                |                |                |                | [●]             | [●]             |

**Assumptions for working capital requirements**

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for the period January 21, 2024 & financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, as well as estimated for financial year ended March 31, 2024, March 31, 2025 & March 31, 2026.

| Particulars | Unit | March 31, 2021 | March 31, 2022 | March 31, 2023 | January 21, 2024 | March 31, 2024 | March 31, 2025 | March 31, 2026 |
|-------------|------|----------------|----------------|----------------|------------------|----------------|----------------|----------------|
|             |      | Audited        |                |                |                  | Estimated      | Estimated      | Estimated      |
| Debtors     | Days | 373            | 299            | 207            | 145              | 210            | 210            | 210            |
| Creditors   | Days | 192            | 207            | 93             | 105              | 112            | 67             | 63             |
| Inventories | Days | 536            | 372            | 222            | 486              | 288            | 239            | 219            |

**Justification:**

|                    |   |
|--------------------|---|
| <b>Debtors</b>     | The historical holding days of trade receivables has been ranging from 207 days to 373 days during Fiscal 2021 to Fiscal 2023. As per the current credit terms and prevalent trend of the industry & in order to expand company's operations, the holding level for debtors is anticipated at 210 Days of total revenue from operations during Fiscal 2025 and 2026. The projected increase in trade receivables days is a strategic decision aimed at fostering higher sales growth. We intend to provide our customers with extended credit periods, allowing them more time to settle their invoices. By offering this flexibility, we expect to stimulate increased sales volume and foster stronger customer relationships. Further, due to the seasonality of business the debtors increase at a higher level during the last quarter of financial year followed by first half and streamline gradually later quarters. |
| <b>Creditors</b>   | Past trend of Trade payables holding days has been in the range of 93 days to 207 days approximately during Fiscal 2021 to Fiscal 2023. However, with additional working capital funding, our Company intends to reduce trade payables to 67 & 63 days during Fiscal 2025 and 2026 to avail cash discount as well as competitive purchase price to increase overall profitability of our Company. By reducing the time, it takes to settle our payables we aim to negotiate more favourable terms and conditions with our suppliers, enabling us to access competitive pricing for the services we receive.   |
| <b>Inventories</b> | The historical holding days of inventories has been ranging from 222 days to 536 days during Fiscal 2021 to Fiscal 2023. The company generally maintain a high level of inventory during the last quarter of the year as major production happen during these period and which are sold to the customer during the start of the academic season. We further expect to maintain the inventories days in the range of 239 days & 219 days for the Fiscal year 2025 & 2026   |

Note: The details included in the above table have been certified by our Statutory Auditors pursuant to their certificate dated March 30, 2024.

### 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 the balance Fresh Issue proceeds aggregating ₹ [●] Lakhs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

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

#### Public Issue Expenses

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

| Activity  | (₹ in Lakh) | As a % of Estimates Issue Expenses | As a % of Issue Size |
|---|-------------|------------------------------------|----------------------|
| Book Running Lead Manger Fees   | [●]         | [●]                                | [●]                  |
| Underwriting Commission   | [●]         | [●]                                | [●]                  |
| Brokerage and selling commission  | [●]         | [●]                                | [●]                  |
| Fees Payable to Registrar to the Issue  | [●]         | [●]                                | [●]                  |
| Fees Payable for Advertising and Publishing Expenses  | [●]         | [●]                                | [●]                  |
| Fees Payable to Regulators including Stock Exchanges  | [●]         | [●]                                | [●]                  |
| Payment for Printing & Stationery, Postage, etc.  | [●]         | [●]                                | [●]                  |
| Fees Payable to Statutory Auditor, Legal Advisors and other Professionals   | [●]         | [●]                                | [●]                  |
| Others (Commission/processing fee for SCSBs, Sponsor Bank and Banker(s) to the Issue and brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs and Miscellaneous Expenses) | [●]         | [●]                                | [●]                  |
| <b>Total</b>  | [●]         | [●]                                | [●]                  |

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

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

|  |   |
|--|---|
| Portion for Retail Individual Bidders* | 0.10% of the Amount Allotted* (plus applicable taxes) |
| Portion for Non-Institutional Bidders* | 0.10% of the Amount Allotted* (plus applicable taxes) |

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

(3) No uploading/ processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-

*Institutional Bidders which are procured by the members of the Syndicate/ sub-Syndicate/ Registered Broker/ CRTAs/ CDPs and submitted to SCSB for blocking, would be as follows:*

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

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

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

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

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

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

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

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

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

*Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the applications made by RIBs using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows: ₹10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.*

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

|   |  |
|---|--|
| <i>Portion for Retail Individual Bidders*</i> | <i>₹10 per valid application (plus applicable taxes)</i> |
| <i>Portion for Non-Institutional Bidders*</i> | <i>₹10 per valid application (plus applicable taxes)</i> |

*\* Based on valid applications*

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

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

*The selling commission and bidding charges payable to Registered Brokers the CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of Stock Exchange.*

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement. Further, the processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

**Proposed Schedule of Implementation:**

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

| S. No. | Particulars  | (₹ in Lakhs)                       |            |
|--------|--|------------------------------------|------------|
|        |  | Amount to be deployed and utilized |            |
|        |  | F.Y. 24-25                         | F.Y. 25-26 |
| 1.     | Repayment of certain borrowing availed by our Company, in part or full | 1300.00                            | --         |
| 2.     | To meet Working Capital requirements                                   | [●]                                | [●]        |
| 3.     | General Corporate Purpose  | [●]                                | [●]        |
|        | <b>Total</b>   | [●]                                | [●]        |

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

[●], Chartered Accountants vide their certificate dated [●] have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

| (₹ in Lakhs) |        |
|--------------|--------|
| Particulars  | Amount |
| [●]          | [●]    |
| <b>Total</b> | [●]    |

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

[●], Chartered Accountants vide their certificate dated [●] have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

| (₹ in Lakhs) |        |
|--------------|--------|
| Particulars  | Amount |
| [●]          | [●]    |
| <b>Total</b> | [●]    |

**Appraisal**

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

**Shortfall of Funds**

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

**Bridge Financing Facilities**

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

### **Monitoring Utilization of Funds**

As the size of the Issue will not exceed ₹ 10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Issue Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

### **Interim Use of Proceeds**

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

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

### **Variation in Objects**

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

### **Other confirmations**

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



### BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the section titled “**Our Business**” and its financial statements under the section titled “**Financial Information of the Company**” beginning on page 30, 108 and 156 respectively of the Draft Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

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

### QUALITATIVE FACTORS

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

1. Focused digital and technology platform
2. Consumer focused education content player
3. Healthy position in the K-12 market
4. Established network for content development and printing
5. Widespread sales and distribution network
6. Experienced management and leadership team

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “**Our Business**” beginning on page 108 of this Draft Red Herring Prospectus.

### QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled “**Financial Information of the Company**” on page 156 of this Draft Red Herring Prospectus.

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

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

As per the Restated Financial Statements:-

| Sr. No | F.Y./Period                          | Basic & Diluted (₹) | Weights |
|--------|--------------------------------------|---------------------|---------|
| 1.     | Financial Year ending March 31, 2023 | 4.57                | 3       |
| 2.     | Financial Year ending March 31, 2022 | 1.12                | 2       |
| 3.     | Financial Year ending March 31, 2021 | 1.87                | 1       |
|        | <b>Weighted Average</b>              | 2.97                |         |
|        | For period January 21, 2024*         | 1.19                |         |

\*not annualized

#### Notes:

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

vi. Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/period.

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

| Particulars  | (P/E) Ratio at the Floor Price | (P/E) Ratio at the Cap Price |
|--|--------------------------------|------------------------------|
| P/E ratio based on the Basic & Diluted EPS, as restated for the period ending March 31, 2023 | [●]                            | [●]                          |
| P/E ratio based on the Weighted Average EPS, as restated.                                    | [●]                            | [●]                          |

| Industry P/E Ratio*                  | (P/E) Ratio |
|--------------------------------------|-------------|
| Industry Average – Education Sector  | 15.64       |
| Highest (Navneet Education Limited)  | 15.96       |
| Lowest (S Chand and Company Limited) | 15.32       |

\*For the purpose of industry, we believe the companies engaged in the same sector or engaged in the similar line of business segment, however, they may not be exactly comparable in terms of size or business portfolio on a whole with that of our business. Average PE have been calculated based on the average of the PE of the Peer company i.e. S Chand and Company Limited & Navneet Education Limited.

**Note:**

- i) The P/E ratio has been computed by dividing Issue Price with EPS.
- ii) P/E Ratio of the Company is based on the Annual Report of the Company for the year 2022-23 and stock exchange data dated March 18, 2024.

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

| Sr. No | Period                       | RONW (%) | Weights |
|--------|------------------------------|----------|---------|
| 1      | Period ending March 31, 2023 | 30.04    | 3       |
| 2      | Period ending March 31, 2022 | 8.63     | 2       |
| 3      | Period ending March 31, 2021 | 13.40    | 1       |
|        | <b>Weighted Average</b>      | 20.13    |         |
|        | Period January 21, 2024*     | 11.93    |         |

\*not annualized

**Note:**

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
- ii. The RoNW has been computed by dividing restated net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/period
- iii. Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

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

| Sr. No. | NAV per Equity Share                 | Outstanding at the end of the year (Amt. in Rs.) |
|---------|--------------------------------------|--|
| 1       | As at March 31, 2021                 | 13.94  |
| 2       | As at March 31, 2022                 | 12.98  |
| 3       | As at March 31, 2023                 | 15.21  |
| 4       | As at January 21, 2024               | 10.00  |
| 5       | NAV per Equity Share after the Issue |  |
|         | (i) At Floor Price                   | [●]  |

|   |                   |     |
|---|-------------------|-----|
|   | (ii) At Cap Price | [●] |
| 6 | Issue Price       | [●] |

\*The above NAV has been calculated based on weighted number of shares outstanding at the end of the respective year/period.

**Notes:**

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
- ii. NAV per share=Restated Net worth at the end of the year/period divided by weighted average number of equity shares outstanding at the end of the year/period
- iii. Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.
- iv. Issue Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.

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

(Rs. In Lakhs)

| Name of Company             | Current Market Price (₹) | Face Value | EPS   |         | PE    | RoNW (%) | Book Value (₹) | Revenue from Operations |
|-----------------------------|--------------------------|------------|-------|---------|-------|----------|----------------|-------------------------|
|                             |                          |            | Basic | Diluted |       |          |                |                         |
| Chetana Education Limited   | [●]                      | 10         | 4.57  | 4.57    | [●]   | 30.04    | 15.21          | 7555.71                 |
| <b>Peer Group</b>           |                          |            |       |         |       |          |                |                         |
| S Chand and Company Limited | 251.60                   | 5          | 16.42 | 16.40   | 15.32 | 6.37     | 257.13         | 61,032.40               |
| Navneet Education Limited   | 144.25                   | 2          | 9.04  | 9.04    | 15.96 | 17.71    | 25.43          | 169683                  |

**Notes:**

- (i) Source – All the financial information for listed industry peers mentioned above is sourced from the Annual Reports of the aforesaid companies for the year ended March 31, 2023 and stock exchange data dated March 18, 2024 to compute the corresponding financial ratios. For our Company, we have taken Current Market Price as the Issue price of equity share. Further, P/E Ratio is based on the current market price of the respective scrips.
- (ii) The EPS, NAV, RoNW and total Income of our Company are taken as per Restated Financial Statement for the Financial Year 2022-23
- (iii) NAV per share is computed as the closing net worth divided by the weighted average number of paid up equity shares as on March 31, 2023.
- (iv) RoNW has been computed as net profit after tax divided by closing net worth.
- (v) Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.
- (vi) 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

**6. Key Performance Indicators**

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated March 18, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years' period prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by M/s Paresh Vora & Associates, Chartered Accountants, by their certificate dated March 16, 2024.

The KPIs of our Company have been disclosed in the sections titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators*” on pages 108 and 211, respectively. We have described and defined the KPIs as applicable in “*Definitions and Abbreviations*” on page 1 of this Draft Red Herring Prospectus.

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 utilisation of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

**Key Performance Indicators of our Company**

(₹ In Lakhs except percentages and ratios)

| Key Financial Performance              | January 21, 2024 | FY 2022-23 | FY 2021-22 | FY 2020-21 |
|--|------------------|------------|------------|------------|
| Revenue from operations <sup>(1)</sup> | 5320.72          | 7555.71    | 4309.05    | 3255.76    |
| EBITDA <sup>(2)</sup>                  | 606.41           | 1386.20    | 605.82     | 879.71     |
| EBITDA Margin <sup>(3)</sup>           | 11.40%           | 18.35%     | 14.06%     | 27.02%     |
| PAT <sup>(4)</sup>                     | 178.92           | 685.47     | 168.06     | 280.30     |
| PAT Margin <sup>(5)</sup>              | 3.36%            | 9.07%      | 3.90%      | 8.61%      |
| RoE(%) <sup>(6)</sup>                  | 9.46%            | 32.42%     | 8.32%      | 13.85%     |
| RoCE (%) <sup>(7)</sup>                | 10.02%           | 20.55%     | 9.94%      | 15.26%     |

**Notes:**

<sup>(1)</sup>Revenue from operation means revenue from sales, service and other operating revenues

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

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

<sup>(4)</sup> PAT is calculated as Profit before tax – Tax Expenses

<sup>(5)</sup>‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations.

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

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as Shareholders Fund + Long term borrowing + Short term borrowing+ Deferred Tax Liability.

**Explanation for KPI metrics:**

| KPI                     | Explanations   |
|-------------------------|--|
| Revenue from Operations | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business |
| EBITDA                  | EBITDA provides information regarding the operational efficiency of the business   |
| EBITDA Margin (%)       | EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business   |
| PAT                     | Profit after tax provides information regarding the overall profitability of the business.   |
| PAT Margin (%)          | PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.   |
| RoE(%)                  | RoE provides how efficiently our Company generates profits from shareholders’ funds.   |
| RoCE (%)                | RoCE provides how efficiently our Company generates earnings from the capital employed in the business.  |

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

(₹ In Lakhs except percentages and ratios)

| Key Financial Performance              | Chetana Education Limited |                |                | S Chand and Company Limited |                |                | Navneet Education Limited |                |                |
|--|---------------------------|----------------|----------------|-----------------------------|----------------|----------------|---------------------------|----------------|----------------|
|  | March 31, 2023            | March 31, 2022 | March 31, 2021 | March 31, 2023              | March 31, 2022 | March 31, 2021 | March 31, 2023            | March 31, 2022 | March 31, 2021 |
| Revenue from operations <sup>(1)</sup> | 7555.71                   | 4309.05        | 3255.76        | 61032.4                     | 48093          | 42522.3        | 169683                    | 111430         | 83457          |
| EBITDA <sup>(2)</sup>                  | 1386.20                   | 605.82         | 879.71         | 10984.2                     | 5857.1         | 5272.4         | 35294                     | 17212          | 13235          |
| EBITDA Margin (%) <sup>(3)</sup>       | 18.35%                    | 14.06%         | 27.02%         | 18.00%                      | 12.18%         | 12.40%         | 20.80%                    | 15.45%         | 15.86%         |
| PAT <sup>(4)</sup>                     | 685.47                    | 168.06         | 280.30         | 5759.20                     | 804.00         | (649.30)       | 20376                     | 7435           | 5591           |
| PAT Margin (%) <sup>(5)</sup>          | 9.07%                     | 3.90%          | 8.61%          | 9.44%                       | 1.67%          | (1.53%)        | 12.01%                    | 6.67%          | 6.70%          |
| RoE (%) <sup>(6)</sup>                 | 32.42%                    | 8.32%          | 13.85%         | 6.37%                       | 0.95%          | (0.78%)        | 17.71%                    | 7.84%          | 6.01%          |
| RoCE (%) <sup>(7)</sup>                | 20.55%                    | 9.94%          | 15.26%         | 6.16%                       | 1.64%          | 1.07           | 20.67%                    | 11.54%         | 8.75%          |

Notes:

(1) Revenue from operation means revenue from sales, service and other operating revenues

(2) EBITDA is calculated as Profit before tax + Depreciation + Finance Cost/Interest Expenses - Other Income (3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

(4) PAT is calculated as Profit before tax – Tax Expenses

(5) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

(6) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

(7) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as Shareholders Fund + Long term borrowing + Short term borrowing+ Deferred Tax Liability.

8. Weighted average cost of acquisition

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

There has been no issuance of Equity Shares other than Equity Shares issued pursuant to the conversion of the LLP into the Company and issue of equity shares to the Partners of the LLP against the Capital account of the Partner's made on January 21, 2024, during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more that 5% of the fully diluted paid-up share capital of our Company (calculated based on the preissue capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuance") are as follows:

| Date of Allotment | No. of Equity Shares allotted | Face Value (₹) | Issue Price (including Premium if applicable)(₹) | Nature of Consideration | Nature of Allotment | Total Consideration on (Rs. In Lakhs) |
|-------------------|-------------------------------|----------------|--|-------------------------|---------------------|---------------------------------------|
|-------------------|-------------------------------|----------------|--|-------------------------|---------------------|---------------------------------------|

|                  |             |    |    |      |  |         |
|------------------|-------------|----|----|------|--|---------|
| January 21, 2024 | 1,50,00,000 | 10 | 10 | Cash | Pursuant to conversion of LLP into Company | 1500.00 |
|------------------|-------------|----|----|------|--|---------|

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

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

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

| Types of transactions   | Weighted average cost of acquisition<br>(₹ per Equity Shares) | Issue price* (i.e. ₹<br>[●]) | Issue price* (i.e. ₹<br>[●]) |
|---|---|------------------------------|------------------------------|
| Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.                      | 10.00   | [●] times                    | [●] times                    |
| Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.            | NA^   | NA^^                         | NA^^                         |
| Weighted average cost of acquisition of primary issuances /secondary transactions as per paragraph 8(c) above | NA^   | NA^^                         | NA^^                         |

**Note:**

^There were no secondary sales / acquisition of shares of shares (equity/ convertible securities) other than Shares transfer on in last 18 months from the date of this Draft Red Herring Prospectus.

\* To be updated at Prospectus stage.

This is a Book Built Issue and the price band for the same shall be published 2 working days before opening of the Issue in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Marathi edition of Regional newspaper [●] where the registered office of the company is situated each with wide circulation.

The Price Band/ Floor Price/ Issue Price shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the above mentioned information along with “**Our Business**”, “**Risk Factors**” and “**Restated Financial Statements**” on pages 108, 30 and 156 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “**Risk Factors**” or any other factors that may arise in the future and you may lose all or part of your investments.

**STATEMENT OF SPECIAL TAX BENEFITS**

To,  
**The Board of Directors,**  
**Chetana Education Limited**  
4<sup>th</sup> Floor, B wing, Building E, Trade Link  
Senapati Bapat Marg, Kamala Mill Compound  
Mumbai, Maharashtra, India

**Dear Sirs/ Madam,**

**Sub: Statement of Tax Benefits ('The Statement') available to Chetana Education Limited ('The Company') and its shareholders prepared in accordance with the requirement in Schedule VIII- Clause (VII) (L) of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended ('The Regulation')**

We hereby report that the enclosed annexure prepared by the management of **Chetana Education Limited**, states the special tax benefits available to the Company and the shareholders of the Company under 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, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act") presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that; this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of Equity shares ("the Issue") by the Company.

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

- a) The Company or its shareholders will continue to obtain these benefits in future; or
- b) The conditions prescribed for availing the benefits have been/would be met.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

**Limitations:**

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to this issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

This statement has been prepared solely in connection with the Proposed Offer by the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

**For M/s Paresh Vora & Associates**  
**Chartered Accountants**  
**Firm Registration No:** 118090W

**CA Paresh Vora**  
**Partner**  
**M. No.** 103963  
**Date:** March 16, 2024  
**Place:** Mumbai



**ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS**

The information provided below sets out the special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act, 1961 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 Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

**A. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE COMPANY:**

- The Company is not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

**B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS:**

- The Shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

**NOTES:**

1. The above Annexure of special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
2. The above Annexure covers only the special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Annexure also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
3. The above Annexure of special tax benefits is as per the current direct tax laws relevant for the assessment year 2024-25. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
4. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
5. A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 ('the Amendment Act, 2019') with effect from Financial Year 2019-20 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/ incentives. The option under section 115BAA of the Act once exercised cannot be subsequently withdrawn for any future financial year. The Amendment Act, 2019 further provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax ('MAT') under Section 115JB. The CBDT has further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available.

In such a case, the Company is not allowed to claim any of the following deductions/ exemptions under the Act:

-

- ✓ Deduction under the provisions of Section 10AA.
- ✓ Deduction under clause (ia) of sub-section (1) of Section 32 (additional depreciation).
- ✓ Deduction under section 32AD or Section 33AB or Section 33ABA
- ✓ Deduction under section 35AD or Section 35CCC
- ✓ Deduction under section 80G

Lower corporate tax rate under Section 115BAA of the Act and Minimum Alternate Tax ('MAT') credit under section 115JAA of the Act which are in general available and hence may not be treated as special tax benefits.

The Company has evaluated and decided not to exercise the option permitted under Section 115BAA of the Act for the purpose of computing its income-tax liability for the Financial Year 2020-21 to Financial Year 2021-22, however, the Company is decided to exercise the option for Financial Year 2022-23.

6. This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
7. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

**For M/s Paresh Vora & Associates**  
**Chartered Accountants**  
**Firm Registration No: 118090W**

**CA Paresh Vora**  
**Partner**  
**M. No. 103963**  
**Date: March 16, 2024**  
**Place: Mumbai**

**SECTION V – ABOUT THE COMPANY**

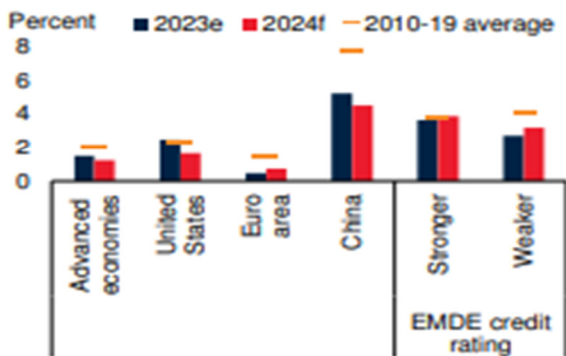
**INDUSTRY OVERVIEW**

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the 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.

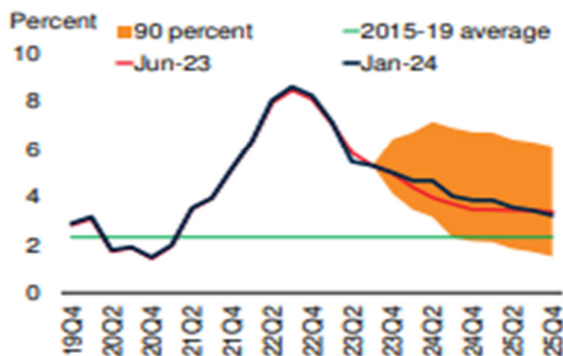
**Industry Overview**

Global economic activity continues to soften, amid the effects of tight monetary policies, restrictive financial conditions, and weak global trade growth. After a sharp slowdown in 2022 and another decline last year, global output growth is set to edge down in 2024, marking the third consecutive year of deceleration. The recent conflict in the Middle East has heightened geopolitical risks and raised uncertainty in commodity markets, with potential adverse implications for global growth. Near-term prospects are diverging. Growth in advanced economies as a whole and in China is projected to slow in 2024 to well below its 2010-19 average pace. Meanwhile, aggregate growth is set to improve in EMDEs with strong credit ratings, remaining close to pre-pandemic average rates. Although overall growth is also expected to firm somewhat from its 2023 low in EMDEs with weak credit ratings, the outlook for many such countries remains precarious, given elevated debt and financing costs, and idiosyncratic headwinds such as conflict. Global headline and core inflation have continued to decline from 2022 peaks. Nonetheless, inflation remains above target in most advanced economies and about half of inflation-targeting EMDEs. Global inflation is projected to remain above its 2015-19 average beyond 2024. Monetary tightening in advanced economies is concluding, but real policy interest rates are expected to remain elevated for some time, as inflation returns to target only gradually. This will keep the stance of advanced-economy monetary policies restrictive in the near-term, following the largest and fastest increase in U.S. real policy rates since the early 1980s. Long-term yields on advanced-economy government bonds were volatile in 2023, reflecting shifting expectations about the path of future interest rates and sizable movements in term premia. Although yields have retreated from their late-October peaks, they still imply increased fiscal vulnerabilities, given that median global government debt has risen by 20 percentage points of GDP since 2007, when U.S. yields were last at their current levels. The drag on growth from monetary tightening is expected to peak in 2024 in most major economies, assuming an orderly evolution of broader financial conditions. Thus far, headwinds to growth from elevated interest rates have been offset, to some degree, by households and firms spending out of savings buffers, resilient risk appetite, and extended maturities on stocks of low-cost debt, as well as by expansionary fiscal policy in some cases, most notably the United States.

**A. Growth, by economy and EMDE credit rating**



**B. Global consumer price inflation**



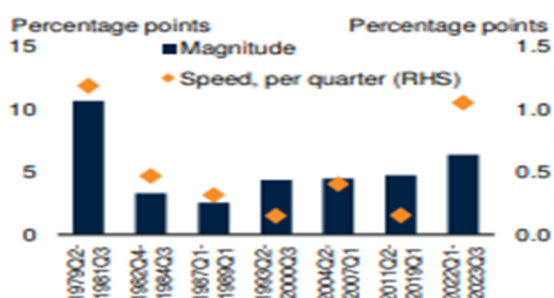
Global trade growth in 2023 was the slowest outside global recessions in the past 50 years, with goods trade contracting amid anemic global industrial production. Services trade has continued to recover from the effects of the

pandemic, but at a slower pace than previously expected. Global trade growth is projected to pick up to 2.3 percent in 2024, partly reflecting a recovery of demand for goods and, more broadly, in advanced-economy trade.

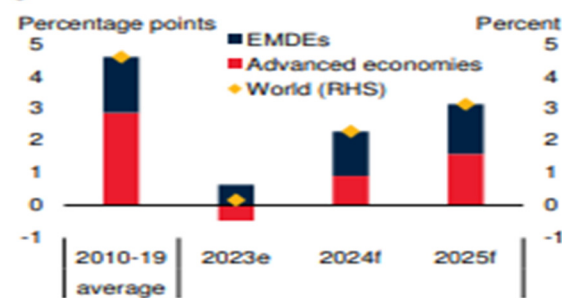
The recent conflict in the Middle East has so far had only a muted impact on commodity prices. In 2023 as a whole, most commodity prices weakened to varying degrees; however, they remain above pre-pandemic levels. Despite recent volatility triggered mainly by the conflict, and assuming hostilities do not escalate, average oil prices in 2024 are projected to edge down as global growth weakens and oil production increases. Metal prices are set to decline again as the slower growth in China further weighs on metal demand. Food prices are expected to soften further this year amid ample supplies for major crops but remain elevated.

Against this backdrop, global growth is estimated to have weakened last year to 2.6 percent. Although this is 0.5 percentage point higher than last June’s forecast, it is mainly due to better than-expected growth in the United States. Global growth is forecast to slow again, to 2.4 percent in 2024. This deceleration reflects softening labor markets, reduced savings buffers, waning pent-up demand for services, the lagged effects of monetary tightening, and fiscal consolidation.

**C. U.S. real interest rate cycles**

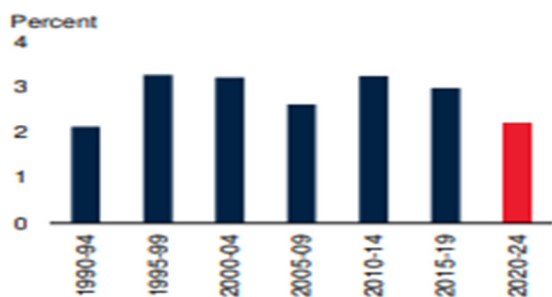


**D. Contributions to global trade growth**

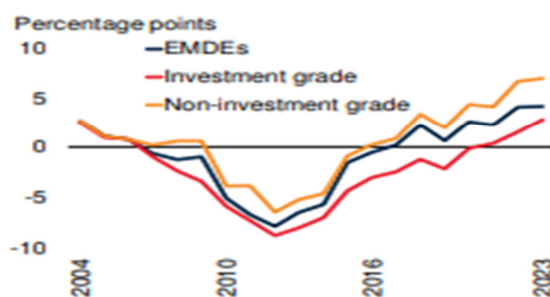


Over 2020-24, the forecast entails the weakest start to a decade for global growth since the 1990s—another period characterized by geopolitical strains and a global recession. Global growth is projected to pick up to 2.7 percent in 2025, as inflation continues to slow, interest rates decline, and trade growth firms. Advanced-economy growth is set to bottom out at 1.2 percent in 2024 as growth in the United States slows, while euro area growth, which was feeble last year, picks up slightly as lower inflation boosts real wages. In 2025, growth in advanced economies is forecast to pick up to 1.6 percent as the euro area continues to recover and U.S. growth edges up toward its long-term trend rate amid declining inflation and more supportive monetary policy. Growth in EMDEs is forecast to average 3.9 percent a year over 2024-25. China’s growth is expected to slow notably this year, as tepid consumer sentiment and a continued downturn in the property sector weigh on demand and activity. Excluding China, EMDE growth is set to firm from 3.2 percent in 2023 to 3.5 percent this year and 3.8 percent in 2025. This pickup reflects a rebound in trade and improving domestic demand in several large economies, as inflation continues to recede. Nonetheless, elevated borrowing costs will continue to squeeze fiscal space in EMDEs: U.S. dollar-denominated bond yields are well above the growth rates of nominal GDP in many countries, especially those with weaker creditworthiness. Although growth in low income countries (LICs) is forecast to firm, this will follow a feeble recovery from 2020, with violence and political instability in some countries curtailing activity last year. In all, the EMDE recovery from the 2020 pandemic recession remains modest. This reflects the negative effects of headwinds such as tight global financial conditions, a weak recovery in global trade, sharp domestic monetary tightening to tame inflation, the marked slowdown in China, and increased conflict. It also reflects the longer term downtrend in EMDE potential growth, including in China, due to decelerating investment and productivity growth, slowing labor force growth amid population aging, and the diminishing growth benefits of improvements in education and health (Kose and Ohnsorge 2023).

**E. Global growth**



**F. EMDE bond yields minus nominal growth rates**



Aggregate EMDE output is projected to continue following a lower path than was expected before the pandemic. As such, progress closing the gap in per capita income with advanced economies will remain limited, with EMDEs excluding China and India making no relative gains between 2019 and 2025. Many vulnerable EMDEs are falling further behind—this year, per capita income is forecast to be below its 2019 level in over one third of LICs and more than half of countries marred by fragility and conflict. Risks to the outlook remain tilted to the downside, although they have become somewhat more balanced since June, following continued declines in inflation and the stabilization of advanced-economy banking systems after stresses early last year. Intensification of these conflicts, or increasing geopolitical tensions elsewhere, could have adverse global repercussions through commodity and financial markets, trade, and confidence. Recent attacks on commercial vessels transiting the Red Sea have already started to disrupt key shipping routes, eroding slack in supply networks and increasing the likelihood of inflationary bottlenecks. In a setting of escalating conflicts, energy supplies could also be substantially disrupted, leading to a spike in energy prices. This would have significant spillovers to other commodity prices and heighten geopolitical and economic uncertainty, which in turn could dampen investment and lead to a further weakening of growth. Moreover, a range of possible developments—including unexpectedly stubborn inflation in advanced economies requiring higher interest rates than assumed, or rising term premia in bond yields—could precipitate a souring of risk appetite in global financial markets and a sharp tightening of financial conditions, with adverse effects on EMDEs. Weaker-than-projected growth in China could cause a sharper deceleration in global economic activity than expected. The slowdown in global potential growth could be exacerbated by further increases in trade restrictions and escalating fragmentation of trade and investment networks. Furthermore, the adverse effects of climate change could worsen beyond current expectations, with changing weather patterns contributing to more frequent and severe natural disasters, as well as worsening the incidence of extreme poverty. On the upside, resilient economic activity and declining inflation in the United States could be sustained, even in the face of substantial headwinds, if aided by further labor supply improvements. There is therefore a possibility that U.S. growth continues to be stronger than projected as price pressures recede and monetary policy is eased, which would bolster global activity. If any of the aforementioned downside risks were to materialize, they could lead to weaker growth than projected in the baseline. Alternative downside scenarios—including higher oil prices due to an escalation of geopolitical tensions, financial stress in EMDEs that leads to surging sovereign spreads, and weaker growth in China resulting in adverse global spillovers via commodity and other channels—show that in each case global growth in 2024 would be reduced by 0.2 percentage point below the baseline. In contrast, an upside scenario with higher-than-expected U.S. growth due to continuing strong supply conditions could boost global growth by 0.2 percentage point this year. The weak global growth outlook and the various downside risks highlight the challenges facing policy makers around the world. At the global level, coordinated improvements in debt relief, especially for the poorest countries, will be necessary to free up resources for growth enhancing investments in human and physical capital. Otherwise, mounting debt-service costs and slow progress in debt restructuring could exacerbate the difficulties facing many EMDEs. Already, about half of LICs and many middle-income countries are either in, or at high risk of, debt distress. Enhanced international cooperation is also required to tackle the existential threat of climate change, including by accelerating the clean energy transition, helping countries improve energy security and affordability, and incentivizing the investments needed to pursue a path toward resilient, low-carbon growth.

In addition, the global community needs to guard against the fragmentation of trade and investment networks, including by prioritizing a rules-based international trading system and expanding trade agreements. Furthermore, global cooperation is critical to address the pressing issues of mounting food insecurity and conflict. Policy makers at the national level also face formidable challenges, which will require careful calibration of competing priorities. With

inflation projected to continue moderating, policy interest rates are set to ease across many EMDEs over 2024 and 2025. However, monetary policy easing in EMDEs could be constrained by narrowing interest rate differentials relative to advanced economies, which could heighten the risk of capital outflows and currency depreciations. Renewed surges in advanced economy yields— driven, for instance, by upside inflation surprises or rising term premia—could also trigger disruptions in EMDE financial markets. Careful attention to risks is therefore required to ensure that monetary policy supports sustainable growth while helping to durably bring down inflation, and to maintain financial stability, particularly in EMDEs with large fiscal and current account deficits. Fiscal policy space in EMDEs remains narrow amid weak revenues and rising debt-servicing costs. Elevated debt, combined with tight financial conditions and tepid growth, is putting further pressure on longer-term fiscal sustainability, while increasing vulnerability to external financial shocks. For EMDEs with weak credit ratings, these pressures have already crystallized such that international capital markets have effectively been closed to them for two years. In the face of exigent borrowing costs, governments in EMDEs, including LICs, need to scale up revenue mobilization and spending efficiency and bolster debt management. Measures to strengthen government institutions more broadly can support these efforts. Commodity-exporting EMDEs face particular fiscal challenges from fluctuations in commodity prices. A sustainable, well designed, stability-oriented fiscal framework, combined with strong institutions, can help governments build buffers during commodity price booms that can be drawn upon during subsequent slumps. Reversing the ongoing weakening of potential growth and its underlying drivers, including investment and productivity growth, will require decisive structural reforms, including measures to promote trade and financial liberalization, develop human capital and infrastructure, close gender gaps, increase labor force participation, and promote innovation. Such reforms—together with policies that ensure macroeconomic stability, including the adoption of inflation targeting where not already credibly in place—can form comprehensive packages of beneficial policies. Implementing these policy packages, with judicious sequencing, can help to spark sustained investment accelerations, which have a strong track record of delivering transformative growth. The presence of well-functioning institutions also raises the chances of igniting an investment acceleration and securing improved long-term growth performance.

(Source - <https://openknowledge.worldbank.org/server/api/core/bitstreams/6e892b75-2594-4901-a036-46d0dec1e753/content>)

### **Indian Economy overview**

India is one of the fastest growing economies of the world and is poised to continue on this path, with aspirations to reach high middle-income status by 2047, the centenary of Indian independence. It is also committed to ensuring that its continued growth path is equipped to deal with the challenges of climate change, and in line with its goal of achieving net-zero emissions by 2070.

The growth of the past two decades has also led to India making remarkable progress in reducing extreme poverty. Between 2011 and 2019, the country is estimated to have halved the share of the population living in extreme poverty - below \$2.15 per person per day (2017 PPP) (World Bank Poverty and Inequality Portal and Macro Poverty Outlook, Spring 2023). In recent years, however, the pace of poverty reduction has slowed especially during the COVID-19 pandemic, but has since moderated in 2021-22.

Certain challenges persist. Inequality in consumption continues, with a Gini index of around 35 over the past two decades. Child malnutrition has remained high, with 35.5 percent of children under the age of 5 years being stunted, with the figure rising to 67 percent for children in the 6-59 months age group. Headline employment indicators have improved since 2020 but concerns remain about the quality of jobs created and the real growth in wages, as well as around the low participation of women in the laborforce.

India's aspiration to achieve high income status by 2047 will need to be realized through a climate-resilient growth process that delivers broad-based gains to the bottom half of the population. Growth-oriented reforms will need to be accompanied by an expansion in good jobs that keeps pace with the number of labour market entrants. At the same time, gaps in economic participation will need to be addressed, including by bringing more women into the workforce.

The World Bank is partnering with the government in this effort by helping strengthen policies, institutions, and investments to create a better future for the country and its people through green, resilient, and inclusive development.

### **Economic Outlook**

After real GDP contracted in FY20/21 due to the COVID-19 pandemic, growth bounced back strongly in FY21/22, supported by accommodative monetary and fiscal policies and wide vaccine coverage. Consequently, in 2022, India emerged as one of the fastest growing economies in the world, despite significant challenges in the global environment – including renewed disruptions of supply lines following the rise in geopolitical tensions, the synchronized tightening of global monetary policies, and inflationary pressures.

In FY22/23, India's real GDP expanded at an estimated 6.9 percent. Growth was underpinned by robust domestic demand, strong investment activity bolstered by the government's push for investment in infrastructure, and buoyant private consumption, particularly among higher income earners. The composition of domestic demand also changed, with government consumption being lower due to fiscal consolidation.

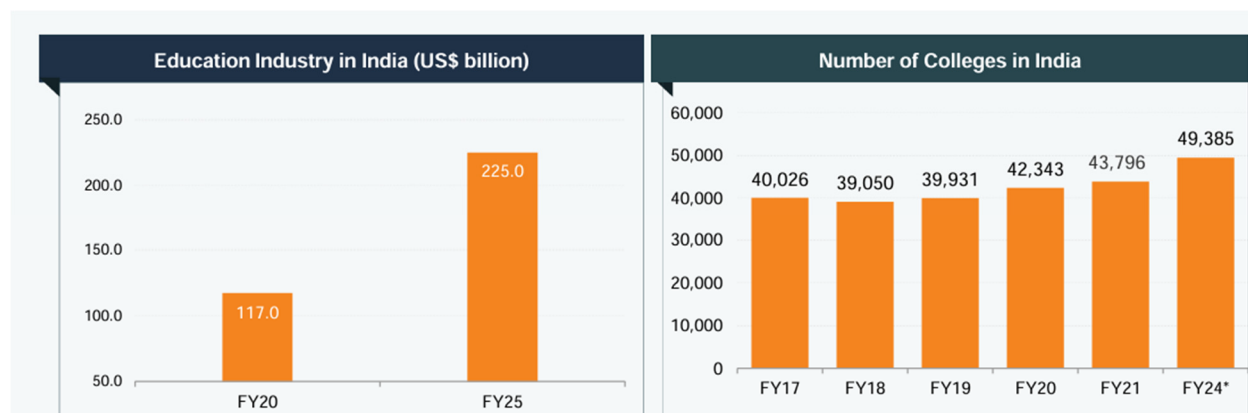
Since Q3 FY22/23, however, there have been signs of moderation, although the overall growth momentum remains robust. The persisting headwinds – rising borrowing costs, tightening financial conditions and ongoing inflationary pressures – are expected to weigh on India's growth in FY23/24. Real GDP growth is likely to moderate to 6.3 percent in FY23/24 from the estimated 6.9 percent in FY22/23.

Both the general government fiscal deficit and public debt to GDP ratio increased sharply in FY20/21 and have been declining gradually since then, with the fiscal deficit falling from over 13 percent in FY20/21 to an estimated 9.4 percent in FY22/23. Public debt has fallen from over 87 percent of GDP to around 83 percent over the same period. The consolidation has largely been driven by an increase in revenues and a gradual withdrawal of pandemic-related stimulus measures. At the same time, the government has remained committed to increasing capital spending, particularly on infrastructure, to boost growth and competitiveness.

(Source - <https://www.worldbank.org/en/country/india/overview>)

#### EDUCATION AND TRAINING SECTOR OUTLOOK

- With ~26.31% of India's population in the age group of 0-14 years, India's education sector provides numerous opportunities for growth.
- According to the Union Budget 2023-24:
  - The government allocated Rs. 68,804.85 crore (US\$ 8.3 billion) for the Department of School Education and Literacy, compared with Rs. 59,819.37 crore (US\$ 8 billion) in the Union Budget 2022-23, a 13.06% YoY increase.
  - Allocation towards the Samagra Shiksha Scheme increased by around 20.3%, from Rs 31,050.16 crore (US\$ 4.16 billion) in FY22 to Rs. 37,383.36 crore (US\$ 5.01 billion) in FY23.
- Government of India's target of Gross Enrolment Ratio (GER) of 50% by 2035 for students in the 18-23 age group is expected to drive investments in the education space. In 2020-21, GER stood at 27.3%.
- According to KPMG, India has also become the second largest market for E-learning after the US.
- The online education market in India is expected to grow by US\$ 2.28 billion during 2021-2025, growing at a CAGR of almost 20%. The market grew by 19.02% in India in 2021.



- The Indian edtech market size is expected to reach US\$ 30 billion by 2031, from US\$ 700-800 million in 2021.
- The edtech space has attracted private equity investments of over US\$ 4 billion over the last five years.
- A total of 100 Indian institutions were qualified for the Times Higher Education World University Rankings 2023, up from 63 in 2020.
- India had 89 universities in Times Higher Education Emerging Economies University Rankings 2022, behind Russia with 100 and China with 97.
- As per the QS World University Rankings 2023, India is home to 41 out of almost 1,500 top global institutions in the world, with the Indian Institute of Science in Bengaluru being the highest-ranked institution in the country at rank 155.

#### Advantages in India for education and training industry

##### 1. COMPETITIVE ADVANTAGES

- Large English-speaking population allows easy delivery of educational products. India was ranked 52nd out of 111 countries in the English Proficiency Index 2022.
- Nine Indian institutes- the Indian Institute of Science (IISc) in Bengaluru and eight Indian Institutes of Technology (IITs) were among the top 500 universities in the QS World University Rankings 2023.

##### 2. ROBUST DEMAND

- India has the largest population in the world in the age bracket of 5-24 years with 580 million people, presenting a huge opportunity in the education sector.
- India has over 250 million school-going students, more than any other country.
- Huge demand-supply gap with an additional requirement of 200,000 schools, 35,000 colleges, 700 universities and 40 million seats in the vocational training centres.
- Applications for the 'Study In India' programme increased by 146% in 2021.

##### 3. INCREASING INVESTMENTS

- The education market in India is expected to amount to US\$ 225 billion by FY25.
- From April 2000-March 2023, Foreign Direct Investment (FDI) equity inflow in the education sector stood at US\$ 9.2 billion.
- The edtech space has attracted private equity investments of over US\$ 4 billion over the last five years.
- Indian edtech startups have received total investment of US\$ 3.94 billion across 155 deals in FY22.

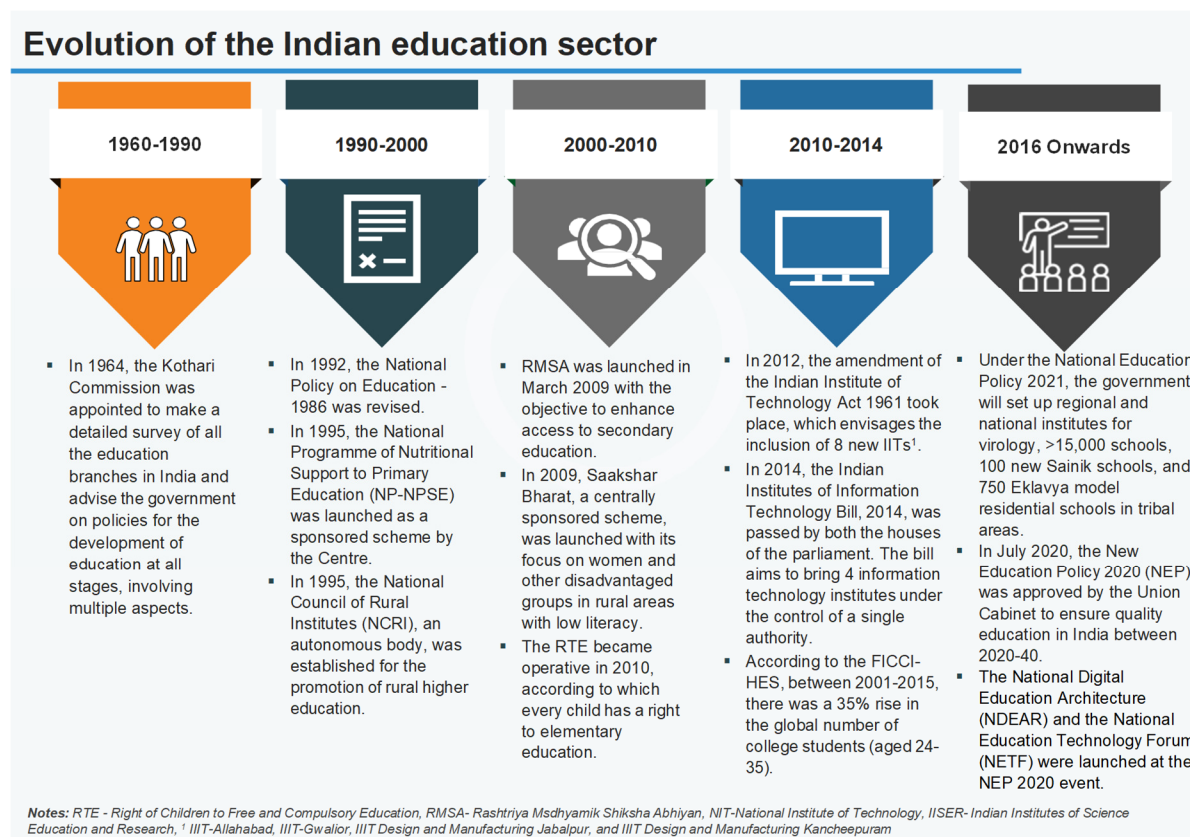


- In June 2022, edtech platform Physics Wallah became India’s 101st unicorn by raising US\$ 100 million in a Series-A funding round from West Bridge Capital and GSV Ventures, valuing the company at US\$ 1.1 billion.

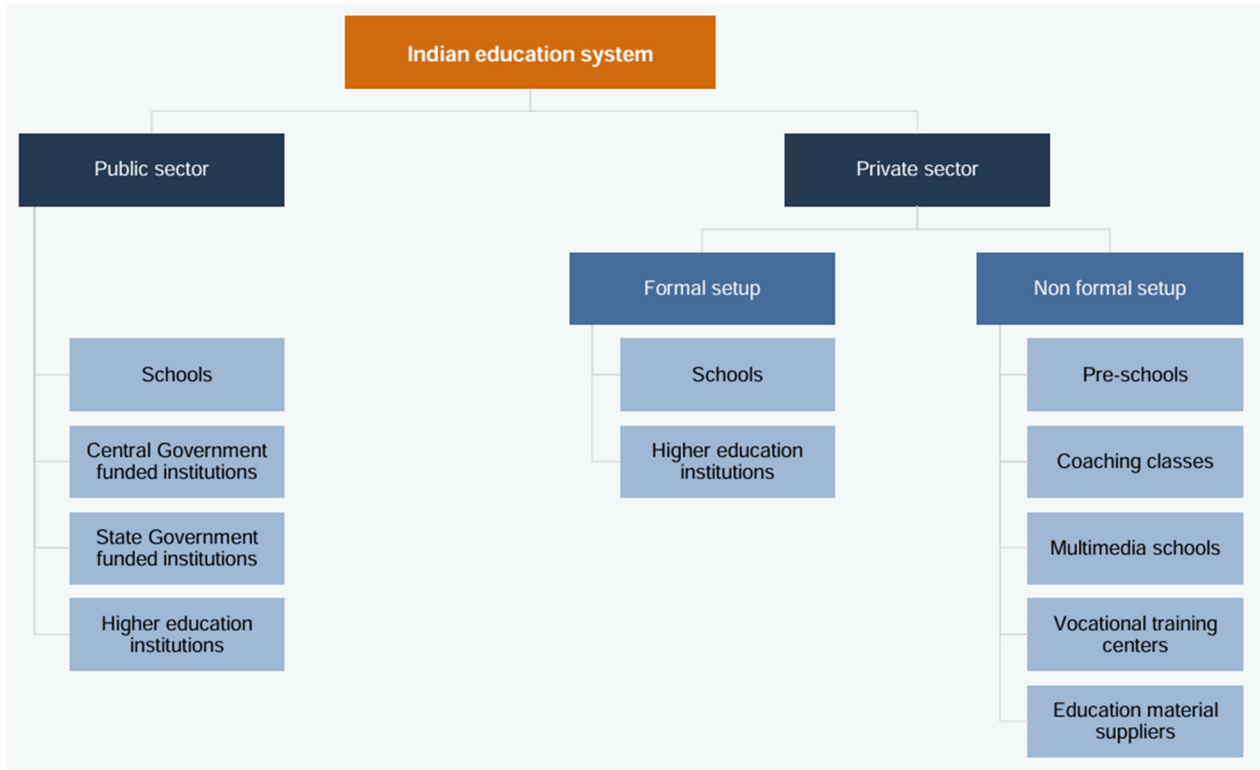
#### 4. POLICY SUPPORT

- 100% FDI (automatic route) is allowed in the Indian education sector.
- To liberalise the sector, the Government has taken initiatives such as the National Accreditation Regulatory Authority Bill for Higher Educational, and the Foreign Educational Institutions Bill.
- The government schemes of Revitalising Infrastructure and System in Education (RISE) and Education Quality Upgradation and Inclusion Programme (EQUIP) are helping the government tackle the prominent challenges faced by the education sector.

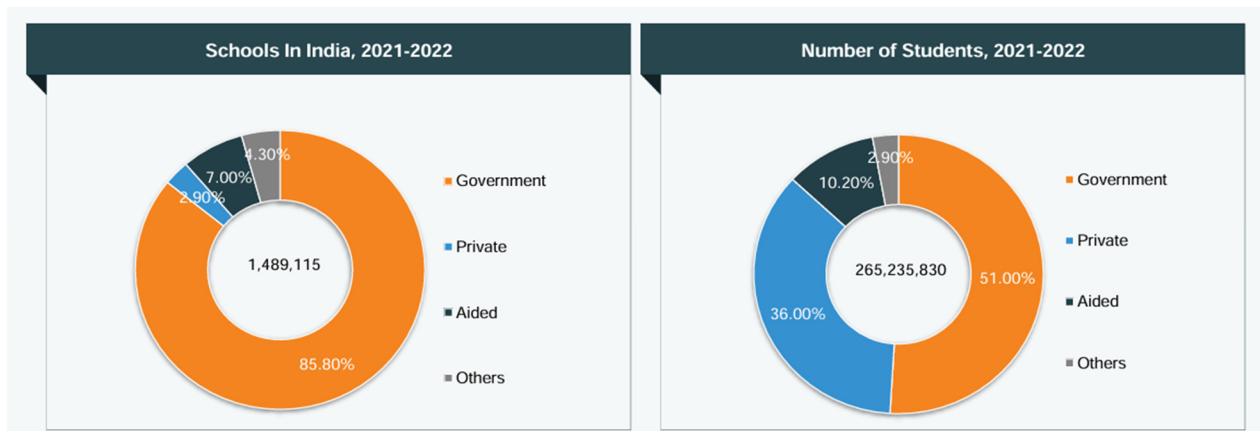
#### Market Overview



Education landscape in India



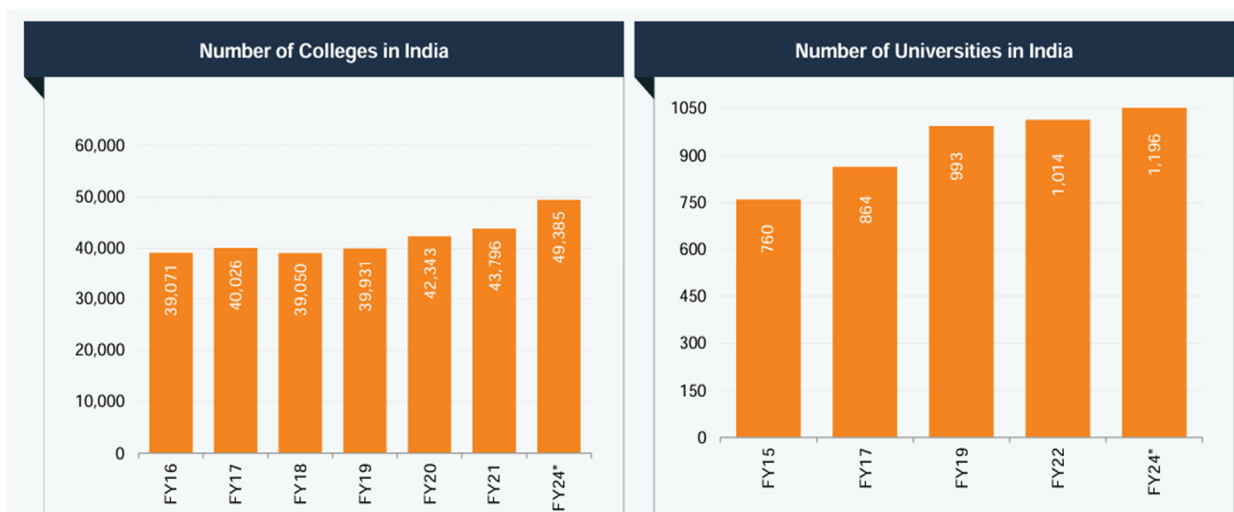
School education



- The new education policy emphasis on early childhood care and education. The 10+2 structure of school curricula is to be replaced by a 5+3+3+4 curricular structure corresponding to ages 3-8, 8-11, 11-14, and 14-18 year, respectively.
- In August 2023, Union Minister of Education Dharmendra Pradhan unveiled the National Curriculum Framework for School Education (NCF), which has been developed based on the National Education Policy (NEP), 2020 vision. As per that, in order to guarantee that students have adequate time and opportunity to perform successfully, board exams will be offered at least twice a year.
- A new National Assessment Centre, PARAKH (Performance Assessment, Review, and Analysis of Knowledge for Holistic Development), was set up as a standard-setting body.

- According to the Unified District Information System for Education (UDISE) data, in 2021-22, India had 1,489,115 schools; government schools accounted for the largest share at ~70% of the total number of schools in India.
- According to UNESCO’s ‘State of the Education Report for India 2021’, the Pupil Teacher Ratio (PTR) at senior secondary schools is 47:1, as against 26:1 of the overall school system.
- The Union Cabinet accepted the continuance of the Samagra Shiksha School Education Scheme in 2021 from April 1, 2021-March 31, 2026.

Higher education

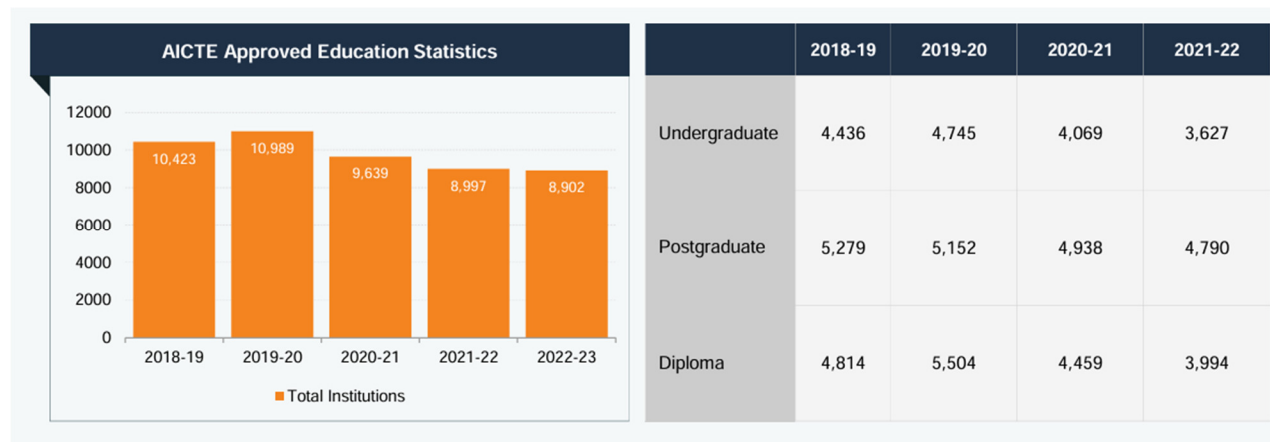


- Number of colleges in India reached 49,385 in FY24 (as of September 13, 2023) and 43,796 in FY21, up from 42,343 in FY20.
- Number of universities in India reached 1,196 in FY24 (as of September 13, 2023), up from 760 in FY15. FY24\*
- ICAR is one of the largest national agricultural organisations in the world. It has 97 institutes and 45 agricultural universities across India, as of July 2021.
- A total of 100 Indian institutions have been qualified for the Times Higher Education World University Rankings 2023, with the Indian Institute of Science in Bengaluru being the highest-ranked.
- The University Grants Commission approved the ‘Guidelines for Sustainable University-Industry Collaboration in Indian Universities’ in June 2023. Higher educational institutions have been asked to take measures to boost R&D by creating R&D clusters at State or regional levels through University-Industry (UI) linkages.



- India has the world’s largest higher education system, and it ranks second in terms of student enrolment.
- India had 41.38 million students enrolled in higher education in 2020-21 with 21.2 million male and 20.1 million female students, as against 38.5 million students enrolled in higher education in 2019-20, with 19.6 million male and 18.9 million female students.

- The online education market in India is expected to grow by US\$ 2.28 billion during 2021-25, growing at a CAGR of almost 20%.
- NEP 2020 aims to increase the Gross Enrolment Ratio (GER) in higher education, including vocational education, from 26.3% in 2018 to 50% by 2035.
- NEP 2020 aims to add 3.5 crore new seats to higher education institutions.
- In 2020-21, GER in higher education in India was 27.3%, up from 21.5% in 2012-13.



- In the academic year 2022-23:
- There are 8,902 total AICTE approved institutes.
- Out of the total 8,902 institutes, there are 3,577 undergraduate, 4,786 postgraduate and 3,957 diploma institutes approved by the All India Council for Technical Education.
- Total enrolment of students stood at 3 million.

#### Recent Trends and Strategies

Notable trends in the K-12 segment

#### 1. PRIVATE SCHOOLS ADOPTING FRANCHISE MODELS

- Various operating models like a mix of franchise and owned- schools are being used by private players to ensure their economic viability.
- Setting up an all new education institution is very difficult and expensive. Franchising provides opportunities to start a new business with less capital

#### 2. EMERGENCE OF INTERNATIONAL SCHOOL SEGMENT

- With increasing awareness, private Indian players are collaborating with international brands to provide an international standard of education.

#### 3. INCREASING USE OF TECHNOLOGY

- By 2024, ~47% learning management tools are expected to be enabled by AI capabilities.
- With cutting-edge technologies such as AI, ML, IoT and blockchain, India's education sector will redefine itself in 2022. It has also embraced the Education 4.0 revolution, which promotes inclusive learning and increased employability.
- As part of a comprehensive initiative known as PM eVIDYA, the Department of School education and the Ministry of Education were recognised by UNESCO for their use of information and communication technology (ICT) during the COVID-19 pandemic.
- On its 75th Independence Day, India announced plans to launch 75 student-made satellites

#### 4. KEY CHALLENGES

- Enrolment rate across the senior classes is quite low, while the girl's dropout rate has witnessed an increase in comparison to that of boys at primary and secondary levels.

##### Notable trends in the higher education segment

#### 1. STREAMLINE THE PROCESSES TO REDUCE COMPLIANCE BURDEN

In April 2021, the Ministry of Education (MoE) and the University Grants Commission (UGC) started a series of online interactions with stakeholders to streamline the forms and processes for reducing compliance burden in the higher education sector, as a follow-up to the government's focus on ease of doing business to enable ease of living for the stakeholders.

#### 2. SPECIALISED DEGREES GAINING POPULARITY

- With more and more students opting for industry focused qualifications, the demand for specialised degrees is picking up.
- A lot of universities are offering MBA/ technical degrees with focus on specific sectors.

#### 3. SHIFT TOWARDS ONLINE LEARNING

- Higher education institutes in India are focusing on creating online programmes due to the increasing demand from consumers.
- The online education market in India is expected to grow by US\$ 2.28 billion during 2021-25, growing at a CAGR of almost 20%.
- In July 2023, the Indian government announced a new free AI training course as part of its India 2.0 program. Developed in a collaborative effort between Skill India and GUVI, the program proudly holds accreditations from the National Council for Vocational Education and Training (NCVET) and IIT Madras.
- In November 2022, the Indira Gandhi National Open University (IGNOU) launched an online MA programme in Sustainability Science.

#### 4. INCREASE IN STUDENT ENROLMENT

- The total enrolment in higher education increased to nearly 4.14 crore in 2020-21 from 3.85 crore in 2019-20.
- Since 2014-15, there has been an increase of around 72 lakh in enrolment (21%).

##### Notable trends in the vocational training segment

#### 1. PRIMARY COOPERATIVE INSTITUTIONS TRAINING

- 'Sahakar Pragya' initiative was introduced by the Minister of Agriculture and Farmers' Welfare, Rural Development, Panchayat Raj and Food Processing Industries, Narendra Singh Tomar.
- The National Cooperative Development Corporation (NCDC) will provide training to primary cooperative societies in rural areas, using 45 new training modules from Sahakar Pragya.

#### 2. ONLINE CHANNEL GAINING MOMENTUM

- In September 2022, Unfold U Group, India's leading online education player, announced plans to enter the space of Metaverse education.

#### 3. CORPORATE PARTNERSHIPS

- In February 2022, the AICTE - backed by AWS Academy and EduSkills - launched a two-month virtual internship program in AI for 5,000 students. The course duration is two months and the students will receive a certificate and a digital badge upon completion.

- In December 2023, UNICEF and its global partnerships platform Generation Unlimited (also known as YuWaah in India) partnered with key organisations committed to working towards a green future for children and young people as a part of the Green Rising India Alliance.

#### **GOVERNMENT INITIATIVES**

- The NEP, which will be fully implemented over the course of this decade starting from 2021-22, will have a strong focus on high-quality vocational education.
- In September 2023, a three-year partnership called "Education to Entrepreneurship: Empowering a Generation of Students, Educators, and Entrepreneurs" was launched by the Ministry of Education and the Ministry of Skill Development and Entrepreneurship, and Meta in New Delhi.
- In February 2022, the Central Government approved the "New India Literacy Programme" for the period FY27, to cover all the aspects of adult education to align with the NEP 2020 and Budget Announcements 2022-23.

(Source - Education & Training Sector in India, Education Index of India - IBEF)

## OUR BUSINESS

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

All financial information included herein is based on our “**Financial information of the Company**” included on page 156 of this Draft Red Herring Prospectus.

### **Business Overview**

We are a content-based company, specializing in educational book publishing for the CBSE/State Board curriculum catering to the K-12 segment. Additionally, we provide access to educational software for learning videos (for teachers and Students) accessible through QR (Quick Response) codes, backed by a comprehensive sales and distribution network. We currently focus on serving the Maharashtra State Board and Central Board of Secondary Education (CBSE), covering the spectrum of education books from early pre-primary learning to K-12 course. During the Fiscal year 2023, we sold over 6 million books, covering students across different standards ranging from pre-primary, primary, secondary, and higher secondary levels.

We have established a portfolio of over 700 titles as of 2023 with 15 distinct brands. Some of the names in our lineup include Master Key, Self-Study, Firefly, Bright Buddies, My Skill Book, Grade Me, QR series etc. Apart from publishing books, we are also involved in developing a range of digital content for enhanced understanding of topics for students and aim to make the content more viable for a better learning experience. We have over the years produced over 30,000 videos that can be accessed via QR codes, which could help transform traditional content into digital formats, facilitating the students for further self-studies post school and tutorials without any additional cost. This has been achieved through a strategic partnership with Allern Enterprises Private Limited, an Edtech company.

Below are the details of the number of titles currently published by the company under different brand names as of March 31, 2023-

| <b>Pre- Primary - Playschool, Nursery, Junior Kg, Senior Kg</b> |                                  |                      |
|---|----------------------------------|----------------------|
| <b>Age Group - 3 to 6</b>                                       |                                  |                      |
| <b>Board</b>  | <b>Brands</b>                    | <b>No. of Titles</b> |
| CBSE  | Little Mee                       | 43                   |
|   | Firefly Foundation               | 43                   |
|   | My skill book                    | 32                   |
| SSC   | Bright Buddies Foundation        | 25                   |
|   | BLOOM                            | 17                   |
|   | My NoteBook                      | 14                   |
| <b>Primary - Grade – 1 to 5</b>                                 |                                  |                      |
| <b>Age Group - 7 to 11</b>                                      |                                  |                      |
| <b>Board</b>  | <b>Brands</b>                    | <b>No. of Titles</b> |
| CBSE  | Little Mee (1 & 2)               | 22                   |
|   | Coursebook Series (Ville Series) | 20                   |
|   | Nine Hats (Only EVS)             | 5                    |
|   | Firefly Supplementary            | 30                   |
|   | Super 5                          | 25                   |
| SSC   | COSMOS Series                    | 30                   |
|   | Grade Me (English Medium)        | 25                   |
|   | Grade Me (Marathi Medium)        | 25                   |

|   |  |                      |
|---|--|----------------------|
|   | Chetana QR Books   | 5                    |
|   | Bright Buddies   | 43                   |
|   | Other useful Books (English Medium)                          | 5                    |
|   | Other useful Books (Marathi Medium)                          | 32                   |
|   | MasterKey (Std 5)  | 6                    |
| <b>Secondary - Grade – 6 to 10</b>                          |  |                      |
| <b>Age Group - 12 to 16</b>                                 |  |                      |
| <b>Board</b>  | <b>Brands</b>  | <b>No. of Titles</b> |
| CBSE  | Course Book Series (Ville Series) (English, Hindi & Marathi) | 9                    |
|   | Firefly QR (Math & Science)                                  | 10                   |
|   | Firefly Supplementary  | 12                   |
| SSC   | COSMOS Series  | 12                   |
|   | Grade Me (English Medium)                                    | 27                   |
|   | Grade Me (Marathi Medium)                                    | 30                   |
|   | Bright Buddies   | 9                    |
|   | Chetana QR   | 28                   |
|   | MasterKey (English Medium)                                   | 45                   |
|   | MasterKey (Marathi Medium) (8 to 10)                         | 22                   |
|   | Other useful Books (English Medium)                          | 38                   |
|   | Other useful Books (Marathi Medium)                          | 25                   |
| <b>Higher Secondary (State Board) - Grade – 11 &amp; 12</b> |  |                      |
| <b>Age Group – 17 to 19</b>                                 |  |                      |
| <b>Board</b>  | <b>Brands</b>  | <b>No. of Titles</b> |
| State Board   | MasterKey Science  | 13                   |
|   | MasterKey Commerce   | 17                   |
|   | MHT-CET  | 3                    |
| <b>Total number of Titles</b>                               |  | <b>747</b>           |

Chetana's network encompasses numerous schools, coaching classes and booksellers, supported by collaborations with different vendors in printing, paper sourcing, binding, lamination and packaging. Partnerships with over 400 contractual authors contributing to the content creation for the company. While we have strategically opted for partnerships with printers and binders in India, our decision to remain asset-light underscores our commitment to operational agility and cost optimization and absolute focus on content development for the education sector and effective sales and distribution.

Our company was incorporated as a Limited liability partnership during the year 2018 by our promoters Anil Jayantilal Rambhia and Rakesh Jayantilal Rambhia, with the vision to make its presence in the education sector. Our Company during the year 2018 purchased the Publication undertaking from M/s Chetana Book Depot (partnership firm of our promoters) founded by Late Shri Jayantilal D. Rambhia in 1975 and Chetana Publication, a partnership firm was set up in 1997 and converted into Chetana Publication Private Limited (our group company) in 2005. We have over the years established our presence across 18 states and Union Territories in India. We have developed a supply chain by rationalizing and integrating our procurement, manufacturing and logistic capabilities. Our outsourced print facilities and own distribution networks are supported by our logistics network, which as on January 2024, comprised of one centrally located warehouse in Bhiwandi, near Mumbai, Maharashtra supported by two C&F facilities catering to North and South India in Delhi and Karnataka respectively with overall area of about 70,000 sq ft to allow coverage across India. Our paper purchases are integrated, which helps us to achieve economies of scale and improves our bargaining power with raw material suppliers.

As of January 2024, our distribution and sales network consists of over 500 distributors and dealers, and we have an in-house sales team working from our branches and marketing offices across India. We consider our schools, teachers and students to be our “touch points” and our sales team is responsible for developing the relationships with our customers in our pre-primary, primary, secondary and higher secondary learning businesses. Along with marketing our content directly to educators and schools to place our products on prescribed and recommended reading lists, we also market our products directly to distributors and dealers.



Our Promoters namely Anil Jayantilal Rambhia and Rakesh Jayantilal Rambhia, bring over 30 and 25 years respectively of experience in the publishing industry. Anil Jayantilal Rambhia specializes in sales and marketing, while Rakesh Jayantilal Rambhia specializes in product innovation, systems integration and process optimisation, and looks after finance and accounts. Human capital is a strong focus for our Company, with our employee strength expanding to a team of over 400 employees. Additionally, in order to increase the focus towards marketing and sales, which is one of our key components, we have established a dedicated team of over 200 salesforce, which are further supported by our network of distributors and retailers. This extensive network not only promotes our products but also serves as a valuable feedback channel, contributing to our continuous improvement.

### Financial Snapshot

(All amounts in Rs. Lakhs)

| Key Financial Performance              | For the year     |                |                |                |
|--|------------------|----------------|----------------|----------------|
|  | January 21, 2024 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Revenue from operations <sup>(1)</sup> | 5320.72          | 7555.71        | 4309.05        | 3255.76        |
| EBITDA <sup>(2)</sup>                  | 606.41           | 1386.20        | 605.82         | 879.71         |
| EBITDA Margin <sup>(3)</sup>           | 11.40%           | 18.35%         | 14.06%         | 27.02%         |
| PAT                                    | 178.92           | 685.47         | 168.06         | 280.30         |
| PAT Margin <sup>(4)</sup>              | 3.36%            | 9.07%          | 3.90%          | 8.61%          |
| RoE(%) <sup>(5)</sup>                  | 9.46%            | 32.42%         | 8.32%          | 13.85%         |
| RoCE (%) <sup>(6)</sup>                | 10.02%           | 20.55%         | 9.94%          | 15.26%         |

Notes:

(1) Revenue from operation means revenue from sales, service and other operating revenues

(2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses

(3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations







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




(5) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

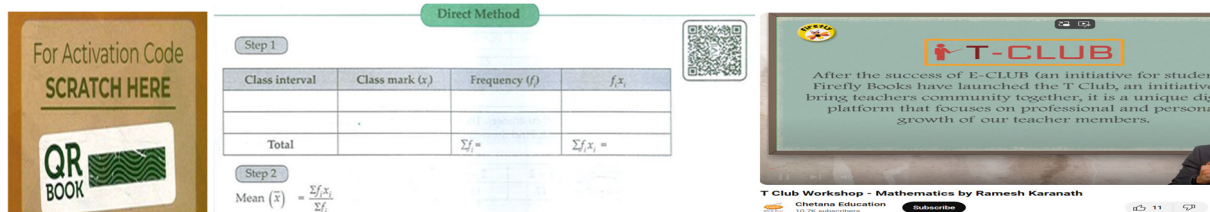
(6) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

### Our Product Portfolio

Our Company caters the following languages Like English, Hindi, Marathi, Kannada and Tamil.

| Section   | Brands  | Details  |
|---|---|--|
| <p><b>Pre-Primary Education</b></p> <p>Students Covered (Grades) - Playschool, Nursery, Jr. Kg., Sr. Kg.<br/>Age Group – 3 to 6 years</p> |  | <p>Our Pre-primary education business caters to our youngest customer market (3-6 years of age) and exposes them to our books at the beginning of their academic journey. These books can be prescribed for CBSE, State Board &amp; across all boards and are in sync with the NEP Guidelines.</p> <p>The variety within the series is determined by both its price range and the inclusion of technology or non-technology features.</p> <p><b>Total Titles – 174</b></p> |
|   |  |  |
|   |  |  |
|   |  |  |
|   |  |  |
|   |  |  |

| Section  | Brands  | Details   |
|--|---|---|
| <p><b>Primary Education</b></p> <p>Students Covered (Grades) – 1 to 5<br/>Age Group – 7 to 11 years</p>                |    | <p>Our primary education business caters to the students who are in the age bracket of 7-11 years of age. These books covers core subjects like English, Hindi, Marathi, Mathematics, Environmental Studies, etc. and apart from these core subjects it also helps the students gain knowledge with Supplementary subjects like Grammar, Computer Science, General Knowledge, Value Education, Drawing &amp; Coloring, Coding, Cursive and Art &amp; craft.</p> <p>*Some series incorporate QR technology, fostering a Physical + Digital Learning experience for our customers.</p> <p><b>Total Titles – 273</b></p> |
| <p><b>Secondary Education</b></p> <p>Students Covered (Grades) – 6 to 10<br/>Age Group – 12 to 16 years</p>            |   | <p>Our Secondary education business caters to the students who are in the age bracket of 12-16 years of age. These books covers subjects like English, Hindi, Marathi, Mathematics, Science, Social Studies, etc. and apart from these core subjects it also helps the students gain knowledge with Supplementary subjects like Grammar, Computer Science, General Knowledge, Value Education, Drawing &amp; Coloring and Coding.</p> <p>*Some series incorporate QR technology, fostering a Physical + Digital Learning experience for our customers.</p> <p><b>Total Titles – 267</b></p>                           |
| <p><b>Higher Secondary Education</b></p> <p>Students Covered (Grades) – 11 &amp; 12<br/>Age Group – 17 to 19 years</p> |  | <p>Our Higher Secondary education business caters to the Maharashtra State Board students of Grades 11<sup>th</sup> &amp; 12<sup>th</sup> who are in the age bracket of 17-19 years of age.</p> <p>These titles cater to Science &amp; Commerce stream.</p> <p><b>Total Titles – 33</b></p>   |



The image illustrates the integration of technology in education. On the left, a book cover features a QR code for activation. In the center, a table titled 'Direct Method' shows the process of finding the mean of a frequency distribution. On the right, a video player shows a 'T-Club' workshop by Ramesh Karanath, highlighting the platform's role in teacher professional development.

| Class interval | Class mark (x) | Frequency (f) | f <sub>1</sub> x |
|----------------|----------------|---------------|------------------|
|                |                |               |                  |
|                |                |               |                  |
|                |                |               |                  |
| Total          |                | $\Sigma f =$  | $\Sigma f_1 x =$ |

Step 2  
Mean ( $\bar{x}$ ) =  $\frac{\Sigma f_1 x}{\Sigma f}$

QR Code enabled books are having these codes on the cover page of the Book, basis that the student can register for the videos. Once the User scans the QR Code it takes him/her to the video mapped for the question. These QR codes are sold with the books only and not sold separately.

- A. **Content Creation for Technology Platform** - Our authors create curriculum-based content (as a manuscript) for students to understand the subject. The final manuscript is sent for designing. Once the design and proof reading are complete, the final artwork is handed over to the graphic team for creating 2D/ 3D or Live videos. Post the

final cut, it goes to a voice over artist to record in the recording studio. The voice and video are synced in the studio and the final digital content is uploaded on the tech platform. The student accesses the relevant videos with the help of QR codes provided in our books. The QR codes are generated by us using an application created in-house.

- B. **Hosting and Streaming of our Digital Content** - Our digital videos are hosted on servers. The student accesses these videos through the QR Codes published in our books by downloading our native Partner App.
- C. **Validity of digital content** - Students scan the QR codes printed throughout the book, across topics to quickly get to the related video on the topic. Once you scan the QR code, it is redirected to the app which provides the platform for students to view the videos. The student can view the content for a year from the date of purchase. We use an UAC (Unique Activation Code) to verify, register and activate the book.
- D. **Tie up with 3<sup>rd</sup> party** - We have a strategic partnership with Allern, who help us build IT infrastructure for hosting and streaming the content.

## **Our Competitive Strength**

### ***1. Focused digital and technology platform***

Our investment in technology within the pre-primary and secondary/higher secondary sections is offering students a mix of interactive learning experiences and additional comprehensive practice. In the pre-primary section, our dedication to technological advancement is highlighted through the introduction of our apps, specially curated to facilitate play-based learning, digital videos, and supplementary resources. For the secondary and higher secondary sections, we have been using QR codes with self-learning videos, providing students with a dual model of learning. These QR codes provide students with instant access to comprehensive video based explanations of key concepts and answers by experienced Teachers, reinforcing classroom teachings. The accessibility and convenience given by QR codes promote personalized learning pathways, catering to diverse learning styles. This approach empowers students to engage actively, fostering a dynamic, flexible, and enriched educational experience and can support locations across India where availability of Tuition teachers is poor or not easily affordable. For facilitating this we have entered into a strategic partnership with Allern Enterprises Private Limited, an Edtech company.

### ***2. Consumer focused education content player***

We are gradually increasing our share in K-12 education content in terms of revenue with a presence in the CBSE affiliated schools and the State Board affiliated schools across India. Our content, solutions and services address the entire education lifecycle including early learning, K-12, and higher education. Our unwavering focus is on the end consumer, both students and educators. We develop and nurture our relationships with these customers by developing quality content, fostering educational innovations, empanelling authors, and employing best practices in editorial processes. Our products and service offerings address the education requirements of students, which include print, digital and hybrid offerings across our businesses. We work closely with the educators and authors, regularly integrating feedback received from them into our products to regularly improve our offerings. We have an established relationship with around 400 authors (including co-authors) for as on January 21, 2024 which have helped us in focusing on the recent trends and developments in the education industry. We believe that our consumer connection allows us to drive sales to students, parents and schools while also allowing us to place our products on prescribed and recommended reading lists. We have over the years gained knowledge and experience in the education industry and content development space to arrive at our current presence in the consumers' education lifecycle.

### ***3. Healthy position in the K-12 market***

We currently generate 100% of our revenue from the contents and titles sold in the K-12 education sector in terms of both numbers and revenue from operations, with presence in the CBSE affiliated schools and State Board affiliated schools across India with Maharashtra State Board books contributing to the highest amongst the State Boards. In addition, we have evolved our print content business to include digital learning solutions through the introduction of the QR code. From Fiscal 2022 to Fiscal 2023, our K-12 operating revenue grew at a CAGR of 75.35%. Further, we

sell our contents under different brands and through our sales teams, we have developed multiple touch points across our K-12 business. Through these relationships, our books are featured on prescribed or recommended reading lists, which allows us to achieve our sales targets. These relationships also help us establish brand recognition amongst students and schools as they become familiar with our brands and titles through the reading lists giving boost to or revenue year on year basis.

#### ***4. Established network for content development and printing***

We currently work on an asset light model, where we focus on the content development and procurement of raw material required for printing. We have established long term relationship with the content writers, authors and subject matter experts. We closely collaborate with these individuals for the creation and enhancement of the content based on the latest trends and developments in the education sector. Once the raw content is finalized, we work with the designers to make our books and titles more comprehensive and interesting for the teachers and students to study. The printing, lamination and binding work is outsourced to our nominated vendors. We undertake the procurement of the materials like paper, ink, plates, pins, etc. in order to maintain the quality of the books produced to our prescribed standards. By outsourcing the printing and binding activities, we can focus on enhancing the quality of our content, keep our books updated and achieve better customer satisfactions. Further, due to our long term relationships with the multiple vendors, we ensure that our printing activities are carried out efficiently during high capacity and peak demand periods.

#### ***5. Widespread sales and distribution network***

We have a widespread sales and distribution network which spans across 18 states and union territories, consisting of over 500 distributors and dealers. We have an in-house sales team of over 200 personnel working from our branches and marketing offices. Our salesforce reaches out to the different touch points including educators, students, schools colleges along with distributors and dealers. Our sales and distribution network have provided us with a deep market reach through initiatives such as regular school visits, retailer displays, participation in key tradeshows, sponsorship of educational events, and teacher workshops. We believe that this gives us a competitive advantage to grow our existing brands and build new brands. Our sales team serve two distinct purposes: (a) working to achieve healthy growth for each brand and better overall sales and (b) catering to the end consumer preference of selecting from a wider product catalogue of authors and titles.

#### ***6. Experienced management and leadership team***

The Promoters Anil Jayantilal Rambhia and Rakesh Jayantilal Rambhia have over 30 and 25 years of experience in the publishing industry, respectively. Anil Jayantilal Rambhia specializes in sales and marketing, while Rakesh Jayantilal Rambhia specializes in product innovation, systems integration and process optimisation, and finance and accounts. The experience of our Promoters have led to our organic and inorganic growth. They lead a dedicated team across various disciplines, collectively driving the company's growth and success. Each department is headed by a senior management personnel with experience in their respective fields. We believe that the experienced leadership of our management and dedicated team has been a key driver of our growth and operating performance, as evidenced by the number of initiatives we have undertaken and successfully implemented over the years.

### **Our Business Strategies:**

#### ***1. Increasing our presence in Maharashtra State Board, CBSE and other State Boards.***

Over the years, we have established our presence in the State Board of Maharashtra and CBSE affiliated schools. We intend to further consolidate our current position and increase our market share in the Maharashtra State Board and CBSE. Additionally, we aim to focus on entering and expanding our presence in various other state boards like Tamil Nadu and Gujarat which will be supported by our vast range of products. By expanding the customer base in the Maharashtra State Board and CBSE and entering into new state boards, we can expand our market share along with growing our revenue from operations and improving operational efficiency.

#### ***2. Strengthening technology enabled system including digital media***

Our focus is to be a comprehensive education content provider for our customers through all media (including digital) and strengthen our QR Code based learning wherein each question in a subject has a QR code next to it and if the student scans the code, will get instant connection to a video wherein an experienced teacher not only explains the concept but also guides on how to write a right answer to the said question. Within these it provides two types of Books as option, one with only questions and QR code next to the question or a book with additional space for students to write the answer below the question. Both the books have different price points. Our strategy is to deliver our end-to-end content solutions through existing and innovative digital technology so that our customers consider us as the single source for education content. To achieve this strategy, we provide our customers with the necessary learning tools and training to effectively utilize the content solutions we develop. This helps us, accordingly, to achieve our primary goal which is to strengthen our relationship with the schools for the complete academic year and to engage with our end-users and customers directly. We believe that our distribution network and strong relationship with schools provides us with a competitive advantage because we have market reach to schools to offer our education content digital solutions.

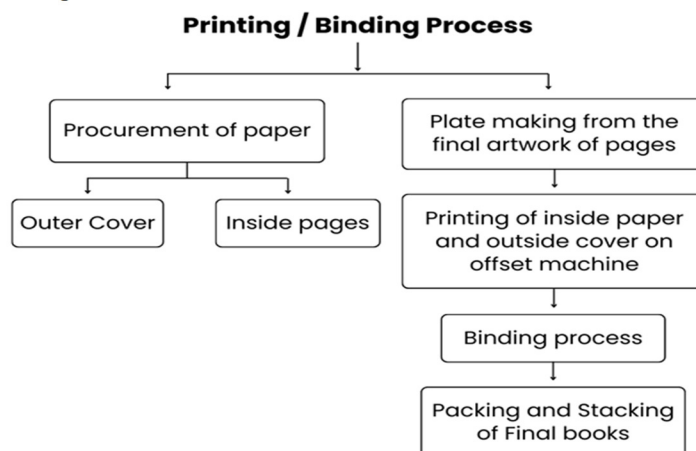
### 3. Focus on talent acquisition.

Talent acquisition is very important for content creation and sales/marketing. Our sales team plays an important part in this role as they actively scout for educators during school visits, forming strong relationships within the academic community. Through these interactions, we identify individuals who have vast expertise in their subjects. Prospective writers and authors undergo a vetting process, submitting samples of their work for evaluation by our in-house team. This process helps us ensure proficiency and alignment with our standards to produce the best content. In order to recruit the top sales talent, we use different approaches. This includes leveraging industry referrals, partnering with recruitment agencies specializing in the education sector, utilizing online platforms for targeted outreach and engaging in campus recruitment drives. By investing in talent acquisition across all fronts, we aim to strengthen our capabilities.

### 4. Diversification of product range

Building on the success of our Chetana QR Series for Grades 5-10 of the Maharashtra State Board, we plan to expand this offering to include Grades 1-4. Additionally, we are set to re-introduce our complete Marathi Medium Curriculum Books for the Maharashtra State Board to increase our market presence. Similarly, we intend to venture into developing curriculum-specific books and explore the creation of books tailored for competitive exams such as NEET- National Eligibility-cum-Entrance Test (Undergraduate), Joint Entrance Examination (JEE) and CUET- Common University Entrance Test.

The journey of the publishing the Book is as follows:



#### Third Party Printing/Binding Process

1. **Procurement of Paper:** Once the art work is ready after the Manuscript (MS) gets edited, the designing and proof reading is done, we procure the paper for printing the file. This step involves acquiring the necessary paper for printing the manuscript.

2. **Sharing Final Artwork with Plate maker:** Once the manuscript's artwork is finalized, it is shared with the plate maker.
3. **Plate Making:** The plate maker creates plates based on the final artwork.
4. **Imposition of Pages onto Plates:** In this step, the plate maker imposes the pages from the manuscript file onto the plates.  
Imposition involves arranging the pages in the correct order and format for printing.
5. **Delivery of Plates to Printer:** Once the plates are created and the pages are imposed, they are delivered to the printer.

### **Printing**

1. **Plate Installation in Printing Machine:** Once the plates are ready, they are installed in the offset printing machine.
2. **Paper and Ink Loading:** The printer loads the required quantity of paper onto the printing machine, along with the necessary ink. The amount of paper and ink loaded depends on the quantity of books to be printed.
3. **Printing:** With the plates installed and the paper and ink loaded, the printing machine begins with the printing process.
4. **Printing of Covers and Inside Pages:** The outer cover of the books and the inside pages are printed separately on two different machines. The covers of the books are laminated.

### **Binding**

1. **Folding and Gathering:** After printing, the individual sheets of paper (forms) go through a folding and gathering process.
2. **Topping with Covers:** Once the forms are gathered, they are topped with the outer covers and inner pages of the books.
3. **Pinning/Glue Binding:** The gathered forms, along with the covers, go through the binding process.
4. **Packaging and Stacking:** After binding, the books are packaged and stacked and dispatched to the central warehouse.

### **Management of our Authors/Editors**

We have over the years developed relationship with over 400 authors (including co-authors). We believe that we retain and attract the authors on account of our track record of progressing authors' careers. We also believe that our editorial team helps us retain our important authors. Our editors support our authors by assisting them to update their content and to develop new content in conjunction with faculty members and experts in the various subjects. In addition, relationships with our authors are maintained by continuous interaction and feedback.

The authors are generally asked to submit a book proposal and sample chapters, which is assessed by the editorial manager. This assessment is based on syllabus requirements, market feedback and comparison with competing titles. Based on the outcome of our review, the author may be asked to revise the content. If, however, the reviews are negative, or the manuscript does not meet the requirements of our publishing program, the content may not be accepted for publication. If the proposal or manuscript is accepted for publishing, the broad outline of the project and terms of the contract are negotiated with the author prior to execution of a publishing contract.

### **Information Technology**

We have entered into a strategic partnership with Allern Enterprises Private Limited, our edtech partner, for the creation of digital content for our QR Book Series in the form of educational videos. Apart from the partnership with Allern Enterprises Private Limited, we have in-house digital learning apps for the pre-primary section. Investment in this kind of technological infrastructure has helped us expanding our digital footprints in the education industry.

### **Installed Capacity & Capacity Utilization:-**

Our company has opted for partnerships with the printers and binders in India, and decided to remain asset-light and focus on content development for the education sector. By providing the necessary raw materials, including paper,

plates and packaging material, we maintain strict quality control standards, guaranteeing that every printed material adheres to our stringent specifications.

As we do not undertake any direct printing or binding of the book published by our company, thus we do not have any specific installed capacity and capacity utilization.

**Collaborations/Tie Ups/ Joint Ventures:**

We have entered into strategic/ collaboration agreement under ordinary course of our business –

1. We have entered into consigning and forwarding agreements for supply and distribution of our educational books.
2. We have entered into agreement with Allern Enterprises Private Limited for creating QR code and digital learning.
3. We have entered into agreement for introducing QR code on education material relating to robotics, coding and similar stream.
4. Agreement for development and maintenance of the in-house application.

**Export Obligation:**

Our Company does not have any export as obligation, as on date of this Draft Red Herring Prospectus.

**SALES AND MARKETING:-**

As of December 31, 2023, our distribution and sales network consisted of 500 distributors dealers, and we have an in-house sales team of over 200 resources working at our branches and marketing offices across India. We sell our Books and content in 18 states and union territories through our distribution channels and are expanding the market on continuous basis

| <b>Purpose</b> | <b>Address</b>   |
|----------------|--|
| Head office    | 4Th Floor, B Wing, Block E, Trade Link, Kamala City, Above Bombay Canteen, Senapati Bapat Marg, Lower Parel (W), Mumbai 400 013.   |
| Warehouse      | Building No: Bj, Godown 1 To 6, Shri Rajlaxmi Compound, Opp. Haldiram Workhouse, Kalher, Bhiwandi - 421302 Maharashtra   |
| Branch Office  | <p>Kolkata 4-30 Netaji Nagar, Kolkata-700040</p> <p>Delhi C-82, Ground Floor, C-Block, Sector-8, Dwarka, New Delhi - 110077</p> <p>Bengaluru 11Th Cross Road Lakshmaiah Block, Ganganagar, Bangalore-560024</p> <p>Chennai No.11 Medimix Avenue, Kalaivanar Colony, Anna Nagar West, Chennai-600101</p> <p>Coimbatore No.125 Nsr Road, Saibaba Colony, Canara Bank Upstairs, Coimbatore-641001</p> <p>Hubli 5, Akshaya Complex, Behind Pai Hotel, Bailpanavar Nagar, Hubli - 580 029</p> <p>Madurai Old 47B, New No.10, 4Th Street, Spencer Compound, Behind Rajarajeshwari Hospital, Dindigul-624003 Madurai</p> <p>Ahmedabad F-134, Sumel 6 Business Park, Dudheshwar, Ahmedabad – 380004</p> <p>Aurangabad Hirai Sankul, Plot No-02, Office No-02, Behind Balaji Soda, Opp Police Quarter, Behind Ujjivan Small Finance Bank, Samarth Nagar, Aurangabad-431001</p> <p>Kalyan B/3, Flat No.3, Vithoba Krupa Chs, Behind Holy Cross High School, Chickenghar Kalyan West – 421301</p> <p>Kolhapur Plot No. 40, Sanyukta Maha Housing Society, 13Th Lane, Near Kadlideshwar Mandir, Rajarampuri, Kolhapur - 416 008</p> <p>Mira Road Shop No.12, B Wing Arulihant Tower Chs Ltd, Sai Baba Nagar, Miraroad (E) 401107</p> <p>Nagpur C/O. Kalpana Vijaykumar, P-43, Puranik Layout, Harat Nagar, Nagpur - 440 033</p> <p>Nashik Jeet Complex Flat No.11, 2Nd Floor, Near Pornima, Nashik Pune Road, Nashik-422011</p> <p>PCMC 104 Kohali Towers, Cts 1181/1182, Old Mumbai Pune Highway, Opp. Metra Station, Dapodi, Pune-411012</p> <p>Pune 1305 Alok Nagari, C-Wing, Shop No.16/17, Kasba Peth, Pune- 411011</p> <p>Rajkot Ramdhan Society, Street No.4-A, Jaliyan, Kalavad Road, Rajkot – 360005 Gujarat</p> <p>Solapur Krishna Kunj, Plot No. 03, Near Safalya Nagar, Opp Soni College, Saiful, Vijaypur Road, Solapur- 413008</p> |

|  |       |   |
|--|-------|---|
|  | Akola | “Yogayog” Building Mauje Malkapur, Adarsh Colony, Akola, 444004, Maharashtra, India |
|--|-------|---|

We consider our teachers, students and schools to be our “touch points” and ultimately our end users., Our sales team is responsible for developing relationships with our customers across our early learning, K-12 and higher education businesses. Along with marketing our content directly to educators and schools to place our products on prescribed and recommended reading lists, we also market our products directly to distributors and dealers. Our sales network has provided us with a market reach through regular school visits, retailer displays, participation in key tradeshows, sponsorship of educational events, and teacher workshops. Our sales team serve two distinct purposes: (a) working to achieve healthy growth for each brand and better overall sales and (b) catering to the end consumer preference of selecting from a wider product catalogue of authors and titles. We believe in creating valuable and relevant content to engage our audience.

For the FY2022 the export turnover was 0.16% of the total turnover, for the FY2023 the export turnover was 0.17% of the total turnover and 0.14% of the total turnover for the period January 21, 2024.

| Particular | January 21, 2024 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
|------------|------------------|----------------|----------------|----------------|
| Export     | 0.14             | 0.17           | 0.16           | 0.03           |
| Domestic   | 99.86            | 99.83          | 99.84          | 99.97          |

**COMPETITION:-**

Our product portfolio and customer base spans the entire educational spectrum, and as a result we compete with a variety of companies in different product offerings. Competition in each of our business segments, as well as in the education sector is generally fragmented. The focus on technology and digital products in education may result in the emergence of additional competitors over time. We believe that we primarily compete on the quality of our content and effectiveness of our digital solutions, product implementation support, brand and reputation, author reputation, customers’ history using our products and, to a lesser extent, price point.

**Infrastructure & Utilities:**

- a) The company is engaged in Asset light business of education book publishing and operates from 11,000 sq ft of Office space at the registered office of the company housing all departments and warehouse and logistics area of about 70,000 sq ft. It does not have its own manufacturing facilities. We have long term tie ups with established Printers to whom we provide the raw material like Paper etc. apart from the content for publishing of the books
- b) **Raw Materials** – The raw material of the company comprises of Paper of different qualities as required, printing ink, plates and pins and gives it to the outsourced Printers. The Company sources its raw material which are either imported or from the domestic market. The procurement policy of buying either imported paper or domestic paper depends on the quality of product available and price parity. Depending upon the requirement, Company approaches domestic suppliers or the authorized importers to procure the paper and purchase from these authorized vendors.
- c) **Warehousing and Logistics** –The company has its own warehouse in Bhiwandi, near Mumbai, Maharashtra supported by its own transport vehicles from where it controls the logistic management across different states and union territories.

**EMPLOYEES:**

Our ability to maintain growth depends on our strength in attracting, training, motivating and retaining employees. To facilitate our growth, we have hired employees across all sectors of our business. As of December 31, 2023, we had a total of 470 employees.

Below are the details of the department-wise employees –

| Department | No. of Employees |
|------------|------------------|
|------------|------------------|



|                      |     |
|----------------------|-----|
| Operations           | 1   |
| Production           | 27  |
| Printing             | 6   |
| Accounts & Billing   | 21  |
| Credit Control       | 12  |
| HR                   | 4   |
| General Admin        | 16  |
| Internal Audit       | 2   |
| IT                   | 3   |
| Sales Admin          | 21  |
| Sales                | 238 |
| Logistics department | 119 |

Apart from the above we also employ worker and employees on hire basis for specific activities.

**Insurance:**






Our business is subject to loss due to theft or occurrence of any unforeseen event such as fire, earthquake, other natural calamities, terrorism and force majeure during transport. These acts can cause our products subject to severe damage, loss of inventory or complete destruction of our property. We maintain insurances for the same which include burglary insurance policy, standard fire and special perils policy, marine sales turnover policy and vehicle insurance policy. We believe that our insurance coverage is adequate for our business needs and operations, however, our insurance policies may not be sufficient to cover our economic loss.









**PROPERTY:-**

**Intellectual Property**

IP (Intellectual Property) refers to content creation including creation of series / books / resources (digital & physical content) & brand identities. IP is protected by patents, copyrights & trademarks. As a player in the educational content space, having strong IP protection not only secures our investment in content creation but also reinforces our brand identity, fostering trust and recognition in the competitive educational market.

**Our Trademarks**

| Sr No. | Trademark   | Application no | Applicant                             | Class | Application Date | Status     |
|--------|---|----------------|---------------------------------------|-------|------------------|------------|
| 1      |  | 2725279        | M/S. Chetana Publications (India) LLP | 16    | 25/04/2014       | Registered |
| 2      |  | 3381646        | M/S. Chetana Publications (India) LLP | 16    | 06/10/2016       | Registered |
| 3      |  | 1888011        | M/S. Chetana Publications (India) LLP | 16    | 24/11/2009       | Registered |
| 4      |  | 2519655        | M/S. Chetana Publications (India) LLP | 16    | 25/04/2013       | Registered |
| 5      |  | 4372875        | Chetana Publications (India) LLP      | 16    | 160/12/2019      | Registered |

|    |  |         |                                  |    |            |                       |
|----|--|---------|----------------------------------|----|------------|-----------------------|
| 6  |   | 4376315 | Chetana Publications (India) LLP | 16 | 12/12/2019 | Registered            |
| 7  |   | 4803510 | Chetana Publications (India) LLP | 16 | 31/12/20   | Registered            |
| 8  |   | 1053934 | Rakesh Rambhia                   | 16 | 23/10/2001 | Registered*           |
| 9  |   | 4372874 | Chetana Publications (India) LLP | 16 | 10/12/2019 | Registered            |
| 10 |   | 6168071 | Chetana Education LLP            | 16 | 29/10/2023 | Objected              |
| 11 |   | 6225698 | Chetana Education LLP            | 16 | 19/12/2023 | Objected              |
| 12 |   | 3381645 | Chetana Publications (India) LLP | 16 | 06/10/2016 | Registered            |
| 13 |  | 6168070 | Chetana Education LLP            | 16 | 29/10/2023 | Accepted & Advertised |

\*The same is in the name of our promoters who have assigned to our company vide an assignment deed dated February 29, 2024 for business purposes.

### **Properties**

The following table sets forth the location and other details of the properties of our Company

| Sr. No | Location   | Purpose           | Owned/Rented | Details  |
|--------|--|-------------------|--------------|--|
| 1      | 4Th Floor, B Wing, Block E, Trade Link, Kamala City, Above Bombay Canteen, Senapati Bapat Marg, Lower Parel (W), Mumbai 400 013. | Registered Office | Rented       | Leave and License Agreement dated February 02, 2024 executed between Chetana Book Depot (Partnership Firm) and Chetana Education Limited for 12 months i.e. February 01, 2024 to January 31, 2025. |
| 2      | Building No: BJ, Godown 1 To 6, Shri Rajlaxmi Compound, Opp. Haldiram Workhouse, Kalher, Bhiwandi - 421302 Maharashtra           | Warehouse         | Rented       | Leave and License Agreement dated February 02, 2024 executed between Chetana Book Depot (Partnership Firm) and Chetana Education Limited for 12 months i.e. February 01, 2024 to January 31, 2025. |

\*Apart from the above mentioned properties, the company has opened branch offices at different locations. One branch office is owned by the promoters of the company and the remaining 18 branches are taken on rent basis. Out of these total 18 branch offices, the lease deed of 4 branch offices have expired and yet to be renewed by the company.

## KEY INDUSTRIAL REGULATIONS AND POLICIES

*Except as otherwise specified in this Draft Red Herring Prospectus, we are subject to several central and state legislations which regulate substantive and procedural aspects of our business.*

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India, and the respective bye laws framed by the local bodies, and others incorporated under the laws of India. 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 respective local authorities that are available in the public domain. The statements produced below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions and may not be exhaustive, and are only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice. We are subject to a number of Central and State legislations which regulate substantive and procedural aspects of the business.*

*Additionally, the business activities of our Company require sanctions, approval, license, registration etc. from the concerned authorities, under the relevant Central and State legislations and local bye-laws. For details of Government and Other Approvals obtained by the Company in compliance with these regulations, see section titled “**Government and Other Approvals**” of this Draft Red Herring Prospectus. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in the field of Education Publishers.*

### INDUSTRY SPECIFIC REGULATIONS

#### ***The Delivery of Books & Newspapers (Public Libraries) Act, 1954***

The Delivery of Books & Newspapers (Public Libraries) Act, 1954 (“**Public Libraries Act**”) has been enacted to develop public libraries in India to encourage scholarship and dissemination of knowledge. The Public Libraries Act requires the publisher of every book published in the territories to which the Public Libraries Act extends to deliver at his own expense a copy of the book to the National Library and one such copy to each of the other three public libraries within thirty days from the date of its publication.

#### ***National Education Policy, 2020***

The National Education Policy, 2020 (NEP 2020) is a comprehensive framework for the transformation of India’s education system. It aims to provide universal access to quality education for all learners, regardless of their social or economic background. It also seeks to promote India’s cultural diversity, scientific advancement, and global leadership

The NEP, together with the National Literacy Mission, identifies, among other things, focal areas such as adult education (including post literacy, continuing education and vocational and skill training programs), open and distance learning, and technical and management education. The NPE contemplates an ongoing review of its implementation on a five-yearly basis.

#### ***Young Persons (Harmful Publications) Act, 1956.***

An act to prevent the dissemination of certain publications harmful to young persons. Harmful publication means any Book, Magazine, Publication, Newspaper or other like publication, which consist of stories told with or without aid of pictures, being stories portraying wholly or mainly –

- Commission of offences
- Acts of violence or cruelty
- Incidents of a repulsive or horrible nature
- In a way that could incite or encourage young people to engage in such acts.

Section 4 of the act Empowers State Governments, after consultation with the principal law officer, to declare specific publications as "harmful" and order their forfeiture.

### ***Importer-Exporter Code***

Under the Indian Foreign Trade Policy, 2004, no export or import can be made by a person or company without an Importer Exporter Code number unless such person/company is specifically exempted. An application for an Importer Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An Importer Exporter Code number allotted to an applicant is valid for all its branches/divisions/units/factories.

### ***Information Technology Act, 2000 and Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011***

Our Company uses computer or computerized system and hence our working is governed by Information Technology Act, 2000 (“IT Act”). IT Act governs and provides legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as —electronic commerce. It also gives legal recognition to Digital Signatures and facilitates storage of data. The IT Act is applicable to any offence or contravention committed outside India as well. If the conduct of person constituting the offence involves a computer or a computerized system or network located in India, then irrespective of his/her nationality, the person is punishable under the IT Act.

### ***The Press and Registration of Books Act, 1867***

The Press and Registration of Books Act, 1867 provides, inter alia, a legal framework for the regulation of printing presses and newspapers, the preservation of copies of books and newspapers printed in India, and for the registration of such books and newspapers. This Act also provides for other duties and obligations to be fulfilled by our Company in its capacity as a publisher, and the penalties for non-compliance therewith.

### ***Circulars issued by the CBSE***

The CBSE has issued circulars, in relation to the use of textbooks by various schools affiliated to CBSE, other than NCERT books and excessive use of books published by private publishers and recommended that schools affiliated to CBSE ought to use only NCERT print content for all classes, since all the schools affiliated with the CBSE follow the syllabus prescribed by the NCERT up to K-8 and syllabi prescribed by the CBSE from 9<sup>th</sup> grade to 12<sup>th</sup> grade. The CBSE Circulars further recommend that schools affiliated to the CBSE should avoid requiring students to purchase additional print content from private content providers.

### ***Regulations of the National Council of Educational Research and Training***

National Council of Educational Research and Training, established in 1961 by the government of India. National Council of Educational Research and Training plays a significant part in influencing the educational landscape of India. National Council of Educational Research and Training creates and publishes textbooks based on the NEP standards for various disciplines and grade levels. Numerous state education boards and schools connected to the CBSE frequently use these texts. They offer students a standardized and thorough curriculum that includes a variety of topics like math, physics, social sciences, languages, and more. National Council of Educational Research and Training establishes curricular framework and recommendations for many topics and grade levels. These recommendations support educational boards and institutions in developing curricula and syllabi, guaranteeing a nationwide consistent and well-organized educational system.

### ***Legislations governing dissemination of information***

The following legislations regulate the dissemination and publication of various kinds and categories of information, and prescribe consequences for non-compliance therewith:

- **The Contempt of Courts Act, 1971** – publication of any matter which scandalizes or tends to scandalize, lowers or tends to lower the authority of any Court or prejudices or interferes or tends to interfere with the due course of any judicial proceeding or the administration of justice in any manner;

- **The Prevention of Insults to National Honour Act, 1971-** provisions regarding insults, etc. to the Indian National Flag, the Constitution of India and the Indian National Anthem;
- **The Indian Penal Code, 1860** – the Indian Penal Code contains several provisions in relation to punishments for various offences in relation to printed matter. There are penal provisions if any printed matter constitutes or leads to any offence(s) under the said Code. These offences inter alia include, – (i) Sedition; (ii) Promoting enmity between different groups on grounds of religion, race, place of birth, residence, language, etc., and doing acts prejudicial to harmony (iii) Imputations, assertions prejudicial to national integration (iv) Any false statement in connection with an election (v) Production of obscene books or objects (vi) Publication of any advertisement relating to an unauthorized lottery (vii) Deliberate and malicious acts intended to outrage religious feelings of any class, by insulting a religion or religious beliefs (viii) Defamation (ix) Statements conducive to public mischief etc.

#### **LAWS RELATING TO SPECIFIC STATE WHERE THE ESTABLISHMENT IS SITUATED**

##### ***Balbharati Copyright Policy***

Maharashtra State Bureau of Textbook Production and Curriculum Research, Pune (“Balbharati”) is an autonomous institution established on 27<sup>th</sup> January 1967 based on the recommendations of the Kothari Commission. The main objective of Balbharati is to create textbooks for grade I to XII basis the Government approved curriculum, as well as prepare and publish other educational material in the state of Maharashtra.

The license holders are required to renew the license every year. It is to be noted that license is valid from 1st May to 30th April of a year. Existing licensee are required to renew the license annually as per the new announced rate. The registration will be valid up to 30th April every year and the user is required to renew the same for next year by paying the renewal fees.

##### ***Maharashtra Secondary & Higher Secondary Education Boards Act, 1965***

The Act aims to regulate and improve the quality of secondary and higher secondary education, Prescribing the syllabus and curriculum for secondary and higher secondary education in Maharashtra and take various measures for the welfare and development of students.

##### ***Bombay Shops and Establishments Act, 1948***

The provisions of Bombay Shops and Establishments Act, 1948 regulates the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work.

##### ***Bombay Stamp Act, 1958 (“Stamp Act”)***

The purpose of Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act.

##### ***Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975***

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner.

## **LABOUR RELATED LEGISLATIONS**

### ***Payment of Bonus Act, 1965***

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment covered under this Act to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

### ***Payment of Gratuity Act, 1972***

The Payment of Gratuity Act, 1972 (“PG Act”) applies to every factory and shop or establishment in which ten or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:

- a) On his/her superannuation;
- b) On his/her retirement or resignation;
- c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply). Gratuity is payable to the employee at the rate of 15 (fifteen) days’ wages for every completed year of service or part thereof in excess of 6 (six) months.

### ***Maternity Benefit Act, 1961***

The Maternity Benefit Act, 1961, as amended, regulates the employment of pregnant women and ensures that they get paid leave for a specified period during and after their pregnancy. The Maternity Benefit Act is applicable to establishments in which 10 or more employees are employed, or were employed on any day of the preceding 12 months. Under the Maternity Benefit Act, a mandatory period of leave and benefits should be granted to female employees who have worked in the establishment for a minimum period of 80 days in the preceding 12 months from the date of her expected delivery. Such benefits essentially include payment of average daily wage for the period of actual absence of the female employee. The maximum period for which any woman shall be entitled to maternity benefit shall be 12 weeks, of which not more than six weeks shall precede the date of her expected delivery. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy.

### ***Minimum Wages Act, 1948***

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

### ***Employees’ State Insurance Act, 1948***

It Employees’ State Insurance Act to provide for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto. Whereas it is expedient to provide for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto; this Act requires all the employees of the establishment to which this act applies to be insured to the manner provided there under. The Employer and Employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

### ***Employees’ Provident Funds and Miscellaneous Provisions Act, 1952(“EPF Act”)***

The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the Government of India from time to time. It requires all such establishments to be registered with the State provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees’ provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

***Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013***

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (SHWPPR Act) provides for protection against sexual harassment at the workplace to women and prevention and redressal of complaints of sexual harassment. The SHWPPR Act defines Sexual Harassment to include any unwelcome sexually determined behaviour (whether directly or by implication). Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organizations, non-governmental organizations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an Internal Complaints Committee at each office or branch, of an organization employing at least 10 employees. The Government in turn is required to set up a Local Complaint Committee at the district level to investigate complaints regarding sexual harassment from establishments where our internal complaints committee has not been constituted.

***Apprentices Act, 1961***

The Apprentices Act, 1961, as amended (the Apprentices Act) regulates and controls the programme of training of apprentices and matters connected there with. The term Apprentice means a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. Apprenticeship Training means a course of training in any industry or establishment undergone in pursuance of a contract of apprenticeship and under prescribed terms and conditions which may be different for different categories of apprentices. Every person engaging as an apprentice is required to enter into a contract of apprenticeship with the employer which is reviewed and registered by the apprenticeship advisor.

***Equal Remuneration Act, 1976***

The Equal Remuneration Act, 1976, as amended (ER Act) provides for the payment of equal remuneration to men and women workers for same or similar nature of work and prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. Under the ER Act, no discrimination is permissible in recruitment and service conditions, except where employment of women is prohibited or restricted by law. It also provides that every employer should maintain such registers and other documents in relation to the workers employed by him/ her in the prescribed manner.

***Child Labour (Prohibition and Regulation) Act, 1986***

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

***The Code on Social Security, 2020***

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government.

In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our labourers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

**TAX RELATED LEGISLATIONS**

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

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

### ***Goods and Service Tax (GST)***

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by central on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the central and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon. GST has replaced following indirect taxes and duties at the central and state levels.

### ***Customs Regulations***

All imports into India are subject to duties under the Customs Act, 1962 at the rates specified under the Customs Tariff Act, 1975. However, the Indian Government has the power to exempt certain specified goods from excise duty by notification.

## **FDI POLICY**

### ***Foreign Trade (Development and Regulation) Act, 1992***

Foreign Trade Act empowers the Government of India to, among other things, (a) make provisions for development and regulation of foreign trade; (b) prohibit, restrict or otherwise regulate exports and imports; (c) formulate an EXIM policy; and (d) appoint a Director General of Foreign Trade for the purpose of administering foreign trade and advising the Central Government in formulating EXIM policy and implementing the same. Every importer and exporter is required to obtain an 'Importer Exporter Code' from the Director General of Foreign Trade or from any other duly authorized officer.

### ***Foreign Trade Policy***

The Foreign Trade Policy provides that no export or import can be made by a person without an IEC unless such person is specifically exempted. The policy provides for all exports and imports made shall be governed by the Foreign Trade Policy, unless otherwise specified. FTP provides for handbook of procedures laying down the procedure to be followed by an exporter or importer or by any Licensing/Regional Authority or by any other authority for purposes of implementing provisions of FT (D&R) Act, the Rules and the Orders made there under and provisions of FTP.

### ***Foreign Exchange Management Act, 1999 ("FEMA") and Regulations Framed Thereunder.***



Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Promotion of Industry and Internal Trade. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the 'automatic route' within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations"), as amended from time to time to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services.

## **GENERAL STATUTORY LEGISLATIONS**

### ***Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951***

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 ("MSMED Act") inter-alia seeks to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The MSMED Act inter-alia empowers the Central Government to classify by notification, any class of enterprises including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as:

- (i) a micro enterprise, where the investment in plant and machinery does not exceed ₹ 25,00,000/- (Rupees Twenty- Five Lakhs Only);
- (ii) a small enterprise, where the investment in plant and machinery is more than ₹ 25,00,000/- (Rupees Twenty -Five Lakh Only) but does not exceed ₹ 5,00,00,000/- (Rupees Five Crores Only); or
- (iii) a medium enterprise, where the investment in plant and machinery is more than ₹ 5,00,00,000/- (Rupees Five Crores Only) but does not exceed ₹ 10,00,00,000/- (Rupees Ten Crores Only).

In case of enterprises engaged in providing or rendering of services, the enterprise may be classified as:

- (i) a micro enterprise, where the investment in equipment does not exceed ₹ 10,00,000/- (Rupees Ten Lakhs Only); (
- (ii) a small enterprise, where the investment in equipment is more than ₹ 10,00,000/- (Rupees Ten Lakhs Only) but does not exceed ₹ 2,00,00,000/- (Rupees Two Crores Only); or (iii) a medium enterprise, where the investment in equipment is more than ₹ 2,00,00,000/- (Rupees Two Crores Only) but does not exceed ₹ 5,00,00,000/- (Rupees Five Crores Only).

The MSMED Act also inter-alia stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

### ***Companies Act, 2013 ("Companies Act")***

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29<sup>th</sup> August 2013. The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act. Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the director's payable by the companies is under Part II of the said schedule.

### ***Competition Act, 2002***

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates combinations in India. The Competition Act also established the Competition Commission of India (the —CCI) as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as Individuals and Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

### ***Specific Relief Act, 1963***

The Specific Relief Act, 1963 is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

### ***Sale of Goods Act, 1930***

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional.

### ***Consumer Protection Act, 2019 (“Consumer Protection Act”) and Rules Made Thereunder***

The Consumer Protection Act was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, amongst other things, to promote and protects the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” under the Consumer Protection Act includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

In line with the Consumer Protection Act, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India (“Ministry of Consumer Affairs”) has also notified the Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”) on July 23, 2020, which provide a framework to regulate the marketing, sale and purchase of goods and services online. The E-Commerce Rules govern e-commerce entities which own, operate, or manage, a digital or electronic facility or platform for electronic commerce, but does not include a seller offering his goods or services for sale on a marketplace e-commerce entity. The Ministry of Consumer Affairs has also released draft amendments to the E-Commerce Rules for public comments. The aforesaid draft amendments require e-commerce entities to, amongst other things, register themselves with the Department for Promotion of Industry and Internal Trade, and appoint a chief compliance officer, a nodal contact person and a resident grievance officer.

Additionally, the draft amendments prohibit e-commerce entities from misleading users by manipulating search results, prohibit flash sales and abuse of dominant position, and mandate e-commerce entities to identify sponsored listings of products and services with clear and prominent disclosures.

### ***Code of Civil Procedure, 1908***

The Code of Civil Procedure, 1908 is a procedural law related to the administration of civil proceedings in India. The Civil Procedure Code consolidates and amends the law relating to the procedure of the Courts of Civil jurisdiction. The Code of Civil Procedure is an adjective law it neither creates nor takes away any right. It is intended to regulate the procedure to be followed by Civil Courts. The Civil Procedure Code consists of two parts. 158 Sections form the first part and the rules and orders contained in Schedule I form the second part. The object of the Code generally is to create jurisdiction while the rules indicate the mode in which the jurisdiction should be exercised.

The Code does not affect any special or local laws nor does it supersede any special jurisdiction or power conferred or any special form of procedure prescribed by or under any other law for the time being in force. The Code is the general law so that in case of conflict between the Code and the special law the latter prevails over the former. Where the special law is silent on a particular matter the Code applies, but consistent with the special enactment.

### ***Code of Criminal Procedure Code, 1973***

It is the main legislation on procedure for administration of substantive criminal law in India. It was enacted in 1973 and came into force on 1<sup>st</sup> April, 1974. It provides the machinery for the investigation of crime, apprehension of suspected criminals, collection of evidence, determination of guilt or innocence of the accused person and the determination of punishment of the guilty.

Criminal law occupies a pre-dominant place among the agencies of social control and is regarded as a formidable weapon that society has forged to protect itself against anti-social behaviour. The law of criminal procedure is meant to be complimentary to criminal law. It is intended to provide a mechanism for the enforcement of criminal law. The Code of Criminal Procedure creates the necessary machinery for apprehending the criminals, investigating the criminal cases, their trials before the criminal courts and imposition of proper punishment on the guilty person. The Code enumerates the hierarchy of criminal courts in which different offences can be tried and then it spells out the limits of sentences which such Courts are authorized to pass.

The law of criminal procedure is intended to provide a mechanism for the enforcement of criminal law. Without the proper procedural law, the substantive criminal law which defines offences and provides punishment for them would be almost worthless.

### ***Prevention of Money Laundering Act, 2002***

Money laundering is the processing of criminal proceeds to disguise its illegal origin. Terrorism, illegal arms sales, financial crimes, smuggling, and the activities of organized crime, including drug trafficking and prostitution rings, generate huge sums. Embezzlement, insider trading, bribery and computer fraud also produce large profits and create an incentive to legitimise the ill-gotten gains through money laundering. When a criminal activity generates substantial profits, the individual or group involved in such activities route the funds to safe heavens by disguising the sources, changing the form, or moving the funds to a place where they are less likely to attract attention.

### ***The Digital Personal Data Protection Act, 2023 (“DPDP Act”)***

The DPDP Act was notified on August 11, 2023 and is yet to come into effect. It replaces the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of the DPDP Act. The DPDP Act seeks to balance the rights of individuals to protect their digital personal data with the need to process personal data for lawful and other incidental purposes. The DPDP Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the individual. A notice must be given before seeking consent, except in case of legitimate uses as provided under the DPDP Act. It further imposes certain obligations on data fiduciaries including (i) make reasonable efforts to ensure the accuracy and completeness

of data, (ii) build reasonable security safeguards to prevent a data breach, (iii) inform the Data Protection Board of India (the “DPB”) and affected persons in the event of a breach, and (iv) erase personal data as soon as the purpose has been met and retention is not necessary for legal purposes (storage limitation). In case of government entities, storage limitation and the right of the data principal to erasure will not apply. The DPDP Act imposes certain additional obligations on a significant data fiduciary, such as appointment of a data protection officer, appointment of an independent data auditor and undertaking of other measures namely, periodic data protection impact assessment, periodic audit and such other measures as may be prescribed under the DPDP Act. The Central Government will establish the DPB. Key functions of the DPB include: (i) monitoring compliance and imposing penalties, (ii) directing data fiduciaries to take necessary measures in the event of a data breach, and (iii) hearing grievances made by affected persons. The DPB members will be appointed for two years and will be eligible for re-appointment. The Central Government will prescribe details such as the number of members of the DPB and the selection process.”

### ***Limitation Act, 1963***

The law relating to Law of Limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on 5th of October, 1963 and which came into force from 1st of January, 1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating to fixing or prescribing of the time period for barring legal actions. According to Section 2 (j) of the Limitation Act, 1963, ‘period of limitation’ means the period of limitation prescribed for any suit, appeal or application by the Schedule, and ‘prescribed period’ means the period of limitation computed in accordance with the provisions of this Act.

### ***Arbitration & Conciliation Act, 1996***

The Arbitration and Conciliation Act, 1996 is an act to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. It aims at streamlining the process of arbitration and facilitating conciliation in business matters. The Act recognizes the autonomy of parties in the conduct of arbitral proceedings by the arbitral tribunal and abolishes the scope of judicial review of the award and minimizes the supervisory role of Courts. A significant feature of the Act is the appointment of arbitrators by the Chief Justice of India or Chief Justice of High Court. The Chief Justice may either appoint the arbitrator himself or nominate a person or Institution to nominate the arbitrator. The autonomy of the arbitral tribunal has further been strengthened by empowering them to decide on jurisdiction and to consider objections regarding the existence or validity of the arbitration agreement.

### ***Negotiable Instruments Act, 1881***

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two years, or with fine which may extend to twice the amount of the cheque, or with both.

### ***Indian Stamp Act, 1899***

Under the Indian Stamp Act, 1899 (the “Stamp Act”) stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

### ***The Energy Conservation (Amendment) Act, 2022***

The Energy Conservation Act, 2001 was enacted to provide for efficient use of energy, its conservation and for matters connected therewith and/ or incidental thereto. The amended Act provides for regulation of energy consumption by equipment, appliances, vehicles, vessels, industrial units, buildings or establishments that consume, generate, transmit or supply energy. With special focus on promotion of new and renewable energy and the National Green Hydrogen Mission, the amendment seeks to (i) facilitate the achievement of “Panchamrit” — the five nectar elements presented by India in COP-26 (Conference of Parties -26) in Glasgow 2021.

In addition to facilitating the achievement of ‘Panchamrit’, the amended Act aims to promote renewable energy and develop the domestic carbon market to combat climate change and introduce new concepts such as carbon trading and mandate the use of non-fossil sources to ensure faster decarbonisation and help achieve sustainable development goals in line with the Paris Agreement and various other actions related to climate change.

## **INTELLECTUAL PROPERTY RELATED LEGISLATIONS**

In general, the Intellectual Property Rights include but are not limited to the following enactments:

- (i) Trademarks Act, 1999
- (ii) Indian Copyright Act, 1957
- (iii) Design Act, 2000

### ***Trade Marks Act, 1999 (“Trade Marks Act”)***

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. It provides for the application and registration of trademarks in India. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. Under the provisions of the Trade Marks Act, an application for trade mark registration may be made with the Controller General of Patents, Designs and Trademarks 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 trade mark in the future. Once granted, a trade mark 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 Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides penalties for infringement, falsifying or falsely applying for trademarks. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trade mark in India and other countries has been made available to owners of Indian and foreign trade marks. It also seeks to simplify the law relating to the transfer of ownership of trade marks by assignment or transmission and to bring the law in line with international practices.

### ***Copyright Act, 1957***

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, and rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

### ***Design Act, 2000 (“Design Act”)***

The Design Act, which came into force in May 2001, along with the rules made thereunder consolidate and amend the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, in two or three dimensional or both forms, by an industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye. In order to register a design, it must be new or original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or by use or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination of known designs in order for it to be registered. A registered design is valid for a period of 10 years after which the same can

be renewed for a second period of five years, before the expiration of the original period of 10 years. After such period, the design is made available to the public by placing it in the public domain.

## **OTHER LAWS**

### ***Municipality Laws***

Pursuant to the Seventy Fourth Amendment Act, 1992, the respective State Legislatures in India have the power to endow the Municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the Municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### ***Police Laws***

The State Legislatures in India are empowered to enact laws in relation to public order and police under Entries 1 and 2 of the State List (List II) to the Constitution of India. Pursuant to the same the respective States of India have enacted laws regulating the same along with prescribing penalties for non-compliance.

### ***Approvals from Local Authorities***

Setting up of a Factory or Manufacturing/Housing unit/Establishments entails the requisite Planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents from the state Pollution Control Board(s), the relevant state Electricity Board(s), the State Excise Authorities, Sales Tax, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

## HISTORY AND CORPORATE STRUCTURE

### Brief history of our Company:

Our Company was originally formed as a Limited Liability Partnership in the name and style of "Chetana Publications (India) LLP" under the provisions of the Limited Liability Partnership Act, 2008 on December 30, 2017 vide Certificate of Incorporation issued by Central Registration Centre, Registrar of Companies. Consequently, our name was changed to 'Chetana Education LLP', and a fresh certificate of incorporation dated October 17, 2021 was issued by the RoC. Subsequently, our Company was converted into a public limited company under Companies Act with the name 'Chetana Education Limited' pursuant to a fresh certificate of incorporation dated January 21, 2024 was issued by the Registrar of Companies, Mumbai, Maharashtra, bearing CIN: U58111MH2024PLC417778.

Anil Jayantilal Rambhia, Rakesh Jayantilal Rambhia, Shilpa Anil Rambhia, Diva Anil Rambhia, Aashna Anil Rambhia, Jania Rakesh Rambhia and Chetana Publications Private Limited were the initial subscribers to the Memorandum of Association of our Company.

For information on our Company's profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major Vendors and suppliers, please refer the sections titled "Our Business", "Industry Overview", "Our Management", "Financial information of the Company" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 108, 96, 136, 156 and 211 respectively of this Draft Red Herring Prospectus.

### Our Locations –

| Purpose           | Address  |
|-------------------|--|
| Registered Office | 401, E-Wing, B & C Block Trade Link, Kamala Mill, Delisle Road, Mumbai, Delisle Road, Mumbai, Mumbai, Maharashtra, India, 400013 |
| Warehouse         | BJ/1089, Gala No. 1 to 6, Rajlakshmi Complex, Opp. Haldiram, Kaler Village, Bhiwandi, Thane – 421301                             |

### Changes in Registered Office of the Company since Incorporation:

Except as mentioned below, there has not been any change in our Registered Office since incorporation of the Company (including the LLP) till the date of the Draft Red Herring Prospectus

| Effective Date | From   | To   | Reason for change                 |
|----------------|--|--|-----------------------------------|
| 20.02.2018     | A-801, Floor-8 <sup>th</sup> , A, Ansal Height, G.M. Bhosale Marg, Nr. Worli Naka, Worli, Mumbai-400018                          | 4th Floor, B-Wing, Building E, Trade Link, Kamala City, Senapati Bapat Marg, Lower Parel West, Mumbai, Maharashtra 400013, India | For better operational efficiency |
| 22.01.2024     | 4th Floor, B-Wing, Building E, Trade Link, Kamala City, Senapati Bapat Marg, Lower Parel West, Mumbai, Maharashtra 400013, India | 401, E-Wing, B & C Block, Trade Link, Kamala Mill, Delisle Road, Mumbai, Maharashtra, India, 400013.                             | For better operational efficiency |

### Main Objects of Memorandum of Association:

The main object of our Company as contained in our Clause III (A) of Memorandum of Association of our Company is as follows:

- To carry on the business as printers and publishers and digital content providers of educational books, newspapers, journals, magazines, other literary works and as stationers, book-sellers, binders, electrotypes, photo-type sellers, block printers, silk screen printers, multi-colour offset printers of account books, note books, continuous stationary, files, playing cards, printing and writing inks and dealers in or of other articles or things and development of educational computer software.

**Amendments to the Memorandum of Association:**

Except as mentioned below, there has been no change in the Memorandum of Association of our Company since its Incorporation:

| <b>Date of Meeting</b> | <b>Type of meeting</b> | <b>Nature of Amendment</b>  |
|------------------------|------------------------|---|
| March 05, 2024         | EGM                    | Increase in the authorized share capital of the Company from ₹ 2000.00 Lakhs divided into 2,00,00,000 Equity Shares of ₹ 10/- each to ₹2100.00 Lakhs divided into 2,10,00,000 Equity Shares of ₹ 10/- each. |

**Adopting new Articles of Association of the Company:**

Our Company has adopted a new set of Articles of Association of the Company in accordance with applicable provisions of the Companies Act 2013 in the Extra Ordinary General Meeting of the Company dated March 05, 2024

**Major events and milestones of our Company:**

The table below sets forth some of the major events in the history of our company:

| <b>Year/F.Y.</b> | <b>Key Events / Milestone / Achievements</b>   |
|------------------|--|
| 2017             | Incorporation of the Limited Liability Partnership in the name and style of “Chetana Publications (India) LLP founded by Anil Jayantilal Rambhia and Rakesh Jayantilal Rambhia |
| 2018             | Purchase of the publication undertaking from Chetana Book Depot and Chetana Publishing Private Limited.  |
| 2019             | Introducing blended learning programs by use of QR based books.  |
| 2021             | Entering into consigning and forwarding agreement for North India region   |
| 2022             | Entering into consigning and forwarding agreement for South India region   |
| 2023             | Introduction to Coding & Robotics  |
| 2024             | Conversion of the Limited Liability Partnership into the Public Limited Company as per the provisions of the Companies Act, 2013.  |

**Other details about our Company:**

For details of our Company’s Business, products, technology, launch of key products or services, entry in new geographies or exit from existing markets and our customers, please refer section titled “Our Business” and “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” on pages 108 and 211 respectively of this Draft Red Herring Prospectus.

**Capital Raising (Debt / Equity):**

For details in relation to our capital raising activities through equity, please refer to the chapter titled “Capital Structure” beginning on page 67 of the Draft Red Herring Prospectus. For details of our Company’s debt facilities, see “Statement of Financial Indebtedness” on page 207 of the Draft Red Herring Prospectus.

**Changes in activities of our Company during the last five (5) Years:**

There has not been any change in the activity of our Company during the last five (5) years preceding the date of this Draft Red Herring Prospectus.

**Our Holding Company:**

As on the date of the Draft Red Herring Prospectus, our Company is not a subsidiary of any company.



### **Our Subsidiaries, Associates, and Joint Ventures**

As on the date of this Draft Red Herring Prospectus, our Company does not have any associate, subsidiaries or joint ventures.

### **Shareholders Agreements:**

There are no subsisting shareholder's agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Draft Red Herring Prospectus.

### **Details regarding Acquisition of Business/Undertakings, Mergers, Amalgamation, Revaluation of Assets etc.**

Except as disclosed in this Draft Red Herring Prospectus, our Company has not made any material acquisitions or divestments of any business or undertakings, mergers, amalgamation or revaluation of assets in the last 10 years preceding the date of this Draft Red Herring Prospectus.

| <b>Date of Acquisition</b> | <b>Purchase consideration</b> | <b>Particular</b>   |
|----------------------------|-------------------------------|---|
| February 28, 2018          | Rs. 2669.02 Lakhs             | Purchase of publication undertaking from Chetana Book Depot.                  |
| February 28, 2018          | Rs. 142.92 Lakhs              | Purchase of publication undertaking from Chetana Publication Private Limited. |

### **Number of Shareholders of our Company:**

Our Company has 7 (Seven) shareholders as on the date of this Draft Red Herring Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled "Capital Structure" beginning on page 67 of the Draft Red Herring Prospectus.

### **Changes in the Management:**

For details of change in Management, please see chapter titled "Our Management" on page 136 of the Draft Red Herring Prospectus.

### **Injunction or Restraining Order:**

Except as disclosed in the section titled "Outstanding Litigation and Material Developments" beginning on page 221 of this Draft Red Herring Prospectus, there are no injunctions/restraining orders that have been passed against the Company.

### **Time and Cost Overruns in Setting up Projects:**

There has been no time / cost overrun in setting up projects by our Company.

### **Defaults or Rescheduling of Borrowings with Financial Institutions/Banks:**

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Draft Red Herring Prospectus.

### **Agreement with key managerial personnel or Directors or Promoters or any other employee of the Company:**

There are no agreements entered into by key managerial personnel or Directors or Promoters or any other employee, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

### **Other Agreements:**

**i. Non-Compete Agreement:**

Our Company has not entered into any Non- compete Agreement as on the date of filing of this Draft Red Herring Prospectus.

**ii. Joint Venture Agreement:**

Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Draft Red Herring Prospectus.

**Collaboration Agreements:**

As on date of this Draft Red Herring Prospectus, except for the agreements entered by the Company in the normal course of our business, our Company is not a party to any collaboration agreements.

**Material Agreement:**

Our Company has not entered into any subsisting material agreements including with strategic partners, joint venture partners and/or financial partners, entered into, other than in the ordinary course of business of the Company.

**Significant Strategic or Financial Partners:**

Our Company does not have any strategic or financial partners as on the date of this Draft Red Herring Prospectus.

**OUR MANAGEMENT****Board of Directors:**

As on the date of this Draft Red Herring Prospectus, our Board comprises of five Directors including two Executive Directors, one Non-Executive Director and two Independent Directors, one of whom is woman director.

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus:

| <b>Name, Father's Name, Age, Designation, Address, Experience, Occupation, Qualification, Nationality &amp; DIN</b>   | <b>Date &amp; term of Appointment</b>   | <b>No. of Equity Shares held &amp; % of Shareholding (Pre-Issue)]</b> | <b>Other Directorships</b>   |
|---|---|---|--|
| <b>Anil Jayantilal Rambhia</b><br><b>Father's Name:</b> Jayantilal Damji Rambhia<br><b>Age:</b> 55 years<br><b>Date of Birth:</b> March 22, 1969<br><b>Designation:</b> Chairman and Managing Director<br><b>Address:</b> 23 <sup>rd</sup> Floor, 2304, Omkar 1973 Tower Pandurang Budhkar Marg, Worli, Near Shani Mandir, Mumbai, Maharashtra-400018, India<br><b>Experience:</b> 30 years<br><b>Occupation:</b> Business<br><b>Qualification:</b> B. Com part I<br><b>Nationality:</b> Indian<br><b>DIN:</b> 00332241 | Originally Appointed as Director w.e.f. January 21, 2024.<br><br>Further Change in designation as Chairman & Managing Director w.e.f. February 07, 2024 for a period of 3 years.  | 69,00,000 Equity Shares [46.00%]                                      | 1. Chetana Publications Private Limited<br>2. Chetana Social Welfare Foundation<br>3. Achera Enterprises LLP                         |
| <b>Rakesh Jayantilal Rambhia</b><br><b>Father's Name:</b> Jayantilal Damji Shah<br><b>Age:</b> 52 years<br><b>Date of Birth:</b> December 3, 1972<br><b>Designation:</b> Whole Time Director<br><b>Address:</b> Room No. 801, 8 <sup>th</sup> Floor, A Wing, Ansal Heights, G. M. Bhosale Marg, Worli, Mumbai, Maharashtra, 400018, India.<br><b>Experience:</b> 25 years<br><b>Occupation:</b> Business<br><b>Qualification:</b> B. Com part I<br><b>Nationality:</b> Indian<br><b>DIN:</b> 00332208                   | Originally Appointed as Director w.e.f. January 21, 2024. Further change in designation s Whole Time Director & Chief Financial Officer w.e.f. February 07, 2024 for a period of 3 years. Further, resigned from the post of the Chief Financial Officer w.e.f. June 05, 2024 | 69,00,000 Equity Shares [46.00%]                                      | 1. Chetana Publications Private Limited<br>2. Chetana Social Welfare Foundation<br>3. Achera Enterprises LLP<br>4. Learning Leap LLP |

|  |  |   |  |
|--|--|---|--|
| <p><b>Shilpa A Rambhia</b><br/> <b>Father's Name:</b> Laxman Revansiddhapa<br/> Chinchore<br/> <b>Age:</b> 55 years<br/> <b>Date of Birth:</b> January 17, 1969<br/> <b>Designation:</b> Non-Executive Director<br/> <b>Address:</b> 23<sup>rd</sup> Floor, 2304, Omkar 1973<br/> Tower Pandurang Budhkar Marg, Worli, Near<br/> Shani Mandir, Mumbai, Maharashtra-<br/> 400018, India<br/> <b>Experience:</b> 6 years<br/> <b>Occupation:</b> Business     <b>Qualification:</b><br/> Bachelor of Arts<br/> <b>Nationality:</b> Indian<br/> <b>DIN:</b> 00333355</p>  | <p>Appointed as<br/> Non -executive<br/> Director w.e.f.<br/> January 21, 2024.</p>  | <p>1,50,000<br/> Equity Shares<br/> [1.00%]</p> | <p>1. Egyaan<br/> Edutainment LLP<br/> 2. Learning Leap<br/> LLP</p>   |
| <p><b>Punit Saxena</b><br/> <b>Father's Name:</b> Brij Behari<br/> <b>Age:</b> 67 Years<br/> <b>Date of Birth:</b> June 10, 1957<br/> <b>Designation:</b> Independent Director<br/> <b>Address:</b> Flat No. 702, 7<sup>th</sup> Floor, Gold Crest,<br/> CHSL Road No. 3, Santacruz East, Sunder<br/> Nagar, Mumbai, Suburban, Maharashtra,<br/> 40098, India.<br/> <b>Experience:</b> 36 years<br/> <b>Occupation:</b> Service<br/> <b>Qualification:</b> Bachelor of Science in<br/> Engineering<br/> <b>Nationality:</b> Indian<br/> <b>DIN:</b> 01057161</p>   | <p>Originally<br/> Appointed as<br/> Non-Executive<br/> Independent<br/> Director w.e.f.<br/> February 07,<br/> 2024 for a period<br/> of 5 Years.<br/><br/> <i>(Not liable to<br/> retireby rotation)</i></p> | <p>Nil</p>                                      | <p>1. Flair Writing<br/> Industries Limited<br/> 2. UTI Infrastructure<br/> and Services<br/> Limited<br/> 3. Baroda BNP<br/> Paribas, Trustee<br/> India Private<br/> Limited</p> |
| <p><b>Shrenik Bakulesh Kotecha</b><br/> <b>Father's Name:</b> Bakulesh Ramji Kotecha<br/> <b>Age:</b> 40 years<br/> <b>Date of Birth:</b> March 23, 1982<br/> <b>Designation:</b> Independent Director<br/> <b>Address:</b> A-603/604, Siddhi Eastern Express<br/> Highway, Near MHADA, Signal, MHADA,<br/> Layout, Mumbai, Maharashtra-400081, India.<br/> <b>Experience:</b> 24 years<br/> <b>Occupation:</b> Business<br/> <b>Qualification:</b> Masters' (MA) in Economics<br/> &amp; Masters in Business Administration (MBA)<br/> followed by Masters in Psychology (MPhil)<br/> and Doctorate (PhD) in Entrepreneurship &amp;<br/> Education Business Management.<br/> <b>Nationality:</b> Indian<br/> <b>DIN:</b> 01727660</p> | <p>Originally<br/> Appointed as<br/> Non-Executive<br/> Independent<br/> Director w.e.f.<br/> March 05, 2024<br/> for a period of 5<br/> years.<br/><br/> <i>(Not liable to<br/> retireby rotation)</i></p>    | <p>Nil</p>                                      | <p>1. Education Ssabhi<br/> Ko LLP</p>   |

**Brief Profile of Directors:**

1. **Anil Jayantilal Rambhia** is the Chairman and Managing Director of our Company. He is also one of the Promoters of our Company and has been associated with our Company since its incorporation. He pursued Bachelors of Commerce (Part I) from Hinduja College, Mumbai. He has an experience of around 30 years in Indian Education Publishing Industry with specialization in sales & marketing and is responsible for the overall management, project handling and tender bidding process of our Company.

2. **Rakesh Jayantilal Rambhia** is the Whole Time Director of our Company. He is also one of the Promoters of our Company and has been associated with our Company since its incorporation. He has pursued Bachelor's in Commerce (Part I) from University of Bombay. He holds experience over 25 years in Indian Education Publishing Industry with specialization in product innovation, production, logistics and finance planning and is responsible for the overall management, finance and internal controls systems of our Company.
3. **Shilpa Anil Rambhia** is the Non-Executive Director of our Company. She has been associated with our Company since its incorporation. She has completed her Bachelors of Arts from University of Bombay. She has an experience of over 6 years in Indian Education Publishing Industry and providing insightful inputs, and adding value to the product planning process.
4. **Punit Saxena** is an Independent Director of our Company. He passed the examination of Bachelor of Science in Engineering from University of Calicut in the year, 1989 and Master of Business Administration from the University of Rajasthan in the year 1992 and Master of Valuation (Real Estate) from Shivaji University of October, 2016 and has passed the valuation examination in the Asset Class: Land And Buildings on 24th August, 2018. and he is an Associate of Indian Institute of Bankers. He has an experience of around 36 years in Banking and real estate
5. **Shrenik Bakulesh Kotecha** is the Independent Director of our Company. He has been on the Board since 2024. He has completed Masters' (MA) in Economics from University of Pune & Masters in Business Administration (MBA) from Padamshree Dr. DY Patil Vidyapeeth followed by Masters in Psychology (MPhil) from Anna Malai University and Doctorate (PhD) in Entrepreneurship & Education Business Management from Padamshree Dr. DY Patil Vidyapeeth. He has an experience of over 24 years in the business of education sector.

#### **Confirmations:**

As on the date of this Draft Red Herring Prospectus:

- a) None of our Directors have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Draft Red Herring Prospectus with the SEBI, during the term of his/ her directorship in such company.
- b) Further, none of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.
- c) None of our Directors have been identified as a willful defaulter, as defined in the SEBI Regulations and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation are pending against them.
- d) Neither Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1) (p) of the SEBI ICDR Regulations, and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- e) None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.

#### **Nature of any family relationship between our directors**

The following Directors of the Company are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013. Details of which are as follows:

| Sr. No. | Name of the Director/KMP                              | Relationship with other Directors/KMPs |
|---------|---|--|
| 1.      | Anil Jayantilal Rambhia and Rakesh Jayantilal Rambhia | Brother's                              |
| 2.      | Anil Jayantilal Rambhia and Shilpa Anil Rambhia       | Spouse                                 |

**Arrangements with major Shareholders, Customers, Suppliers or Others:**

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our directors were selected as Directors or members of the senior management.

**Service Contracts:**

The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of their employment.

**Details of Borrowing Powers of Directors**

Pursuant to a special resolution passed at an Extra-ordinary General Meeting of our Company held on February 07, 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 ₹ 100,00,00,000 (Rupees One Hundred Crores Only).

**Compensation of our Managing Director & Whole-Time Director**

The compensation payable to our Managing Director and Whole-time Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188,196,197,198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

**Terms of Appointment of our Managing Director and Whole Time Director**

| Particulars                           | Anil Jayantilal Rambhia   | Rakesh Jayantilal Rambhia  |
|---------------------------------------|---|--|
| Appointment/Change in Designation     | Originally Appointed as Director w.e.f. January 21, 2024; designated as "Chairman & Managing Director" w.e.f. February 07, 2024 | Originally Appointed as Director w.e.f. January 21, 2024; designated as "Whole Time Director & Chief Financial Officer" w.e.f. February 07, 2024, Further resigned from the post of Chief Financial Officer w.e.f. June 05, 2024 |
| Current Designation                   | Chairman & Managing Director  | Whole Time Director  |
| Terms of Appointment                  | 3 years<br>Liable to retire by rotation   | 3 years<br>Liable to retire by rotation  |
| Remuneration & Perquisites            | Upto Rs. 15,00,000 /- Per Month   | Upto Rs. 15,00,000 /- Per Month  |
| Compensation paid in the year 2022-23 | 75,00,000   | 75,00,000  |

Further, our Non-Executive Director (excluding Independent Director), are entitled to a remuneration of upto Rs. 24,00,000 Per Annum including the perquisites from our Company.

**Bonus or Profit-Sharing Plan for our Directors:**

We have no bonus or profit-sharing plan for our directors.

**Contingent or deferred compensation payable to our directors.**

There is no contingent or deferred compensation payable to our directors.

**Sitting Fees:**

The Articles of Association of our Company provides for payment of sitting fees to Directors (other than Managing Director & Whole-time Directors), not exceeding Rs. 20000 to be fixed by Directors from time to time, for attending a meeting of the Board or a Committee thereof. Our Board of Directors have resolved in their meeting dated March 04, 2024 has approved an amount of Rs. 10000 payable to all Independent Directors for attending each such meeting of the Board or Committee thereof.

**Shareholding of our Directors as on the date of this Draft Red Herring Prospectus: -**

| Sr. No. | Name of the Directors     | No. of Shares Held | Holding in %  |
|---------|---------------------------|--------------------|---------------|
| 1.      | Anil Jayantilal Rambhia   | 69,00,000          | 46.00%        |
| 2.      | Rakesh Jayantilal Rambhia | 69,00,000          | 46.00%        |
| 3.      | Shilpa Anil Rambhia       | 1,50,000           | 1.00%         |
|         | <b>Total</b>              | <b>1,39,50,000</b> | <b>93.00%</b> |

*None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft RedHerring Prospectus.*

Our Articles of Association do not require our directors to hold any qualification Equity Shares in the Company.

**INTEREST OF DIRECTORS**

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. Further our director may also be deemed interested to the extent of rent given by our Company for the property taken on leave and license. For further details, please refer to Chapter titled “**Our Management**” beginning on page 136 of this Draft Red Herring Prospectus.

Our directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our directors are also interested to the extent of unsecured loans, if any, given by them to our Company. Further our directors are also interested to the extent of Personal Guarantee given by Directors towards Financial facilities of our Company. For further details, please refer to “**Financial Indebtedness**” on page 207 of this Draft Red Herring Prospectus.

Further, our directors may be deemed to be interested to the extent of the position held by them on the board of directors of Group Companies, or any consideration for services, managerial remuneration/ sitting fees received in accordance with the provisions of the applicable law. Also, our directors may be deemed to be interested in the contracts, agreements/arrangements to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity.

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not entered into any contract,

agreements or arrangements during the preceding two years from the date of the Draft Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section "**Our Management**" or the section titled "**Financial information – Annexure Y - Related Party Disclosure**" beginning on page 136 and 192 respectively of this Draft Red Herring Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

**Interest of Directors in the property of Our Company:**

Except as mentioned hereunder our directors do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of this Draft Red Herring Prospectus.

| Sr. No | Location   | Purpose           | Natre of Interest  |
|--------|--|-------------------|--|
| 1      | 4Th Floor, B Wing, Block E, Trade Link, Kamala City, Above Bombay Canteen, Senapati Bapat Marg, Lower Parel (W), Mumbai 400 013. | Registered Office | Leave and License Agreement dated February 02, 2024 executed between Chetana Book Depot (Partnership Firm) and Chetana Education Limited for 12 months i.e. February 01, 2024 to January 31, 2025. |
| 2      | Building No: BJ, Godown 1 To 6, Shri Rajlaxmi Compound, Opp. Haldiram Workhouse, Kalher, Bhiwandi - 421302 Maharashtra           | Warehouse         | Leave and License Agreement dated February 02, 2024 executed between Chetana Book Depot (Partnership Firm) and Chetana Education Limited for 12 months i.e. February 01, 2024 to January 31, 2025. |
| 3.     | 1305 Alok Nagari, C-Wing, Shop No.16/17, Kasba Peth, Pune-411011   | Branch Office     | Anil Jayantilal Rambhia & Rakesh Jayantilal Rambhia has provide a NOC for the use of the said property for business purpose.   |

**Changes in Board of Directors in Last 3 Years**

| Sr. No. | Name of Director             | Date of Appointment / Re – Appointment   | Reasons for Change  |
|---------|------------------------------|--|---|
| 1.      | Anil Jayantilal Rambhia      | Appointed as a Chairman & Executive Director w.e.f. January 21, 2024   | To ensure better Corporate Governance and compliance with Companies Act, 2013 |
| 2.      | Rakesh Jayantilal Rambhia    | Appointed as an Executive Director w.e.f. January 21, 2024   |   |
| 3.      | Shilpa Anil Rambhia          | Appointed as Non-Executive Director w.e.f. January 21, 2024  |   |
| 4.      | Anil Jayantilal Rambhia      | Change in designation as Chairman and Managing Director w.e.f. February 07, 2024 for a period of 3 years.                |   |
| 5.      | Rakesh Jayantilal Rambhia    | Change in designation as Whole Time Director & Chief Financial Officer w.e.f. February 07, 2024 for a period of 3 years. |   |
| 4       | Dr. Shrenik Bakulesh Kotecha | Appointment as a Non-Executive Independent Director w.e.f. March 05, 2024 for a period of 5 Years.                       |   |
| 5       | Punit Saxena                 | Appointment as a Non-Executive Independent Director w.e.f. February 07 2024 for a period of 5 Years.                     |   |



## **COMPLIANCE WITH CORPORATE GOVERNANCE**

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME Platform of National Stock Exchange of India Limited (NSE Emerge). The requirements pertaining to the composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committees and Corporate Social Responsibility Committee as applicable on us, have been complied with.

Our Board has been constituted in compliance with the Companies Act, 2013 and in accordance with the best practices incorporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of Five (5) directors of which Two (2) are Independent Directors, and we have One (1) woman director on the Board. The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013.

Our Company has constituted the following committees:

### **1. Audit Committee**

Our Company has formed an Audit Committee ("Audit Committee"), vide Board Resolution dated March 18, 2024, as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constituted Audit Committee comprises following members:

| <b>Name of the Director</b> | <b>Status in Committee</b> | <b>Nature of Directorship</b> |
|-----------------------------|----------------------------|-------------------------------|
| Punit Saxena                | Chairman                   | Independent Director          |
| Shrenik Kotecha             | Member                     | Independent Director          |
| Rakesh Jayantilal Rambhia   | Member                     | Whole Time Director           |

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

- A. Tenure:** The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.
- B. Meetings of the Committee:** The committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher.
- C. Role and Powers:** The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:

The Audit Committee shall have powers, including the following:

- a) to investigate any activity within its terms of reference;
- b) to seek information from any employee;
- c) to obtain outside legal or other professional advice;
- d) to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and

e) to have full access to information contained in records of Company.

The role of the Audit Committee shall include the following:

- 1) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- 2) Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
- 3) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- 4) Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
- 5) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Qualifications and modified opinions in the draft audit report.
- 6) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- 7) Reviewing, with the management, the statement of uses/ application of funds raised through an offer (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. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- 8) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the Company, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
  - a. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- 12) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- 13) Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14) Discussing with internal auditors on any significant findings and follow up thereon;
- 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- 16) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18) Reviewing the functioning of the whistle blower mechanism;
- 19) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
- 20) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including

- existing loans / advances / investments;
- 21) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
  - 22) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law; and
  - 23) Carrying out any other functions as is mentioned in the terms of reference of the audit committee or containing into SEBI (LODR) Regulations 2015.

Further, the Audit Committee shall mandatorily review the following information:

- 1) management discussion and analysis of financial condition and results of operations;
- 2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 3) management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) internal audit reports relating to internal control weaknesses;
- 5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- 6) statement of deviations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations;
  - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

## 2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per the applicable provisions of the Section 178(5) and other applicable provisions of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated March 18, 2024. The constituted Stakeholders Relationship Committee comprises the following:

| Name of the Director      | Status in Committee | Nature of Directorship |
|---------------------------|---------------------|------------------------|
| Punit Saxena              | Chairman            | Independent Director   |
| Shrenik Bakulesh Kotecha  | Member              | Independent Director   |
| Rakesh Jayantilal Rambhia | Member              | Whole Time Director    |

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

- A. **Tenure:** The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.
- B. **Meetings:** The Stakeholder Relationship Committee shall meet at least once in a year, and shall report to the Board on a quarterly basis regarding the status of redressal of the complaints received from the shareholders of the Company. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.
- C. **Scope and Term of Reference:** The terms of reference of the Stakeholders Relationship Committee as per Regulation 20 and Part D of Schedule II of SEBI Listing Regulations, 2015 and Companies Act, 2013 shall be as under:
  - 1) Consider and resolve grievances of 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.;
- 2) Review of measures taken for effective exercise of voting rights by shareholders;
  - 3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
  - 4) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
  - 5) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
  - 6) To handle the grievances of the stakeholders in connection with the allotment and listing of shares;
  - 7) Ensure proper and timely attendance and redressal of investor queries and grievances;
  - 8) Carrying out any other functions contained in the Companies Act, 2013 and/or other documents (if applicable), as and when amended from time to time; and
  - 9) To perform such functions as may be delegated by the Board and to further delegate all or any of its power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s); and
  - 10) Such terms of reference as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

### **3. Nomination and Remuneration Committee**

Our Company has formed the Nomination and Remuneration Committee pursuant to Section 178, Schedule V and other applicable provisions of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 19 of SEBI Listing Regulation, 2015 vide Resolution dated March 18, 2024. The Nomination and Remuneration Committee comprise the following:

| <b>Name of the Director</b> | <b>Status in Committee</b> | <b>Nature of Directorship</b> |
|-----------------------------|----------------------------|-------------------------------|
| Shrenik Bakulesh Kotecha    | Chairman                   | Independent Director          |
| Punit Saxena                | Member                     | Independent Director          |
| Shilpa Anil Rambhia         | Member                     | Non-Executive Director        |

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

- A. Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.
- B. Meetings:** The committee shall meet as and when the need arises for review of Managerial Remuneration, subject to atleast one meeting in a year. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.
- C. Score and Terms of Reference:**

The terms of reference of the Nomination and Remuneration Committee as per Regulation 19 and Part D of Schedule II of SEBI Listing Regulations and Companies Act, 2013 shall be as under

- 1) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) for the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  1. use the services of external agencies, if required;

2. consider candidates from a wide range of backgrounds, having due regard to diversity; and
3. consider the time commitments of the candidates.
- 3) formulation of criteria for evaluation of the performance of independent directors and the Board;
- 4) devising a policy on diversity of our Board;
- 5) identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
- 6) determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- 7) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
- 8) recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
- 9) recommending to the Board, all remuneration, in whatever form, payable to senior management;
- 10) performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
- 11) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
- 12) analyzing, monitoring and reviewing various human resource and compensation matters;
- 13) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- 14) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  1. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
  2. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
- 15) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

#### **4. Corporate Social Responsibility Committee**

Our Company has reconstituted the Corporate Social Responsibility Committee as per the applicable provisions of the Section 135 of the Companies Act, 2013 (as amended or re-enacted from time to time) read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 vide Resolution dated March 18, 2024. The Corporate Social Responsibility Committee comprises the following:

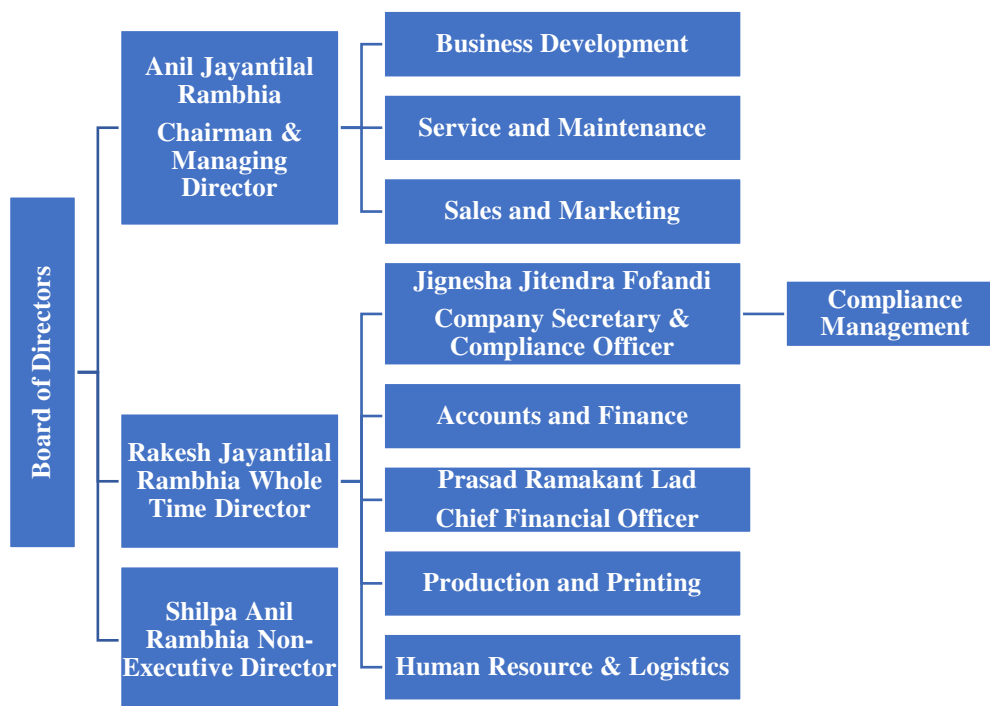
| <b>Name of the Director</b> | <b>Status in Committee</b> | <b>Nature of Directorship</b> |
|-----------------------------|----------------------------|-------------------------------|
| Anil Jayantilal Rambhia     | Chairman                   | Chairman & Managing Director  |
| Shrenik Bakulesh Kotecha    | Member                     | Independent Director          |
| Rakesh Jayantilal Rambhia   | Member                     | Whole Time Director           |

The Company Secretary of our Company shall act as a Secretary to the Corporate Social Responsibility Committee. The terms of reference of the CSR Committee include the following:

- 1) To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as specified in schedule VII of the Companies Act, 2013;
- 2) To review and recommend the amount of expenditure to be incurred on activities referred to in clause (a) of sub-section (3) of Section 135 of the Companies Act, 2013;
- 3) To institute a transparent monitoring mechanism for the implementation of the CSR projects, programs and activities undertaken the Company from time to time;
- 4) To Monitor the Corporate Social Responsibility policy of the Company from time to time;
- 5) Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

## Management Organization Structure

The following chart depicts our Management Organization Structure: -



### KEY MANAGERIAL PERSONNEL

Except for **Anil Jayantilal Rambhia**, Chairman & Managing Director and **Rakesh Jayantilal Rambhia**, Whole Time Director, whose details are provided in “Brief profiles of our directors” on page 136, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as set forth below:

**Jignesha Jitendra Fofandi** is the Company Secretary and Compliance Officer of our Company. She has been associated with our Company since March 18, 2024. In our Company, she handles secretarial and compliance functions. She holds a Law Graduate degree and Diploma in taxation. She is a member of the Institute of Company Secretaries of India. She has over 3 years of experience in legal and secretarial functions. Since she joined our Company in Fiscal 2024, she was not paid any remuneration for Fiscal 2024.

**Prasad Ramakant Lad** is the Chief Financial Officer of the Company. He has been appointed as the Chief Financial Officer of the Company on June 06, 2024. He holds a degree of B.Com from the University of Mumbai, he has completed his graduation in the year 2010. He received the remuneration of Rs. 4,80,000 p.a. and he has been associated with Chetana group since 12 years and working in the field of accounts, finance and taxation related matters.

We confirm that:

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the period ended January 21, 2024.
- Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.

- e) Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.  
 f) None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Red Herring Prospectus except as under: -

| Sr. No. | Name of the KMPs          | No. of Shares held |
|---------|---------------------------|--------------------|
| 1       | Anil Jayantilal Rambhia   | 69,00,000          |
| 2       | Rakesh Jayantilal Rambhia | 69,00,000          |
|         | <b>Total</b>              | <b>1,38,00,000</b> |

**Turnover of KMPs/ Attrition of Employees**

The turnover of KMPs/ attrition of employees is not high, compared to the industry to which our company belongs.

**Family relationship between KMPs**

None of our KMPs are related to each other except Anil Jayantilal Rambhia & Rakesh Jayantilal Rambhia are brothers.

**Payment of benefits to officers of Our Company (non-salary related)**

Except as disclosed in this Draft Red Herring Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

**Changes in the Key Managerial Personnel in last three years:**

There have been no changes in the Key Managerial Personnel of our Company during the last 3 (three) year except as stated below:

| Sr. No. | Name of Director          | Designation and period  | Appointment/Cessation/Re-designation | Reasons  |
|---------|---------------------------|---|--------------------------------------|--|
| 1.      | Anil Jayantilal Rambhia   | Appointment as a Chairman & Executive Director w.e.f. January 21, 2024.   | Appointment                          | To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance. |
| 2.      | Rakesh Jayantilal Rambhia | Appointment as an Executive Director w.e.f. January 21, 2024.   | Appointment                          |  |
| 3.      | Anil Jayantilal Rambhia   | Change in Designation as Chairman & Managing Director w.e.f. February 07, 2024 for a period of 3 years.                 | Re-designation                       |  |
| 4.      | Rakesh Jayantilal Rambhia | Change in Designation as Whole time Director & Chief Financial Officer w.e.f. February 07, 2024 for a period of 3 years | Re-designation                       |  |
| 5.      | Jignesha Jitendra Fofandi | Appointment as Company Secretary and Compliance Officer w.e.f. March 18, 2024   | Appointment                          |  |
| 6.      | Rakesh                    | Resignation from the office of the  | Resignation                          | Due to the Personal and pre-   |

|   |                     |   |             |  |
|---|---------------------|---|-------------|--|
|   | Jayantilal Rambhia  | Chief Financial Officer w.e.f. June 05, 2024                  |             | occupancy of another assignment  |
| 7 | Prasad Ramakant Lad | Appointment as a Chief Financial Officer w.e.f. June 06, 2024 | Appointment | To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance. |

### **Interest of Our Key Managerial Persons**

Apart from the shares held in the Company held by Anil Jayantilal Rambhia and Rakesh Jayantilal Rambhia, to extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to the Company, none of our key managerial personal are interested in our Company. For details, please refer section titled "*Financial information – Annexure Y - Related Party Disclosures*" beginning on page 192 of this Draft Red Herring Prospectus.

### **Interest of Directors in the property of our Company**

Except as disclosed in chapter titled "Our Management" beginning on page 136 of this Draft Red Herring Prospectus, our KMPs do not have any interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of filing the Draft Red Herring Prospectus with ROC.

### **Details of Service Contracts of the Key Managerial Personnel**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

### **Loans given/availed by Directors / Key Managerial Personnel of Our Company**

For details of unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to "*Annexure Y – Related Party Disclosure*" page 192 of this Draft Red Herring Prospectus.

### **ESOP/ESPS SCHEME TO EMPLOYEES**

Presently, we do not have any ESOP/ESPS Scheme for our employees.



## OUR PROMOTERS AND PROMOTER GROUP



### Our Promoters:


The Promoters of our Company are:

1. Anil Jayantilal Rambhia
2. Rakesh Jayantilal Rambhia
3. Shilpa Anil Rambhia

As on date of this Draft Red Herring Prospectus, the Promoters, in aggregate, hold 1,39,50,000 Equity shares of our Company, representing 93.00% of the pre-Issue paid-up Equity Share capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see "**Capital Structure – Capital Buildup in respect of Shareholding of our Promoters**", on pages 67 of this Draft Red Herring Prospectus.

### **Details of our Promoters:**

|   |  |
|---|--|
|   | <p><b>Anil Jayantilal Rambhia - Chairman &amp; Managing Director</b></p> <p>Anil Jayantilal Rambhia, aged 55 years, is one of our Promoters and is also the Chairman &amp; Managing Director on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions / posts held in the past and other directorships, see "Our Management – Brief biographies of Directors" on page 136.</p> <p><b>Other ventures of our Promoters</b> - Except as set out in this chapter under heading "Other ventures of our Promoters" and the chapter titled 'Our Management', our Promoters are not involved with any other venture, as a shareholder/stakeholder, proprietor, partner, promoter or director.</p> <p>His permanent account number is ADVPR7014F.</p> <p>For details of his shareholding, please see "Capital Structure" on page 67.</p> |
|  | <p><b>Rakesh Jayantilal Rambhia – Whole-time Director</b></p> <p>Rakesh Jayantilal Rambhia, aged 52 years, is one of our Promoters and is also the Whole Time Director on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions / posts held in the past, other directorships, see "Our Management – Brief biographies of Directors" on page 136.</p> <p><b>Other ventures of our Promoters</b> - Except as set out in this chapter under heading "Other ventures of our Promoters" and the chapter titled 'Our Management', our Promoters are not involved with any other venture, as a shareholder/stakeholder, proprietor, partner, promoter or director.</p> <p>His permanent account number is AABPR9847F.</p> <p>For details of his shareholding, please see "Capital Structure" on page 67.</p>                          |

|   |  |
|---|--|
|  | <p><b>Shilpa Anil Rambhia – Non Executive Director</b></p> <p>Shilpa Anil Rambhia, aged 55 years, is one of our Promoters and is also the Non-Executive Director on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions / posts held in the past, other directorships, see “Our Management –Brief biographies of Directors” on page 136.</p> <p><b>Other ventures of our Promoters</b> - Except as set out in this chapter under heading “Other ventures of our Promoters” and the chapter titled ‘Our Management’, our Promoters are not involved with any other venture, as a shareholder/stakeholder, proprietor, partner, promoter or director.</p> <p>Her permanent account number is ADVPR7012D.</p> <p>For details of her shareholding, please see "Capital Structure" on page 67.</p> |
|---|--|

**Confirmations/Declarations:**

In relation to our Promoters, our Company confirms that the PAN, bank account numbers, passport numbers, Adhaar card number and driving license number shall be submitted to NSE at the time of filing of this Draft Red Herring Prospectus.

**Undertaking/ Confirmations**

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- a) Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- b) Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- c) No material regulatory or disciplinary action is taken by any stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.
- d) There are no defaults in respect of payment of interest and principal to the debenture/ bond/ fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.
- e) The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled “Outstanding Litigations and Material Developments” beginning on page 221 of this Draft Red Herring Prospectus.
- f) None of our Promoters, person in control of our Company is or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

**Change in the control of our Company**

Our Promoters are the original promoters of our Company and there has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

**Interest of our Promoters:**

***Interest in promotion and shareholding of Our Company:***

Our Promoters are interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives. As on the date of this Draft

Red Herring Prospectus, our Promoters, Anil Jayantilal Rambhia, Rakesh Jayantilal Rambhia & Shilpa Anil Rambhia, collectively holds 1,39,50,000 Equity Shares in our Company i.e. 93.00% of the pre-Issue paid up Equity Share Capital of our Company. For details regarding the shareholding of our Promoters in our Company, please see “Capital Structure” on page 67 of this Draft Red Herring Prospectus.

Our Promoters may also be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to them for the rent, purchase and sale transactions. For details, please refer to **Annexure Y – “Related Party Disclosures”** beginning on page 192 of this Draft Red Herring Prospectus.

***Interest in the property of Our Company:***

Except as mentioned hereunder our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of this Draft Red Herring Prospectus.

| <b>Sr. No</b> | <b>Location</b>  | <b>Purpose</b>    | <b>Natre of Interest</b>   |
|---------------|--|-------------------|--|
| 1             | 4Th Floor, B Wing, Block E, Trade Link, Kamala City, Above Bombay Canteen, Senapati Bapat Marg, Lower Parel (W), Mumbai 400 013. | Registered Office | Leave and License Agreement dated February 02, 2024 executed between Chetana Book Depot (Partnership Firm) and Chetana Education Limited for 12 months i.e. February 01, 2024 to January 31, 2025. |
| 2             | Building No: BJ, Godown 1 To 6, Shri Rajlaxmi Compound, Opp. Haldiram Workhouse, Kalher, Bhiwandi - 421302 Maharashtra           | Warehouse         | Leave and License Agreement dated February 02, 2024 executed between Chetana Book Depot (Partnership Firm) and Chetana Education Limited for 12 months i.e. February 01, 2024 to January 31, 2025. |
| 3.            | 1305 Alok Nagari, C-Wing, Shop No.16/17, Kasba Peth, Pune-411011   | Branch Office     | Anil Jayantilal Rambhia & Rakesh Jayantilal Rambhia has provide a NOC for the use of the said property for business purpose.   |

***In transactions for acquisition of land, construction of building and supply of machinery***

None of our promoters or directors is interested in any transaction for the acquisition of land, construction of building or supply of machinery.

***Other Interests in our Company***

*For transactions in respect of loans and other monetary transactions entered in past please refer Annexure Y on “Related Party Disclosures” on page 192 forming part of “Restated Financial Statements” of this Draft Red Herring Prospectus.*

Further, our promoters may be interested to the extent of personal guarantees given by them in favour of the Company, for the details of Personal Guarantee given by Promoters towards Financial facilities of our Company please refer to **“Financial Indebtedness”** and **“Restated Financial Statements”** on page 207 and 156 respectively of this Draft Red Herring Prospectus.

No sum has been paid or agreed to be paid to our Promoters or to a firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a director or Promoter, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company, in respect of a firm or a company in which our Promoters are interested as a member.

For the transactions with our Promoter Group entities please refer to section titled **“Annexure Y- Related Party**

**Disclosures**” on page 192 of this Draft Red Herring Prospectus.

Except as stated in “**Annexure Y - Related Party Disclosures**” beginning on page 192 of this DRHP, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

**Payment or Benefits to our Promoters and Promoter Group during the last 2 years:**

For details of payments or benefits paid to our Promoters and promoter group, please refer to the paragraph “**Compensation of our Managing Director**” in the chapter titled “**Our Management**” beginning on page 136 also refer **Annexure Y** on “**Related Party Disclosures**” on page 192 forming part of “**Restated Financial Statements**” and the paragraph titled “**Interest of Promoters**” under the chapter titled “**Our Promoters and Promoter Group**” on page 150 of this Draft Red Herring Prospectus.

**Material Guarantees**

Our Promoters have not given any material guarantee to any third party, in respect of the Equity Shares, as of the date of this Draft Red Herring Prospectus.

**Companies/Firms with which our Promoters have disassociated in the last (3) three years**

Our Promoters have not disassociated themselves from any company, firms or other entities during the last three years preceding the date of this Draft Red Herring Prospectus.

**Other ventures of our Promoters**

Save and except as disclosed in this section titled “**Corporate Entities or Firms forming part of the Promoter Group**” under the chapter titled “**Our Promoters & Promoter Group**” and the chapter titled “**Our Management**”, beginning on page 150 and 136 of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

**Experience of Promoters in the line of business**

Our Promoters, Anil Jayantilal Rambhia have an experience of 30 years of Indian Education Publishing Industry, Rakesh Jayantilal Rambhia have an experience of around 25 years in the business of Indian Education Publishing Industry and Shilpa Anil Rambhia have an experience of around 6 years in the business of Indian Education Publishing Industry.

**OUR PROMOTER GROUP:**

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

1. Natural Persons who are part of the Promoter Group

As per Regulation 2(1) (pp) (ii) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters) are as follows:

| Relationship    | Anil Jayantilal Rambhia   | Rakesh Jayantilal Rambhia | Shilpa Anil Rambhia     |
|-----------------|---------------------------|---------------------------|-------------------------|
| Father          | Late Jayantilal Rambhia   | Late Jayantilal Rambhia   | Lt. Laxmanrao Chinchore |
| Mother          | Indumati Rambhia          | Indumati Rambhia          | Lt. Nirmala Chinchore   |
| Spouse          | Shilpa Anil Rambhia       | Surekha Rambhia           | Anil Jayantilal Rambhia |
| Brother         | Rakesh Jayantilal Rambhia | Anil Jayantilal Rambhia   | Nandesh Chinchore       |
| Sister          | Chetana Jain              | Chetana Jain              |                         |
| Daughter        | Aashna Anil Rambhia       | Jania Rakesh Rambhia      | Aashna Anil Rambhia     |
|                 | Divya Anil Rambhia        | -                         | Divya Anil Rambhia      |
| Spouse’s Father | Lt. Laxmanrao Chinchore   | Lt. Sohanlal Doshi        | Late Jayantilal Rambhia |

|                  |                       |                      |                           |
|------------------|-----------------------|----------------------|---------------------------|
| Spouse's Mother  | Lt. Nirmala Chinchore | Fanceyben Doshi      | Indumati Rambhia          |
| Spouse's Brother | Nandesh Chinchore     | Pritam Doshi         | Rakesh Jayantilal Rambhia |
| Spouse's Sister  | -                     | Sangeeta M. Khimawat | Chetana Jain              |
|                  | -                     | Sadhna N Rathod      | -                         |
|                  | -                     | Lata J. Jodhavat     | -                         |

2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(1) (pp) (iv) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

| S. No. | Nature of Relationship  | Entities  |
|--------|---|---|
| 1.     | Any Body Corporate in which 20% or more of the share capital is held by the Promoters or an immediate relative of the Promoters or a firm or HUF in which the Promoters or any one or more of his immediate relatives is a member | 1. Chetana Publications Private Limited<br>2. Chetana Social Welfare Foundation<br>3. Achera Enterprises LLP<br>4. Egyaan Edutainment LLP<br>5. Learning Leap LLP |
| 2      | Any Body Corporate in which a body corporate as provided in (A) above holds twenty per cent or more, of the equity share capital; and   | --  |
| 3      | Any Hindu Undivided Family or firm in which the aggregate share of the promoters and their relatives is equal to or more than twenty per cent. of the total capital;  | <b>HUF's</b><br>Rakesh Jayantilal Rambhia HUF<br>Anil Jayantilal Rambhia HUF<br>Jayantilal Rambhia HUF<br><b>Partnership Firms:</b><br>Chetana Book Depot         |

### **DIVIDEND POLICY**

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not paid / declared any dividend in last three years from date of this Draft Red Herring Prospectus. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

**SECTION VI FINANCIAL INFORMATION OF THE COMPANY**

**RESTATED FINANCIAL STATEMENTS**

**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION**

To,  
**The Board of Directors of  
CHETANA EDUCATION LIMITED,**  
(Formerly converted from Chetana Education LLP)  
4<sup>th</sup> Floor, B-wing, Building E, Trade Link,  
Senapati Bapat Marg, Kamala Mill Compound,  
Mumbai (Maharashtra)

Dear Sir,

Reference: - Proposed Public Issue of Equity Shares of Chetana Education Limited, (Formerly converted from Chetana Education LLP)

We have examined the attached Restated Financial Statement of **Chetana Education Limited** (hereunder referred to "the Company", "Issuer") comprising the Restated Statement of Assets and Liabilities as at January 21, 2024, March 31, 2023, March 31, 2022, and March 31, 2021, the Restated Statement of Profit & Loss, the Restated Cash Flow Statement for the period/year ended January 21, 2024, March 31, 2023, March 31, 2022, and March 31, 2021, the statement of Significant Accounting Policies and other explanatory Information (Collectively the Restated Financial Statement) as approved by the Board of Directors in their meeting held on 16<sup>th</sup> March, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus ("Offer Document") in connection with its proposed Initial Public Offering (IPO) of equity shares, prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) prepared in terms of the requirement of: -

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (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 2020) issued by the Institute of Chartered Accountants of India as amended from time to time. ("The Guidance Note")

The Company's Board of Directors is responsible for the preparation of the Restated Financial Statement for the purpose of inclusion in the offer document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, of relevant state in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company for the period/year ended on January 21, 2024, March 31, 2023, March 31, 2022, and March 31, 2021 on the basis of notes to restatement in note IV to the Restated Financial Statement. The Board of Directors of the company's responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statement.

We have examined such Restated Financial Statement taking into consideration:

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 01<sup>st</sup> January, 2024 in connection with the proposed IPO of equity shares of the Company;
- b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; 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.

This Restated Financial Statements have been compiled by the management from:

- a) During the period of restatement, since the company was having LLP structure prior to conversion, therefore Audited financial statements of the LLP drawn as per generally accepted accounting policies in India (India GAAP) and as per the relevant provision of the LLP Act, 2008.
- b) The financial statement for the period /year ended on 21<sup>st</sup> January, 2024, 31<sup>st</sup> March 2023, 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021 has been Audited by us vide our report dated 12<sup>th</sup> March, 2024, 24<sup>th</sup> June 2023, 01<sup>st</sup> September 2022, and 25<sup>th</sup> October 2021 respectively.

We state that no qualification in our report therefore no modification in restated financial were carried out.

- a) For the purpose of the restated financial, the Audited financial were prepared basis of the schedule III requirement and as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended;
- b) The Restated Financial Statement have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
- c) The Restated Financial Statement have been made after incorporating adjustments for prior period and other material amounts in the respective financial year to which they relate;
- d) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
- e) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure IV to this report; Depreciation was recalculated since beginning as per the schedule II of the Companies Act, 2013.
- f) Adjustments in Restated Financial Statement have been made in accordance with the correct accounting policies,
- g) There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statement, except -:
  - 1) Accounting of retirement benefits was accounted on cash basis which is not as per AS-15 (Revised) "Employee benefits", however during the restatement Company has accounted such retirement benefits basis actuarial valuation certificate.
  - 2) Depreciation has been recalculated since beginning as per the schedule II of the Companies Act, 2013 instead of Depreciation which was earlier charged as per Section 32 of Income Tax Act 1961
  - 3) Deferred Tax assets/liabilities has been recorded in the books as per the requirement of the Accounting Standard 22 "Accounting for Taxes on Income"
- h) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statement,
- i) The Company has not paid dividend during FY 2020-21 to FY 2022-23 and stub period ended 21<sup>st</sup> January, 2024,

In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that

- a) The "Restated Statement of Assets and Liabilities" as set out in Annexure I to this report, of the Company as at January 21, 2024, March 31, 2023, March 31, 2022, and March 31, 2021 is prepared by the Company and approved



by the Board of Directors. These Restated Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

b) The “Restated Statement of Profit and Loss” as set out in Annexure II to this report, of the Company for Financial period/year ended January 21, 2024, March 31, 2023, March 31, 2022, and March 31, 2021 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

c) The “Restated Statement of Cash Flow” as set out in Annexure III to this report, of the Company for Financial period/ year ended January 21, 2024, March 31, 2023, March 31, 2022, and March 31, 2021 is prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for Financial period/ year ended January 21, 2024, March 31, 2023, March 31, 2022, and March 31, 2021 proposed to be included in the Offer Document for the proposed IPO.

|   |                           |
|---|---------------------------|
| Restated Statement of Share Capital, Reserves and Surplus   | Annexure-A                |
| Restated Statement of Long Term and Short - Term Borrowings/ Statement of principle Term of Secured loan and Assets charges as security and Statement of term & Condition of unsecured Loans. | Annexure-B, B(A) and B(B) |
| Restated Statement of Deferred Tax (Assets) / Liabilities   | Annexure-C                |
| Restated Statement of long-term Provisions  | Annexure-D                |
| Restated Statement of Trade Payables  | Annexure-E                |
| Restated Statement of Other Current Liabilities and short-term Provisions   | Annexure-F                |
| Restated Statement of Property, Plant and Equipment and Intangible Assets   | Annexure-G                |
| Restated Statement of Non-Current Investments   | Annexure-H                |
| Restated Statement of Long-Term Loans and Advances  | Annexure-I                |
| Restated Statement of Current Investment  | Annexure-J                |
| Restated Statement of Inventory   | Annexure-K                |
| Restated Statement of Trade Receivables   | Annexure-L                |
| Restated Statement of Cash & Cash Equivalents   | Annexure-M                |
| Restated Statement of Short-Term Loans and Advances   | Annexure-N                |
| Restated Statement of Other Current Assets  | Annexure-O                |
| Restated Standalone Statement of Revenue from Operations  | Annexure-P                |
| Restated Standalone Statement of Other Operating & Non-Operating Income   | Annexure-Q                |
| Restated Statement of Cost of Material Consumed and Purchases of Stock in Trade   | Annexure-R                |
| Restated Statement of Change in Inventories   | Annexure-S                |
| Restated Statement of Employee Benefits Expenses  | Annexure-T                |
| Restated Statement of Finance Cost  | Annexure-U                |
| Restated Statement of Depreciation & Amortization   | Annexure-V                |
| Restated Statement of Other Expenses  | Annexure-W                |
| Restated Statement of Mandatory Accounting Ratios   | Annexure-X                |
| Restated Statement of Related Party Transaction   | Annexure-Y                |
| Restated Statement of Capitalization  | Annexure-Z                |
| Restated Statement of Tax Shelter   | Annexure-AA               |
| Restated Statement of Contingent Liabilities  | Annexure-AB               |
| Restated Statement of Other Financial Ratio   | Annexure-AC               |

|  |             |
|--|-------------|
| Restated Statement of Other Notes  | Annexure-AD |
| Significant Accounting Policy and Notes to The Restated financial Statements | Annexure IV |
| Material Adjustment to the Restated Financial                                | Annexure V  |

In our opinion and to the best of information and explanation provided to us, the Restated Financial Statement of the Company, read with significant accounting policies and notes to accounts as appearing in Annexure IV are prepared after providing appropriate adjustments and regroupings as considered appropriate.

We, M/s. Paresh Vora & Co, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and our peer Review Certificate is valid as on the date of signing of this report.

The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

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.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

In our opinion, the above Financial Statements along with Annexure A to AD of this report read with the respective Significant Accounting Policies and Notes to Accounts 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 Companies Act, ICDR Regulations, Engagement Letter and Guidance Note issued by ICAI.

Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the Proposed SME IPO of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

**For Paresh Vora & Associates.**

Chartered Accountants

FRN: - 118090W

**(Paresh Vora)**

Partner

M. No. 103963

Place: Mumbai

Date 16<sup>th</sup> March 2024

UDIN: 24103963BKBJEM5830

**ANNEXURE I**  
**RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

(Amount in Rs. Lakhs)

| PARTICULARS |  | Annexure       | As at the Period/Year ended |                |                |                |
|-------------|--|----------------|-----------------------------|----------------|----------------|----------------|
|             |  |                | 21-01-2024                  | 31-03-2023     | 31-03-2022     | 31-03-2021     |
| <b>A)</b>   | <b>EQUITY AND LIABILITIES</b>  |                |                             |                |                |                |
| 1.          | Shareholders' Funds  |                |                             |                |                |                |
| (a)         | Share Capital- Partner's Capital   | A              | 1500.00                     | 2281.92        | 1947.33        | 2091.10        |
| (b)         | Reserves & Surplus   |                | 0.00                        | 0.00           | 0.00           | 0.00           |
|             |  |                |                             |                |                |                |
| <b>2.</b>   | <b>Non-Current Liabilities</b>   |                |                             |                |                |                |
| (a)         | Long Term Borrowings   | B, B(A) & B(B) | 840.48                      | 669.12         | 540.00         | 2.30           |
| (b)         | Deferred Tax Liabilities (Net)   | C              | 32.35                       | 28.34          | 25.16          | 21.81          |
| (c)         | Long Term Provisions   | D              | 35.21                       | 32.89          | 23.17          | 16.41          |
|             |  |                |                             |                |                |                |
| <b>3.</b>   | <b>Current Liabilities</b>   |                |                             |                |                |                |
| (a)         | Short Term Borrowings  | B, B(A) & B(B) | 3244.69                     | 3630.38        | 3336.03        | 3485.55        |
| (b)         | Trade Payables   | E              |                             |                |                |                |
|             | (i) total outstanding dues of micro enterprises and small enterprises; and                   |                | 0.00                        | 0.00           | 0.00           | 0.00           |
|             | (ii) total outstanding dues of creditors other than micro enterprises and small enterprises. |                | 808.77                      | 1027.68        | 1183.27        | 717.61         |
| (c)         | Other Current Liabilities  | F              | 221.13                      | 405.78         | 367.66         | 328.44         |
| (d)         | Short Term Provisions  |                | 0.00                        | 238.96         | 183.20         | 161.87         |
|             | <b>Total</b>   |                | <b>6682.64</b>              | <b>8315.08</b> | <b>7605.82</b> | <b>6825.10</b> |
| <b>B)</b>   | <b>ASSETS</b>  |                |                             |                |                |                |
| <b>1.</b>   | <b>Non-Current Assets</b>  |                |                             |                |                |                |
| (a)         | <b>Property, Plant &amp; Equipment and Intangible Assets</b>                                 |                |                             |                |                |                |
|             | i) Tangible Assets   | G              |                             |                |                |                |
|             | (i) Gross Block  |                | 453.06                      | 438.89         | 270.88         | 271.56         |
|             | (ii) Depreciation  |                | 276.79                      | 229.75         | 202.94         | 176.35         |
|             | (iii) Net Block  |                | 176.27                      | 209.13         | 67.94          | 95.21          |
|             | ii) Intangible Assets  |                |                             |                |                |                |
|             | (i) Gross Block  |                | 82.29                       | 72.03          | 58.33          | 51.16          |
|             | (ii) Depreciation  | 47.99          | 37.61                       | 25.28          | 15.10          |                |
|             | (iii) Net Block  | 34.30          | 34.42                       | 33.06          | 36.06          |                |
|             | iii) Capital Work in Progress  |                | 0.00                        | 0.00           | 0.00           | 0.00           |
| (b)         | <b>Non-Current Investment</b>  | H              | 0.13                        | 0.13           | 0.13           | 0.13           |
| (c)         | <b>Deferred Tax Assets (Net)</b>   | C              |                             |                |                |                |
| (d)         | <b>Long Term Loans and Advances</b>  | I              | 8.28                        | 7.14           | 7.45           | 6.63           |
| <b>2.</b>   | <b>Current Assets</b>  |                |                             |                |                |                |
| (a)         | Current Investment   | J              | 0.00                        | 0.00           | 0.00           | 0.00           |
| (b)         | Inventories  | K              | 3756.73                     | 2460.79        | 2124.81        | 2004.90        |
| (c)         | Trade Receivables  | L              | 2110.32                     | 4285.66        | 3526.76        | 3331.04        |
| (d)         | Cash and Cash equivalents  | M              | 17.18                       | 186.03         | 390.67         | 54.09          |
| (e)         | Short-Term Loans and Advances  | N              | 398.82                      | 955.75         | 1400.32        | 1189.15        |
| (f)         | Other Current Assets   | O              | 180.60                      | 176.03         | 54.69          | 107.91         |
|             | <b>Total</b>   |                | <b>6682.64</b>              | <b>8315.08</b> | <b>7605.82</b> | <b>6825.10</b> |

## ANNEXURE II

## RESTATED STATEMENT OF PROFIT AND LOSS

(Amount in Rs. Lakhs)

| PARTICULARS |  | For the Period/Year ended on |                |                |                |                |
|-------------|--|------------------------------|----------------|----------------|----------------|----------------|
|             |  | 21-01-2024                   | 31-03-2023     | 31-03-2022     | 31-03-2021     |                |
| 1           | Revenue From Operations  | P                            | 5320.72        | 7555.71        | 4309.05        | 3255.76        |
| 2           | Other Income   | Q                            | 7.62           | 5.07           | 3.15           | 15.21          |
| <b>3</b>    | <b>Total Income (1+2)</b>  |                              | <b>5328.34</b> | <b>7560.77</b> | <b>4312.21</b> | <b>3270.96</b> |
| <b>4</b>    | <b>Expenditure</b>   |                              |                |                |                |                |
| (a)         | Cost of Material Consumed  | R                            | 2823.35        | 4053.20        | 2086.52        | 1365.11        |
| (b)         | Purchases of Stock in Trade  |                              | 0.00           | 0.00           | 0.00           | 0.00           |
| (c)         | Changes in inventories of finished goods.                                  | S                            | (589.47)       | (349.08)       | (110.33)       | (143.04)       |
| (d)         | Employee Benefit Expenses  | T                            | 1446.64        | 1495.16        | 999.60         | 726.84         |
| (e)         | Finance Cost   | U                            | 267.02         | 267.13         | 292.12         | 356.94         |
| (f)         | Depreciation and Amortisation Expenses                                     | V                            | 61.59          | 42.03          | 38.18          | 50.57          |
| (g)         | Other Expenses   | W                            | 1026.72        | 967.14         | 719.58         | 420.17         |
| <b>5</b>    | <b>Total Expenditure 4(a) to 4(d)</b>                                      |                              | <b>5035.83</b> | <b>6475.58</b> | <b>4025.66</b> | <b>2776.59</b> |
| <b>6</b>    | <b>Profit Before Exceptional &amp; extraordinary items &amp; Tax (3-5)</b> |                              | <b>292.50</b>  | <b>1085.20</b> | <b>286.54</b>  | <b>494.37</b>  |
| <b>7</b>    | <b>Exceptional item</b>  |                              | <b>0.00</b>    | <b>0.00</b>    | <b>0.00</b>    | <b>0.00</b>    |
| <b>8</b>    | <b>Profit Before Tax (6-7)</b>   |                              | <b>292.50</b>  | <b>1085.20</b> | <b>286.54</b>  | <b>494.37</b>  |
| <b>9</b>    | <b>Tax Expense:</b>  |                              |                |                |                |                |
| (a)         | Tax Expense for Current Year   |                              | 109.57         | 396.55         | 115.13         | 192.26         |
| (b)         | Short/(Excess) Provision of Earlier Year                                   |                              | -              | -              | -              | -              |
| (c)         | Deferred Tax   |                              | 4.01           | 3.18           | 3.35           | 21.81          |
|             | Net Current Tax Expenses   |                              | 113.59         | 399.73         | 118.48         | 214.07         |
| <b>10</b>   | <b>Profit for the Year (8-9)</b>   |                              | <b>178.92</b>  | <b>685.47</b>  | <b>168.06</b>  | <b>280.30</b>  |
| <b>11</b>   | <b>Earnings per equity shares (Face Value of Rs. 10 each)</b>              | X                            |                |                |                |                |
|             | i. Basic   |                              | 1.19           | 4.57           | 1.12           | 1.87           |
|             | ii Diluted   |                              | 1.19           | 4.57           | 1.12           | 1.87           |

## ANNEXURE III

## RESTATED STANDALONE CASH FLOW STATEMENT

(Amount in Rs. Lakhs)

| PARTICULARS   | For the Period/ Year ended on |                 |                 |                  |
|---|-------------------------------|-----------------|-----------------|------------------|
|   | 21-01-2024                    | 31-03-2023      | 31-03-2022      | 31-03-2021       |
| A) Cash Flow From Operating Activities :                          |                               |                 |                 |                  |
| Net Profit before tax   | 292.50                        | 1085.20         | 286.54          | 494.37           |
| Adjustment for :  |                               |                 |                 |                  |
| Depreciation  | 61.59                         | 42.03           | 38.18           | 50.57            |
| Interest Paid   | 259.94                        | 264.04          | 284.26          | 349.98           |
| Provision of Gratuity   | 4.62                          | 9.72            | 6.76            | (5.80)           |
| Interest Income   | (6.89)                        | (3.50)          | (1.50)          | (2.80)           |
| Profit/loss on sale of Motor car                                  | 0.14                          | (1.22)          | (1.27)          | (0.26)           |
| Dividend Income   | 0.00                          | (0.10)          | (0.05)          | 0.00             |
| <b>Operating profit before working capital changes</b>            | <b>611.91</b>                 | <b>1396.17</b>  | <b>612.91</b>   | <b>886.06</b>    |
| Changes in Working Capital  |                               |                 |                 |                  |
| (Increase) in Inventory   | (1295.94)                     | (335.98)        | (119.91)        | (188.19)         |
| (Increase)/Decrease in Trade Receivables                          | 2175.34                       | (758.91)        | (195.71)        | (465.08)         |
| (Increase)/Decrease in Short Term Loans & Advances and Provisions | 556.93                        | 444.57          | (211.17)        | (5.67)           |
| Increase/(Decrease) in Trade Payables                             | (218.91)                      | (155.58)        | 465.65          | 246.75           |
| Increase/(Decrease) in Other Current Liabilities                  | (184.65)                      | 38.12           | 39.22           | 303.98           |
| (Increase)/Decrease in Other Current Assets                       | (4.58)                        | (121.34)        | 53.22           | 288.12           |
| Increase/(Decrease) in Short Term Provisions                      | 0.00                          | 0.00            | 0.00            | (6.97)           |
| <b>Cash generated from operations</b>                             | <b>1640.09</b>                | <b>507.05</b>   | <b>644.21</b>   | <b>1059.01</b>   |
| Less:- Income Taxes paid  | (400.81)                      | (340.79)        | (93.80)         | (30.39)          |
| <b>Net cash flow from operating activities</b>                    | <b>1239.29</b>                | <b>166.26</b>   | <b>550.41</b>   | <b>1028.62</b>   |
| B) Cash Flow From Investing Activities :                          |                               |                 |                 |                  |
| Purchase of Property, plant and Equipments including of CWIP      | (29.16)                       | (185.27)        | (8.54)          | (5.75)           |
| Net proceeds from Sale of Property, plant and Equipments          | 0.41                          | 1.90            | 2.15            | 0.65             |
| Long term Investment made/Sold during the year                    | 0.00                          | 0.00            | 0.00            | 0.00             |
| Increase/(Decrease) in Long Term Loans and Advances               | (1.14)                        | 0.31            | (0.83)          | (6.63)           |
| Interest Income Received  | 6.89                          | 3.50            | 1.50            | 2.80             |
| Dividend Income Received  | 0.00                          | 0.10            | 0.05            | 0.00             |
| <b>Net cash flow from investing activities</b>                    | <b>(23.00)</b>                | <b>(179.46)</b> | <b>(5.66)</b>   | <b>(8.93)</b>    |
| C) Cash Flow From Financing Activities :                          |                               |                 |                 |                  |
| Proceeds from Issue of Share Capital                              | 0.00                          | 0.00            | 0.00            | 0.00             |
| Addition/(Withdrawal) in Partner's Capital Account                | (910.88)                      | (350.88)        | (312.09)        | (148.11)         |
| Increase/(Decrease) in Short Term Borrowings                      | (385.69)                      | 294.35          | (149.53)        | 1214.26          |
| Increase/(Decrease) in Long Term Borrowings                       | 171.36                        | 129.12          | 537.70          | (1742.06)        |
| Interest Paid   | (259.94)                      | (264.04)        | (284.26)        | (349.98)         |
| <b>Net cash flow from financing activities</b>                    | <b>(1385.14)</b>              | <b>(191.45)</b> | <b>(208.18)</b> | <b>(1025.89)</b> |
| Net Increase/(Decrease) In Cash & Cash Equivalents                | (168.85)                      | (204.65)        | 336.58          | (6.20)           |
| Cash equivalents at the beginning of the year                     | 186.03                        | 390.67          | 54.09           | 60.28            |
| Cash equivalents at the end of the year                           | 17.18                         | 186.03          | 390.68          | 54.08            |

## **ANNEXURE-IV**

### **SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED FINANCIAL STATEMENTS**

#### **A. BACKGROUND**

The Company was originally formed as a Limited Liability Partnership in the name and style of "Chetana Publications (India) LLP" under the provisions of the Limited Liability Partnership Act, 2008 on December 30, 2017, vide Certificate of Incorporation issued by Central Registration Centre, Registrar of Companies. Consequently, the name was changed to 'Chetana Education LLP', and a fresh certificate of incorporation dated October 17, 2021, was issued by the ROC. Subsequently, the Company was converted into a public limited company under the Companies Act with the name 'Chetana Education Limited' pursuant to a fresh certificate of incorporation dated January 21, 2024, was issued by the Registrar of Companies, Mumbai, Maharashtra, bearing CIN: U58111MH2024PLC417778.

#### **B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

##### **1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Restated Statement of Assets and Liabilities of the Company as on January 21, 2024, March 31, 2023, March 31, 2022, and March 31, 2021 and the Restated Statement of Profit and Loss and Restated Statements of Cash Flows for the period/year ended on January 21, 2024, March 31, 2023, March 31, 2022, and March 31, 2021 and the annexure thereto (collectively, the "Restated Financial Statements") have been extracted by the management from the Audited Financial Statements of the Company.

The financial statements of the company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises the Accounting Standards notified u/s S.133 read with S.469 of the Companies Act, 2013. The accounting policies have been framed, keeping in view the fundamental accounting assumptions of Going Concern, Consistency and Accrual, as also basic considerations of Prudence, Substance over form, and Materiality. These have been applied consistently, except where a newly issued accounting standard is initially adopted or a revision in the existing accounting standards require a revision in the accounting policy so far in use. The need for such a revision is evaluated on an ongoing basis.

The Financial Statements have been prepared on a going concern basis, in as much as the management neither intends to liquidate the company nor to cease operations. Accordingly, assets, liabilities, income and expenses are recorded on a Going Concern basis. Based on the nature of products and services, and the time between the acquisition of assets and realization in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purposes of current and non-current classification of assets and liabilities

##### **2. USE OF ESTIMATES**

The preparation of financial statements required the management to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities. The Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision of accounting estimates is recognized prospectively in the current and future periods.

##### **3. PROPERTY, PLANT AND EQUIPMENTS**

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of a property, plant and equipment comprises its purchase price, any costs directly attributable to bringing the property, plant and equipment into the location and condition necessary for it to be capable of operating in the manner intended by management.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss.

#### **4. DEPRECIATION & AMORTIZATION**

Depreciation on Fixed Assets has been provided on 'Written Down Value' based on the useful life of the assets and in the manner prescribed in the Schedule II of the Companies Act, 2013. In first year, company has identified assets whose life has been expired according to company act, 2013, therefore the WDV of such assets has been written off up to salvage value i.e. 5% of original cost of purchase. Intangible assets have been amortized over the period of 5 years on SLM basis.

#### **5. BORROWING COSTS**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

#### **6. IMPAIRMENT OF ASSETS**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of amount.

#### **7. INVESTMENTS**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

#### **8. INVENTORIES**

Inventories comprising of raw materials and finished goods are valued at lower of cost or net realizable value. Cost here represents landed cost including custom duty in case of imports and is net of duty which is cenvatable or refundable. Cost of inventories is determined on FIFO basis. Net realizable value is the estimate of the selling price in the ordinary course of business less further cost expected to be incurred for its completion and disposal.

#### **9. REVENUE RECOGNITION**

- i) Revenue is recognized to the extent that is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- ii) Revenue from sale of goods is recognized when the significant risk and rewards are transferred as per the terms of sale. Revenues are recorded at invoice value.
- iii) Income in respect of interest, insurance claims, export benefits, subsidy etc. is recognized to the extent the company is reasonably certain of its ultimate realization.

#### **10. EMPLOYEE BENEFITS**

**Defined-contribution plans:**

- i) The company does not carry forward the balance of earned leave balance of employees, balance earned leave is paid to the employees according to the policy of company.
- ii) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.
- iii) Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided on the basis of the actuarial valuation as at the date of the Balance Sheet.

## **11. SEGMENT ACCOUNTING**

### **Business Segment**

- (a) The business segment has been considered as the primary segment.
- (b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
- (c) The Company's primary business includes Purchasing and selling of academic Text/work books for K/12 segment, and accordingly this is the only segment as envisaged in Accounting Standard 17 'Segment Reporting' therefore disclosure for Segment reporting is not applicable.

## **12. ACCOUNTING FOR TAXES ON INCOME**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

(i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

(ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

## **13. CONTINGENT LIABILITIES AND PROVISIONS**

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.



#### **14. EARNINGS PER SHARE:**

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. For the purpose of EPS, we have considered the same number of Equity share outstanding during the entire period of restatement during which Company was registered as LLP entity.

#### **15. CASH FLOW:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

#### **C. CHANGES IN ACCOUNTING POLICIES IN THE YEARS COVERED IN THE RESTATED FINANCIALS**

There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statement, except -  
:

- 1) Accounting of retirement benefits was accounted on cash basis which is not as per AS-15 (Revised) "Employee benefits", however during the restatement Company has accounted such retirement benefits basis actuarial valuation certificate.
- 2) Depreciation has been provided as per schedule II of the Companies Act, 2013 instead of Income Tax Act 1961.
- 3) Deferred Tax assets/liabilities has been recorded in the books as per the requirement of the Accounting Standard 22 "Accounting for Taxes on Income"

#### **D. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS**

1. The financial statements including other financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
2. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been reported to the extent of information memorandum received from the suppliers. Management is in process of compilation of such information.

**3. Employee benefits:**

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary. The disclosures as envisaged under the standard are as under:-

(Amount in Rs. Lakhs)

| Particulars   | 21-01-2024                    | 31-03-2023        | 31-03-2022        | 31-03-2021        |
|---|-------------------------------|-------------------|-------------------|-------------------|
| <b>1.The amounts recognized in the Balance Sheet are as follows:</b>  |                               |                   |                   |                   |
| Present value of unfunded obligations Recognized  | 35.21                         | 32.89             | 23.17             | 16.41             |
| <b>Net Liability</b>  | <b>35.21</b>                  | <b>32.89</b>      | <b>23.17</b>      | <b>16.41</b>      |
| <b>2.The amounts recognized in the Profit &amp; Loss A/c are as follows:</b>                                  |                               |                   |                   |                   |
| Current Service Cost  | 9.15                          | 9.84              | 9.06              | 10.17             |
| Interest on Defined Benefit Obligation  | 4.73                          | 3.72              | 3.03              | 3.36              |
| Expected Return on Plan Assets  | (3.21)                        | (3.29)            | (3.02)            | (3.04)            |
| Net actuarial losses (gains) recognised in the year   | 12.16                         | 8.03              | 1.79              | (11.55)           |
| <b>Total, Included in “Salaries, Allowances &amp; Welfare”</b>  | <b>22.83</b>                  | <b>18.30</b>      | <b>10.85</b>      | <b>(1.06)</b>     |
| <b>3.Changes in the present value of defined benefit obligation:</b>  |                               |                   |                   |                   |
| Defined benefit obligation as at the beginning of the year/period<br>Net of Fair Value of Opening Plan Assets | 32.89                         | 23.17             | 16.41             | 22.20             |
| Service cost  | 9.15                          | 9.84              | 9.06              | 10.17             |
| Interest cost   | 4.73                          | 3.72              | 3.03              | 3.36              |
| Expected Return on Plan Assets  | (3.21)                        | (3.29)            | (3.02)            | (3.04)            |
| Net actuarial losses (gains) recognised in the year   | 12.16                         | 8.03              | 1.79              | (11.55)           |
| Contribution made by the Company  | (20.51)                       | (8.58)            | (4.09)            | (4.73)            |
| <b>Defined benefit obligation as at the end of the year/period</b>  | <b>35.21</b>                  | <b>32.89</b>      | <b>23.17</b>      | <b>16.41</b>      |
| <b>Benefit Description</b>  |                               |                   |                   |                   |
| Benefit type:   | Gratuity Valuation as per Act |                   |                   |                   |
| Retirement Age:   | <b>58 years</b>               | <b>58 years</b>   | <b>58 years</b>   | <b>58 years</b>   |
| Vesting Period:   | <b>5 years</b>                | <b>5 years</b>    | <b>5 years</b>    | <b>5 years</b>    |
| <b>The principal actuarial assumptions for the above are:</b>   |                               |                   |                   |                   |
| Future Salary Rise:   | <b>10.00% P.A</b>             | <b>10.00% P.A</b> | <b>10.00% P.A</b> | <b>10.00% P.A</b> |
| Discount rate per annum:  | <b>7.18% P.A</b>              | <b>7.29% P.A</b>  | <b>5.66% P.A</b>  | <b>5.18% P.A</b>  |
| Attrition Rate:   | 10% Per Annum                 |                   |                   |                   |
| Mortality Rate:   | IALM 2012-14 Ultimate         |                   |                   |                   |

**4. Provisions, Contingent Liabilities and Contingent Assets (AS 29)**

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on the end of respective period except as mentioned in Annexure -AB, for any of the years covered by the statements.

**5. Related Party Disclosure (AS 18)**

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – Y of the enclosed financial statements.

**6. Accounting For Taxes on Income (AS 22)**

Deferred Tax liability/Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income” as at the end of the Period/year is reported as under-

| Particulars  | (Amount in Rs. Lakhs ) |              |              |              |
|--|------------------------|--------------|--------------|--------------|
|  | As at                  |              |              |              |
|  | 21-01-2024             | 31-03-2023   | 31-03-2022   | 31-03-2021   |
| Major Components of deferred tax arising on account of timing differences are: |                        |              |              |              |
| Timing Difference Due to Depreciation  | 57.37                  | 48.20        | 48.83        | 46.01        |
| Deferred Tax Assets/(Liabilities) (A)  | 20.05                  | 16.84        | 17.06        | 16.08        |
| Provision of Gratuity as at the year end                                       | 35.21                  | 32.89        | 23.17        | 16.41        |
| Timing Difference Due to Gratuity Expenses                                     | 35.21                  | 32.89        | 23.17        | 16.41        |
| Deferred Tax Assets/(Liabilities) (B)  | 12.30                  | 11.49        | 8.10         | 5.73         |
| <b>Cumulative Balance of Deferred Tax Assets/(Liability) (Net) (A+B)</b>       | <b>32.35</b>           | <b>28.34</b> | <b>25.16</b> | <b>21.81</b> |

**7. Earnings Per Share (AS 20):**

Earnings per Share have been calculated is already reported in the Annexure –X of the enclosed financial statements.

**8. Realizations:**

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these Restated financials has used internal and external sources on the expected future performance of the Company and management expects the carrying amount of these assets will be recovered and sufficient liquidity is available to fund the business operations for at least another 12 months. Given the uncertainty because of COVID-19, the final impact on the Company’s assets in future may differ from that estimated as at the date of approval of these restated Financials.

**9. Contractual liabilities**

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

## 10. Trade Receivables

As on 21<sup>st</sup> January, 2024, Company is having disputed trade receivable having aggregate outstanding balance of Rs 415.21 Lakhs, which has been considered as disputed but against which no provision for bad and doubtful is required according to the management. Management believes that pursuant to closure of the legal proceedings, management will be able to recover at least the value at which these parties are recorded in Restated financial statement as above and do not see any material amount of less recovery.

## 11. Amounts in the financial statements

Amounts in the financial statements are reported in Indian Rupees in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

## 12. Auditors Qualifications –

Details of Auditors qualifications and their impact on restated financial statement is given below.

a) Qualification which required adjustment in restated financial statements

| Financial Year                                      | Audit Qualifications | Remark         |
|---|----------------------|----------------|
| FY 2020-21  | NIL                  | Not Applicable |
| FY 2021-22  | NIL                  |                |
| FY 2022-23  | NIL                  |                |
| For the Period ended 21 <sup>st</sup> January, 2024 | NIL                  |                |

b) Qualification which does not require adjustment in restated financial statements – Details given below

| Financial Year                                      | Audit Qualifications | Management Reply |
|---|----------------------|------------------|
| FY 2020-21  | NIL                  | Not Applicable   |
| FY 2021-22  | NIL                  | Not Applicable   |
| FY 2022-23  | NIL                  | Not Applicable   |
| For the Period ended 21 <sup>st</sup> January, 2024 | NIL                  | Not Applicable   |

## ANNEXURE-V

### **MATERIAL ADJUSTMENTS [AS PER THE ICDR) REGULATION]**

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 2013, and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective years and their impact on the profit /(losses) of the Company is as under.

**Statement of Profit and Loss after Tax**

The reconciliation of Profit/(loss) after tax as per audited results and the Profit/(loss) after tax as per Restated accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the respective year profit & losses of the company.

| Particulars   | 21-01-2024    | 31-03-2023    | 31-03-2022     | 31-03-2021    |
|---|---------------|---------------|----------------|---------------|
| Net Profit/(loss) after Tax as per audited accounts but before adjustments for restated accounts: | 187.31        | 694.36        | 179.08         | 182.47        |
| Less: Provision for Gratuity booked as per AS -15(Revised)  | (2.32)        | (9.72)        | (6.76)         | 5.80          |
| Short/(Excess) Provision for Deferred Tax Assets/ liability                                       | (4.01)        | (3.18)        | (3.35)         | (21.81)       |
| Prior Period Bank theft(Receivable) adjusted with retained earning                                | 0.00          | 0.00          | 0.00           | 200.00        |
| Short/(Excess) Depreciation   | (9.02)        | (0.19)        | (4.09)         | (8.45)        |
| (Short)/Excess Provision for Income Tax   | (2.49)        | 2.97          | 1.92           | (68.80)       |
| Interest on Fixed Deposit short booked in Audited accounts  | 0.43          | 0.00          | 0.00           | 0.00          |
| Profit/loss on sale of Assets   | (0.14)        | 1.22          | 1.27           | 0.26          |
| Add/(Less): Cash theft adjusted prior period  | 9.16          | 0.00          | 0.00           | (9.16)        |
| <b>Net Adjustment in Profit and Loss Account</b>  | <b>(8.39)</b> | <b>(8.89)</b> | <b>(11.02)</b> | <b>97.83</b>  |
| <b>Net Profit/(Loss) After Tax as per Restated Accounts:</b>                                      | <b>178.92</b> | <b>685.47</b> | <b>168.06</b>  | <b>280.30</b> |

**a) Adjustment of Gratuity Expenses**

Company had accounted gratuity on cash basis, however during the restatement, Company has complied with the requirement of AS – 15 (Revised) “Employee Benefits” and accordingly booked Gratuity expenses basis of actuarial valuation report.

**b) Adjustment on account of Provision of Deferred Tax Assets:**

Due to Provision for Gratuity (Employee benefits), Difference of WDV of Fixed Assets as per Companies Act, 2013 and Income Tax Act, 1961 during the period of restatement, The Company has recalculated the deferred tax liability and deferred tax assets at the end of respective year ended at the rate of normal Tax rate applicable at the end of relevant year. For more details refer table of Reconciliation of Statement of Profit and loss as above.

**c) Provision of Income Tax (Prior Period):**

During the restatement of tax provisions, share of Firm Tax related to last years has charged in the Partner’s current account of Rs 8.97 Lakhs, which is pertaining to period prior to 01-04-2020 and accordingly the same has been adjusted with opening balance of retained earnings.

**d) Provision of Income Tax (Current/Prior Period):**

During the restatement, the Income tax provision was recalculated on restated Profit/(Loss) of respective year as per the prevailing tax rates, accordingly the effect of revised income tax provision has been made in the Restated Statement of Profit and Loss account. Short/(Excess) provision has adjusted in respective year/period. For More details, refer Annexure AA enclosed with the Restated Financial Statement.

**e) Accounting of Bank Fraud – written off accounting**

During the restatement, Company has observed that in FY 2020-21 Bank fraud written off as expenses of Rs 200.00 Lakhs, which was related to past periods FY 2017-18 and necessary effect given in restatement and adjusted with Opening balance of retained earnings.

**f) Accounting of Depreciation on Property, Plant and Equipment**

During the restatement, Company has observed that company charged depreciation rate as per section 32 of INCOME TAX Act, 1961. Therefore, the depreciation was recalculated revised as per COMPANIES Act 2013, Schedule II from starting period and the difference short/(Excess) has been restated and necessary effect is given in Schedule of Property, Plant & Equipment and Opening retained earnings.

**g) Accounting of Profit/loss on Sale of Assets:**

During the restatement, Company has observed that on sale of Assets, Profit/Gain not calculated earlier and not charged in P &L. Therefore, the Profit/Loss on sale of Assets was calculated revised from starting period and profit/loss has been restated and necessary effect is given in P&L and Opening retained earnings.

**h) Accounting of Interest on Fixed Deposit:**

During the restatement, Company has observed that Interest on fixed deposit was short accrued during the period ended 21<sup>st</sup> January, 2024 by Rs 0.43 Lakhs therefore the same has been rectified during the restatement. Refer above table for more details.

**i) Accounting of Profit/loss on Sale of Assets:**

During the restatement, Company has observed that on sale of Assets, Profit/Gain not calculated earlier and not charged in P &L. Therefore, the Profit/Loss on sale of Assets was calculated revised from starting period and profit/loss has been restated and necessary effect is given in P&L and Opening retained earnings.

## ANNEXURE – A

## RESTATED STANDALONE STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS

(Amt. in Rs. Lakhs, Except Share Data)

| Particulars   | As at          |                |                |                |
|---|----------------|----------------|----------------|----------------|
|   | 21-01-2024     | 31-03-2023     | 31-03-2022     | 31-03-2021     |
| <b>Share Capital</b>                                |                |                |                |                |
| <b>Authorised Share Capital</b>                     |                |                |                |                |
| No of Equity shares of Rs.10 each                   | 2,00,00,000    | -              | -              | -              |
| Equity Share Capital                                | 2000.00        | -              | -              | -              |
|   |                |                |                |                |
| <b>Issued, Subscribed and Paid up Share Capital</b> |                |                |                |                |
| No of Equity Shares of Rs. 10 each fully paid up    | 1,50,00,000    | -              | -              | -              |
| Equity Share Capital                                | 1500.00        | -              | -              | -              |
|   |                |                |                |                |
| <b>Partner's Capital account (Fixed)</b>            | 0.00           | 2281.92        | 1947.33        | 2091.10        |
| <b>Total</b>  | <b>1500.00</b> | <b>2281.92</b> | <b>1947.33</b> | <b>2091.10</b> |
|   |                |                |                |                |
| <b>Partner's Capital account</b>                    |                |                |                |                |
|   |                |                |                |                |
| <b>Opening balance</b>                              | <b>2281.90</b> | <b>1947.33</b> | <b>2091.10</b> | <b>2225.77</b> |
| Less:- withdrawal                                   | (2417.07)      | (757.13)       | (482.48)       | (205.98)       |
| Add:- Addition during the year                      | 96.06          | 256.25         | 86.65          | 0.00           |
| Add:-Remuneration during the period                 | 200.00         | 150.00         | 84.00          | 60.00          |
| Capital transferred to Long term borrowings         | (339.83)       |                |                |                |
| Adjustment of opening reserve                       | 0.00           | 0.00           | 0.00           | (269.00)       |
| Profit for the Year                                 | 178.92         | 685.47         | 168.06         | 280.30         |
| Less: Dividend Paid                                 |                |                | 0.00           | 0.00           |
| Less: Issue of Bonus Share                          |                | 0.00           | 0.00           | 0.00           |
| <b>Closing Balance (Total of B)</b>                 | <b>0.00</b>    | <b>2281.92</b> | <b>1947.33</b> | <b>2091.10</b> |

1. Terms/rights attached to equity shares:

i. The company has only one class of shares referred to as equity shares having a par value of Rs. 10/- as at 21st January, 2024.

ii. Each holder of equity shares is entitled to one vote per share.

iii. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

iv. The Company have been formed pursuant to the conversion of the erstwhile LLP into the company, pursuant to which 1,50,00,000 were issued to the existing partners of the LLP on 21st January, 2024.

v. The Company does not have equity share capital in financial year ended March, 2021, 2022, and 2023, but for the presentation purpose of various ratios, we have regrouped LLP's partners' capital into Paid up Share Capital & Partner's Capital account in preceding three years.

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. Company does not have any Revaluation Reserve.

4. The reconciliation of the number of Equity shares outstanding as at: -

| Particulars  | 21-01-2024   | 31-03-2023 | 31-03-2022 | 31-03-2021 |
|--|--|------------|------------|------------|
|  | Number of shares (Face value Rs 10) at the beginning | -          |            |            |
| Add: Issue of Shares                                   | 1,50,00,000  | -          | -          | -          |
| Add: Bonus Shares                                      | -  | -          | -          | -          |
| Number of shares (Face value Rs 10) at the end of year | 1,50,00,000  | -          | -          | -          |

5 (a). The detail of shareholders holding more than 5% of Total Equity Shares: -

| Name of Shareholders | 21-01-2024   | 31-03-2023 | 31-03-2022 | 31-03-2021 |
|----------------------|--------------|------------|------------|------------|
|                      | Anil Rambhia | 69,00,000  | -          | -          |
| Rakesh Rambhia       | 69,00,000    | -          | -          | -          |

5(b) The % of shareholders holding more than 5% of Total Equity Shares: -

| Name of Shareholders | 21-01-2024   | 31-03-2023 | 31-03-2022 | 31-03-2021 |
|----------------------|--------------|------------|------------|------------|
|                      | Anil Rambhia | 46.00%     | 49.00%     | 49.00%     |
| Rakesh Rambhia       | 46.00%       | 49.00%     | 49.00%     | 49.00%     |

6. Shares held by promoters at the end of 21st January, 2024 is given below

| Promoter Name       | No. of Shares (Face Value Rs. 10/- each) | % of total shares | % Change during the year |
|---------------------|--|-------------------|--------------------------|
| Anil Rambhia        | 69,00,000                                | 46.00%            | -6.12%                   |
| Rakesh Rambhia      | 69,00,000                                | 46.00%            | -6.12%                   |
| Shilpa Anil Rambhia | 150,000                                  | 1.00%             | 1.00%                    |
| <b>Total</b>        | <b>1,39,50,000</b>                       |                   |                          |

7. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – B**  
**RESTATED STANDALONE STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS**

(Amount in Rs. Lakhs )

| Particulars   | As at         |               |               |             |
|---|---------------|---------------|---------------|-------------|
|   | 21-01-2024    | 31-03-2023    | 31-03-2022    | 31-03-2021  |
| <b>Long Term Borrowings</b>   |               |               |               |             |
| <b>(Secured)</b>  |               |               |               |             |
| <b>Term loans</b>   |               |               |               |             |
| From Bank & Financial Institutions  | 500.65        | 669.12        | 540.00        | 2.30        |
| <b>Sub-total</b>  | <b>500.65</b> | <b>669.12</b> | <b>540.00</b> | <b>2.30</b> |
| <b>(Unsecured)</b>  |               |               |               |             |
| <b>(b) Term loans</b>   |               |               |               |             |
| From Bank & Financial Institutions  | 0.00          | 0.00          | 0.00          | 0.00        |
| From Others   | 0.00          | 0.00          | 0.00          | 0.00        |
| <b>Sub-total (b)</b>  | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b> |
| <b>(c) Loans and advances from related parties &amp; shareholders (Unsecured) - Repayable on Demand</b> |               |               |               |             |
| From Director   | 339.83        | 0.00          | 0.00          | 0.00        |
| <b>Sub-total (c)</b>  | <b>339.83</b> | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b> |
| <b>(d) Loans and advances from others (Unsecured)</b>   |               |               |               |             |
| Inter-Corporate Borrowings  | 0.00          | 0.00          | 0.00          | 0.00        |
| <b>Sub-total (d)</b>  | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b> |
| <b>Total</b>  | <b>840.48</b> | <b>669.12</b> | <b>540.00</b> | <b>2.30</b> |

**Short Term Borrowings**



|   |                |                |                |                |
|---|----------------|----------------|----------------|----------------|
| <b>Secured</b>                                    |                |                |                |                |
| <b>Loan Repayable on Demand</b>                   |                |                |                |                |
| From Banks  | 2069.44        | 2157.36        | 1704.45        | 1699.71        |
| <b>Subtotal (a)</b>                               | <b>2069.44</b> | <b>2157.36</b> | <b>1704.45</b> | <b>1699.71</b> |
| <b>Unsecured</b>                                  |                |                |                |                |
| From Director & Others                            | 992.71         | 1444.65        | 1629.76        | 1779.04        |
| <b>Subtotal (b)</b>                               | <b>992.71</b>  | <b>1444.65</b> | <b>1629.76</b> | <b>1779.04</b> |
| Current Maturities of Long Term Debt-Secured loan | 182.55         | 28.37          | 1.82           | 6.81           |
| <b>Sub Total (c)</b>                              | <b>182.55</b>  | <b>28.37</b>   | <b>1.82</b>    | <b>6.81</b>    |
| <b>Total (a+b+c)</b>                              | <b>3244.69</b> | <b>3630.38</b> | <b>3336.03</b> | <b>3485.55</b> |

Note :

1. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.
2. List of persons/entities classified as 'Promoters' and 'Promoter Group' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
3. The terms and conditions and other information in respect of Secured Loans are given in Annexure -B (A)
4. The terms and conditions and other information in respect of Unsecured Loans are given in Annexure - B (B)
5. Motor Car in the books of the Company is in the name of Directors, however car used for company purpose and loan instalment, interest is being paid by the company.

ANNEXURE – B(A)

RESTATED STANDALONE STATEMENT OF PRINCIPAL TERMS OF SECURED TERMS LOANS AND ASSETS CHARGED AS SECURITY

| Name of Lender                          | Purpose of Credit Facility     | Sanctioned Amount | Rate of interest         | Prime Securities offered  | Re-Payment Schedule      |                           | Moratorium (In Months) | Outstanding amount as on (as per Books) (Rs. Lakhs) |            |            |            |
|---|--------------------------------|-------------------|--------------------------|---|--------------------------|---------------------------|------------------------|---|------------|------------|------------|
|   |                                |                   |                          |   | No of EMI (No of Months) | EMI Amount (Rs. In Lakhs) |                        | 21-01-2024  | 31-03-2023 | 31-03-2022 | 31-03-2021 |
| The Saraswat Co-op Bank                 | GECL Working Capital Term Loan | 540.00            | 9.25%                    |   | 36.00                    | 15.00                     | 24.00                  | 540.00  | 540.00     | 540.00     | 0.00       |
| ICICI Bank (Mercedes Benz MH01-EF-1714) | Vehicle Loan                   | 90.00             | 8.50%                    | Secured Against Hypothecation of Motor Car                            | 60.00                    | 1.85                      | NIL                    | 74.98   | 87.66      | 0.00       | 0.00       |
| Axis Bank (Mercedes Benz MH47-AN-9664)  | Vehicle Loan                   | 34.85             | 9.75%                    | Secured Against Hypothecation of Motor Car                            | 60.00                    | 0.74                      | NIL                    | 29.55   | 34.29      | 0.00       | 0.00       |
| Kotak Mahindra Bank (MH04-LE-5483)      | Vehicle Loan                   | 8.79              | 9.30%                    | Secured Against Hypothecation of Delivery Van                         | 54.00                    | 0.20                      | NIL                    | 6.81  | 8.20       | 0.00       | 0.00       |
| Kotak Mahindra Bank (MH04-LE-5442)      | Vehicle Loan                   | 14.65             | 9.00%                    | Secured Against Hypothecation of Delivery Van                         | 54.00                    | 0.33                      | NIL                    | 11.34   | 13.67      | 0.00       | 0.00       |
| Kotak Mahindra Bank (MH04-LE-5441)      | Vehicle Loan                   | 14.65             | 9.00%                    | Secured Against Hypothecation of Delivery Van                         | 54.00                    | 0.33                      | NIL                    | 11.34   | 13.67      | 0.00       | 0.00       |
| Kotak Mahindra Bank (MH04-LY-0319)      | Vehicle Loan                   | 9.17              | 9.50%                    | Secured Against Hypothecation of Delivery Van                         | 48.00                    | 0.23                      | NIL                    | 9.17  | 0.00       | 0.00       | 0.00       |
| The Saraswat Co-op Bank                 | Cash Credit facility           | 3,000.00          | 10.25%                   | Secured Against Hypothecation of Stock & Debtors-180 days             | On Demand repayable      |                           | NIL                    | 1706.33   | 2157.36    | 1704.45    | 1699.71    |
| ICICI Bank                              | Overdraft facility             | 490.00            | Repo 6.50%+ Spread 3.50% | Secured Against Gala no. 101 to 104 on 1st floor, Rajlaxmi commercial | On Demand repayable      |                           | NIL                    | 363.11  | 0.00       | 0.00       | 0.00       |

|                          |              |      |        |   |       |      |     |                |                |                |                |
|--------------------------|--------------|------|--------|---|-------|------|-----|----------------|----------------|----------------|----------------|
|                          |              |      |        | complex,<br>Bhiwandi, Thane                   |       |      |     |                |                |                |                |
| Axis Bank (TN38-CU-6145) | Vehicle Loan | 6.97 | 9.50%  | Secured Against Hypothecation of Delivery Van | 36.00 | 0.21 | NIL | 0.00           | 0.00           | 1.82           | 4.10           |
| HDFC Bank (MH04-JU-3745) | Vehicle Loan | 6.96 | 10.75% | Secured Against Hypothecation of Delivery Van | 36.00 | 0.23 | NIL | 0.00           | 0.00           | 0.00           | 2.38           |
| HDFC Bank (MH04-JU-3744) | Vehicle Loan | 6.96 | 10.75% | Secured Against Hypothecation of Delivery Van | 36.00 | 0.23 | NIL | 0.00           | 0.00           | 0.00           | 2.38           |
| The Saraswat Co-op Bank  | Vehicle Loan | 5.20 | 12.65% | Secured Against Hypothecation of Delivery Van | 31.00 | 0.17 | NIL | 0.00           | 0.00           | 0.00           | 0.25           |
| <b>Total</b>             |              |      |        |   |       |      |     | <b>2752.63</b> | <b>2854.85</b> | <b>2246.27</b> | <b>1708.82</b> |

1. Collateral Security for the GECL Working Capital loan & CC granted by-

(a) Second Charge of Rs 40.00 Lacs on Equitable Mortgage of Shops No G 016 & G 017 situated at Alok Nagari, G Wing, CTS No 1305, Near Agrawal Talim, Off Surya Hospital Pawale Chowk Road, Kasba Pethe Pune 411011 owned by Rakesh Rambhia & Anil Rambhia. 2. Second Charge of Rs 500.00 Lacs on Equitable Mortgage of property Situated at Flat No 801, 8th Floor; A Wing, Ansal Heights, G M Bhosale Marg, Worli, Mumbai - 400018 owned by Rakesh Rambhia & Surekha Rambhia

(b) Equitable Mortgage of property Situated at Flat No 801, 8th Floor; A Wing, Ansal Heights, G M Bhosale Marg, Worli, Mumbai - 400018 owned by Rakesh Rambhia & Surekha Rambhia.

(c) Also Security create against FD of Rs. 120 Lacs

2. Collateral Security for the ICICI Bank Overdraft Loan granted by-

Gala No. 1 to 4-101 to 104 on 1st Floor; Rajlaxmi Commercial Complex, Bhiwandi, Thane, Maharashtra-421302, also security provider by Chetana Publication Pvt. Ltd, and Director Anil Rambhia & Rakesh Rambhia

3. Also All loan Secured by personal guarantee of Directors of the company- Anil Rambhia & Rakesh Rambhia

**ANNEXURE – B(B)**

**RESTATED STANDALONE STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS**

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Promoter Group /Associates/Relatives of Directors/Group Companies/other entities

Unsecured Loans from Promoters/Directors are interest free and all are taken without any preconditions attached towards repayments.

| Name of Lender              | Purpose       | Rate of interest | Re-Payment Schedule | Moratorium | Outstanding amount as at (Amount in Rs. Lakhs) |            |            |            |
|-----------------------------|---------------|------------------|---------------------|------------|--|------------|------------|------------|
|                             |               |                  |                     |            | 21-01-2024                                     | 31-03-2023 | 31-03-2022 | 31-03-2021 |
| Indumati Rambhia (Loan A/C) | Business Loan | 6.00%            | Payable on Demand   | NA         | 0.00   | 104.71     | 94.50      | 162.50     |

|  |               |        |                   |    |        |        |        |        |
|--|---------------|--------|-------------------|----|--------|--------|--------|--------|
| Shilpa Rambhia (Loan A/C)              | Business Loan | 12.00% | Payable on Demand | NA | 5.32   | 19.07  | 0.00   | 0.00   |
| Jania Rakesh Rambhia-Loan              | Business Loan | 12.00% | Payable on Demand | NA | 25.96  | 7.55   | 6.81   | 2.40   |
| J.D.Shah Huf (Loan)                    | Business Loan | 12.00% | Payable on Demand | NA | 0.00   | 47.18  | 42.58  | 38.45  |
| Rambhia Anil J. (Loan)                 | Business Loan | 12.00% | Payable on Demand | NA | 153.96 | 0.00   | 163.34 | 169.06 |
| Rambhia Aashna A. ( Loan)              | Business Loan | 12.00% | Payable on Demand | NA | 5.32   | 51.70  | 51.70  | 35.64  |
| Rambhia Anil J. (Huf) (Loan)           | Business Loan | 12.00% | Payable on Demand | NA | 0.00   | 71.76  | 68.96  | 62.27  |
| Rambhia Diva Anil (Loan)               | Business Loan | NIL    | Payable on Demand | NA | 5.32   | 2.94   | 3.07   | 2.07   |
| Rambhia Rakesh J.( Huf) (Loan)         | Business Loan | 12.00% | Payable on Demand | NA | 0.00   | 59.42  | 53.63  | 48.42  |
| Rambhia Surekha R.-Loan                | Business Loan | 12.00% | Payable on Demand | NA | 0.00   | 5.97   | 64.91  | 44.41  |
| Rakesh Rambhia- Loan                   | Business Loan | 12.00% | Payable on Demand | NA | 193.94 | 30.00  | 18.00  | 0.00   |
| Chetana Bharat Jain                    | Business Loan | 9.00%  | Payable on Demand | NA | 0.00   | 1.00   | 1.00   | 1.00   |
| Chetana Stationery                     | Business Loan | NIL    | Payable on Demand | NA | 0.00   | 68.03  | 47.92  | 0.00   |
| Hriday Jain                            | Business Loan | 9.00%  | Payable on Demand | NA | 0.00   | 1.50   | 1.50   | 1.50   |
| Hemalata Dinesh Savla                  | Business Loan | 9.00%  | Payable on Demand | NA | 5.10   | 5.00   | 0.00   | 0.00   |
| Rekha Mukesh Dedhia                    | Business Loan | 9.00%  | Payable on Demand | NA | 0.00   | 0.00   | 10.00  | 10.00  |
| Diya Bhavesh Shah                      | Business Loan | 9.00%  | Payable on Demand | NA | 51.02  | 50.00  | 50.00  | 50.00  |
| Rajul B.Shah                           | Business Loan | 9.00%  | Payable on Demand | NA | 306.12 | 300.00 | 300.00 | 300.00 |
| Sun Overseas ( Bhaveshbhai-Walkeshwar) | Business Loan | 9.00%  | Payable on Demand | NA | 51.02  | 50.00  | 50.00  | 50.00  |
| Bhavesh B Shah                         | Business Loan | 9.00%  | Payable on Demand | NA | 25.51  | 25.00  | 25.00  | 25.00  |
| Fancybai Sohanlal Doshi                | Business Loan | NIL    | Payable on Demand | NA | 41.00  | 41.00  | 41.00  | 41.00  |
| Snehlata Rajure – Loan                 | Business Loan | 9.00%  | Payable on Demand | NA | 2.30   | 2.25   | 2.25   | 2.25   |
| Darshan Ramesh                         | Business Loan | 12.00% | Payable on Demand | NA | 0.00   | 0.00   | 1.50   | 1.50   |
| Darshana V Parekh                      | Business Loan | 12.00% | Payable on Demand | NA | 25.00  | 25.00  | 30.00  | 30.00  |
| Hema N Shah (Mr. Babu)                 | Business Loan | 9.00%  | Payable on Demand | NA | 85.00  | 100.00 | 100.00 | 150.00 |
| Jayantilal Bhavanji Gala               | Business Loan | 9.00%  | Payable on Demand | NA | 3.07   | 3.00   | 3.00   | 3.00   |
| Premal Parikh Huf                      | Business Loan | 12.00% | Payable on Demand | NA | 6.18   | 6.00   | 6.00   | 6.00   |
| Premal Parikh                          | Business Loan | 12.00% | Payable on Demand | NA | 6.18   | 6.00   | 6.00   | 6.00   |
| Ramesh Premji                          | Business Loan | 12.00% | Payable on Demand | NA | 8.00   | 6.00   | 2.00   | 2.00   |
| Smita V. Parekh                        | Business Loan | 12.00% | Payable on Demand | NA | 28.00  | 28.00  | 33.00  | 33.00  |
| Meeta Thakur                           | Business Loan | 10.00% | Payable on Demand | NA | 6.00   | 6.00   | 5.87   | 6.00   |
| Prakash Thakur                         | Business Loan | 10.00% | Payable on Demand | NA | 4.00   | 4.00   | 4.00   | 4.00   |
| Roshan Thakur                          | Business Loan | 10.00% | Payable on Demand | NA | 2.50   | 2.50   | 2.44   | 2.50   |
| Jyoti Thakur                           | Business Loan | 10.00% | Payable on Demand | NA | 5.50   | 5.50   | 5.50   | 5.50   |
| Kanwal K. Thakur                       | Business Loan | 10.00% | Payable on Demand | NA | 5.00   | 5.00   | 4.89   | 5.00   |
| Bhagwanti.K.Thakur                     | Business Loan | 10.00% | Payable on Demand | NA | 4.50   | 4.50   | 4.40   | 4.50   |
| Deepti Thakur                          | Business Loan | 10.00% | Payable on Demand | NA | 3.50   | 3.50   | 3.42   | 3.50   |
| Shyam Thakur                           | Business Loan | 10.00% | Payable on Demand | NA | 9.00   | 9.00   | 9.00   | 9.00   |
| Brijesh P Avichal                      | Business Loan | 9.00%  | Payable on Demand | NA | 28.57  | 28.00  | 28.00  | 28.00  |

|                                   |               |        |                   |    |                |                |                |                |
|-----------------------------------|---------------|--------|-------------------|----|----------------|----------------|----------------|----------------|
| Priti P Avichal                   | Business Loan | 9.00%  | Payable on Demand | NA | 15.31          | 15.00          | 15.00          | 15.00          |
| Brijesh P.Avichal Huf             | Business Loan | 9.00%  | Payable on Demand | NA | 106.12         | 104.00         | 104.00         | 104.00         |
| Jignesh Shah (Hiravanti Shah)     | Business Loan | NIL    | Payable on Demand | NA | 5.77           | 5.77           | 5.77           | 5.77           |
| Jignesh Shah                      | Business Loan | NIL    | Payable on Demand | NA | 5.30           | 5.30           | 5.30           | 5.30           |
| Kaushik Pravin Gogri (C/O Nulith) | Business Loan | 9.00%  | Payable on Demand | NA | 30.61          | 30.00          | 30.00          | 30.00          |
| Mayuri Kantilal Gosar             | Business Loan | 9.00%  | Payable on Demand | NA | 25.51          | 25.00          | 25.00          | 25.00          |
| Kantilal Chanabhai Gosar          | Business Loan | 9.00%  | Payable on Demand | NA | 25.51          | 25.00          | 25.00          | 25.00          |
| Kashmira K.Shah                   | Business Loan | 9.00%  | Payable on Demand | NA | 0.00           | 0.00           | 2.00           | 2.00           |
| Kantilal R. Shah Huf              | Business Loan | 9.00%  | Payable on Demand | NA | 0.00           | 0.00           | 7.50           | 7.50           |
| Kantilal R.Shah                   | Business Loan | 9.00%  | Payable on Demand | NA | 0.00           | 0.00           | 16.50          | 16.50          |
| Kanwal K. Thakur                  | Business Loan | 10.00% | Payable on Demand | NA | 0.00           | 0.00           | 0.00           | 5.00           |
| Pinkle Nimish Gandhi              | Business Loan | 9.00%  | Payable on Demand | NA | 6.50           | 3.50           | 3.50           | 0.00           |
| Pratibha T. Jhaveri               | Business Loan | 12.00% | Payable on Demand | NA | 6.00           | 6.00           | 6.00           | 6.00           |
| Tejpal P.Jhaveri                  | Business Loan | 12.00% | Payable on Demand | NA | 4.00           | 7.00           | 7.00           | 7.00           |
| Talakshi Devraj Gala              | Business Loan | 9.00%  | Payable on Demand | NA | 0.00           | 5.00           | 5.00           | 5.00           |
| Trishla V.Jhaveri                 | Business Loan | 9.00%  | Payable on Demand | NA | 0.00           | 0.00           | 0.00           | 15.00          |
| Umesh K.Shah                      | Business Loan | 9.00%  | Payable on Demand | NA | 0.00           | 0.00           | 0.00           | 20.00          |
| Varsha K.Shah                     | Business Loan | 9.00%  | Payable on Demand | NA | 0.00           | 0.00           | 0.00           | 45.50          |
| Sukanya Kanchan                   | Business Loan | 9.00%  | Payable on Demand | NA | 0.00           | 0.00           | 0.00           | 4.00           |
| Sudeep S.Mulki                    | Business Loan | 9.00%  | Payable on Demand | NA | 0.00           | 0.00           | 0.00           | 0.50           |
| Popatlal M. Gala                  | Business Loan | 9.00%  | Payable on Demand | NA | 0.00           | 20.00          | 20.00          | 20.00          |
| Tejpal P. Jhaveri Huf             | Business Loan | 12.00% | Payable on Demand | NA | 0.00           | 7.00           | 7.00           | 0.00           |
| S.K.Mulki                         | Business Loan | 9.00%  | Payable on Demand | NA | 0.00           | 0.00           | 0.00           | 15.50          |
| Vinit Vastupal Jhaveri            | Business Loan | 9.00%  | Payable on Demand | NA | 0.00           | 0.00           | 0.00           | 12.00          |
| Pooja Vinit Jhaveri               | Business Loan | 9.00%  | Payable on Demand | NA | 0.00           | 0.00           | 0.00           | 13.00          |
| M.S.Mulki                         | Business Loan | 9.00%  | Payable on Demand | NA | 0.00           | 0.00           | 0.00           | 20.00          |
| Jayantilal Bhavanji Gala          | Business Loan | 9.00%  | Payable on Demand | NA | 0.00           | 0.00           | 0.00           | 3.00           |
| Premila Ratilal Chhadva           | Business Loan | 9.00%  | Payable on Demand | NA | 0.00           | 0.00           | 0.00           | 6.00           |
| <b>Total</b>                      |               |        |                   |    | <b>1332.54</b> | <b>1444.65</b> | <b>1629.76</b> | <b>1779.04</b> |

ANNEXURE – C

RESTATED STANDALONE STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES

(Amount in Rs. Lakhs)

| Particulars  | As at      |            |            |            |
|--|------------|------------|------------|------------|
|  | 21-01-2024 | 31-03-2023 | 31-03-2022 | 31-03-2021 |
| Major Components of deferred tax arising on account of timing differences are: |            |            |            |            |
| Timing Difference Due to Depreciation  | 57.37      | 48.20      | 48.83      | 46.01      |
| Deferred Tax Assets/(Liabilities) (A)  | 20.05      | 16.84      | 17.06      | 16.08      |

|  |              |              |              |              |
|--|--------------|--------------|--------------|--------------|
| Provision of Gratuity as at the year end                                 | 35.21        | 32.89        | 23.17        | 16.41        |
| Timing Difference Due to Gratuity Expenses                               | 35.21        | 32.89        | 23.17        | 16.41        |
| Deferred Tax Assets/(Liabilities) (B)                                    | 12.30        | 11.49        | 8.10         | 5.73         |
| <b>Cumulative Balance of Deferred Tax Assets/(Liability) (Net) (A+B)</b> | <b>32.35</b> | <b>28.34</b> | <b>25.16</b> | <b>21.81</b> |

Note: The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – D**  
**RESTATED STANDALONE STATEMENT OF LONG TERM PROVISIONS**

(Amount in Rs. Lakhs )

| Particulars                            | As at        |              |              |              |
|--|--------------|--------------|--------------|--------------|
|  | 21-01-2024   | 31-03-2023   | 31-03-2022   | 31-03-2021   |
| <b>Provision for Employee Benefits</b> |              |              |              |              |
| Gratuity Provision - Long Term         | 35.21        | 32.89        | 23.17        | 16.41        |
| Others                                 | 0.00         | 0.00         | 0.00         | 0.00         |
| <b>Total</b>                           | <b>35.21</b> | <b>32.89</b> | <b>23.17</b> | <b>16.41</b> |

**ANNEXURE – E**  
**RESTATED STANDALONE STATEMENT OF TRADE PAYABLES**

(Rs. in Lakhs )

| Particulars                                  | As at         |                |                |               |
|--|---------------|----------------|----------------|---------------|
|  | 21-01-2024    | 31-03-2023     | 31-03-2022     | 31-03-2021    |
| <b>Trade Payables</b>                        |               |                |                |               |
| <b>For Goods &amp; Services</b>              |               |                |                |               |
| Micro, Small and Medium Enterprises          | 0             | 0.00           | 0.00           | 0.00          |
| Others                                       | 808.77        | 1027.68        | 1183.27        | 717.61        |
| <b>Total</b>                                 | <b>808.77</b> | <b>1027.68</b> | <b>1183.27</b> | <b>717.61</b> |
| Trade Payable Includes Dues to Related Party | 0.00          | 0.00           | 0.00           | 0.00          |

Notes:

- The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.
- Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. Management is in process of complying information from their suppliers regarding their status under the MSME act.
- Ageing of the Supplier, alongwith any amount involved in disputes as required by Schedule III of Companies Act, 2013 is disclosed below after it becomes due for payment. In case of no credit terms defined the break-up of age wise supplier balance is given below after considering from the date of transactions.

Trade Payables ageing schedule: As at 21st January, 2024

(Rs. in Lakhs)

| Particulars | Outstanding for following periods from due date of payment |
|-------------|--|
|-------------|--|

|                             | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total  |
|-----------------------------|------------------|-----------|-----------|-------------------|--------|
| (i) MSME                    | -                | -         | -         | -                 | -      |
| (ii) Others                 | 724.14           | 84.36     | 0.27      | 0.00              | 808.77 |
| (iii) Disputed dues- MSME   | -                | -         | -         | -                 | -      |
| (iv) Disputed dues - Others | -                | -         | -         | -                 | -      |

Trade Payables ageing schedule: As at 31st March, 2023

(Rs. in Lakhs)

| Particulars                 | Outstanding for following periods from due date of payment |           |           |                   |         |
|-----------------------------|--|-----------|-----------|-------------------|---------|
|                             | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years | Total   |
| (i) MSME                    | -  | -         | -         | -                 | -       |
| (ii) Others                 | 1026.72  | 0.82      | 0.09      | 0.05              | 1027.68 |
| (iii) Disputed dues- MSME   | -  | -         | -         | -                 | -       |
| (iv) Disputed dues - Others | -  | -         | -         | -                 | -       |

Trade Payables ageing schedule: As at 31st March,2022

(Rs. in Lakhs)

| Particulars                 | Outstanding for following periods from due date of payment |           |           |                   |         |
|-----------------------------|--|-----------|-----------|-------------------|---------|
|                             | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years | Total   |
| (i) MSME                    | -  | -         | -         | -                 | -       |
| (ii) Others                 | 987.67   | 195.60    | -         | -                 | 1183.27 |
| (iii) Disputed dues- MSME   | -  | -         | -         | -                 | -       |
| (iv) Disputed dues - Others | -  | -         | -         | -                 | -       |

Trade Payables ageing schedule: As at 31st March,2021

(Rs. in Lakhs)

| Particulars                 | Outstanding for following periods from due date of payment |           |           |                   |        |
|-----------------------------|--|-----------|-----------|-------------------|--------|
|                             | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years | Total  |
| (i) MSME                    | -  | -         | -         | -                 | -      |
| (ii) Others                 | 664.36   | 53.26     | -         | -                 | 717.61 |
| (iii) Disputed dues- MSME   | -  | -         | -         | -                 | -      |
| (iv) Disputed dues - Others | -  | -         | -         | -                 | -      |

ANNEXURE – F

RESTATED STANDALONE STATEMENT OF OTHER CURRENT LIABILITIES AND SHORT TERM PROVISIONS

(Amount in Rs. Lakhs )

| Particulars | As at      |            |            |            |
|-------------|------------|------------|------------|------------|
|             | 21-01-2024 | 31-03-2023 | 31-03-2022 | 31-03-2021 |

|  |               |               |               |               |
|--|---------------|---------------|---------------|---------------|
| <b>Other Current Liabilities</b>                 |               |               |               |               |
| Statutory Payables                               | 4.23          | 42.83         | 38.27         | 14.39         |
| Advances Received from Customers                 | 71.59         | 219.85        | 186.91        | 185.40        |
| Salary payable to staff                          | 86.93         | 113.89        | 88.82         | 89.40         |
| Other Current Liabilities                        | 58.39         | 29.22         | 53.66         | 39.25         |
| <b>Total</b>                                     | <b>221.13</b> | <b>405.78</b> | <b>367.66</b> | <b>328.44</b> |
| <b>Short Term Provisions</b>                     |               |               |               |               |
| Provision for Gratuity                           | 0.00          | 0.00          | 0.00          | 0.00          |
| Other Provisions                                 | 0.00          | 0.00          | 0.00          | 0.00          |
|  | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b>   |
| <b>Other Provisions</b>                          |               |               |               |               |
| Income tax Provisions net of Advance tax and TDS | 0.00          | 238.96        | 183.20        | 161.87        |
| <b>Total</b>                                     | <b>0.00</b>   | <b>238.96</b> | <b>183.20</b> | <b>161.87</b> |

Notes:

1. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – G**  
**RESTATED STANDALONE STATEMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS**

FY 2020-21

| Particulars                          | Gross Block            |                          |                           |                        | Depreciation           |                          |                           | Net Block              |                      |                      |
|--------------------------------------|------------------------|--------------------------|---------------------------|------------------------|------------------------|--------------------------|---------------------------|------------------------|----------------------|----------------------|
|                                      | Value as at 01-04-2020 | Addition during the year | Deduction during the year | Value as at 31-03-2021 | Value as at 01-04-2020 | Addition during the year | Deduction during the year | Value as at 31-03-2021 | WDV as on 31-03-2021 | WDV as on 31-03-2020 |
| <b>Property, Plant and Equipment</b> |                        |                          |                           |                        |                        |                          |                           |                        |                      |                      |
| Computer And Printer                 | 41.10                  | 3.92                     | 0.00                      | 45.02                  | 32.83                  | 5.81                     | 0.00                      | 38.63                  | 6.39                 | 8.27                 |
| Electrical Equipments                | 17.38                  | 0.00                     | 0.00                      | 17.38                  | 8.05                   | 2.42                     | 0.00                      | 10.47                  | 6.91                 | 9.33                 |
| Furniture And Fixtures               | 37.93                  | 0.26                     | 0.00                      | 38.18                  | 17.48                  | 5.31                     | 0.00                      | 22.80                  | 15.39                | 20.45                |
| Delivery van                         | 45.80                  | 0.00                     | 1.17                      | 44.63                  | 21.81                  | 7.47                     | 0.78                      | 28.50                  | 16.13                | 24.00                |
| Motor Car                            | 46.14                  | 0.35                     | 0.00                      | 46.49                  | 21.20                  | 7.80                     | 0.00                      | 29.00                  | 17.50                | 24.94                |
| Office Equipment                     | 35.36                  | 0.00                     | 0.00                      | 35.36                  | 22.15                  | 5.96                     | 0.00                      | 28.10                  | 7.26                 | 13.21                |
| Plant & Machinery                    | 44.48                  | 0.00                     | 0.00                      | 44.48                  | 13.19                  | 5.66                     | 0.00                      | 18.85                  | 25.63                | 31.29                |
| <b>Total Tangible Assets</b>         | <b>268.21</b>          | <b>4.52</b>              | <b>1.17</b>               | <b>271.56</b>          | <b>136.71</b>          | <b>40.43</b>             | <b>0.78</b>               | <b>176.35</b>          | <b>95.21</b>         | <b>131.50</b>        |
| Software- Intangible                 | 49.93                  | 1.23                     | 0.00                      | 51.16                  | 4.96                   | 10.14                    | 0.00                      | 15.10                  | 36.06                | 44.97                |
| <b>Total Intangible Assets</b>       | <b>49.93</b>           | <b>1.23</b>              | <b>0.00</b>               | <b>51.16</b>           | <b>4.96</b>            | <b>10.14</b>             | <b>0.00</b>               | <b>15.10</b>           | <b>36.06</b>         | <b>44.97</b>         |
| <b>TOTAL Assets</b>                  | <b>318.13</b>          | <b>5.75</b>              | <b>1.17</b>               | <b>322.71</b>          | <b>141.66</b>          | <b>50.57</b>             | <b>0.78</b>               | <b>191.45</b>          | <b>131.26</b>        | <b>176.47</b>        |



|               |        |       |      |        |       |       |      |        |        |        |
|---------------|--------|-------|------|--------|-------|-------|------|--------|--------|--------|
| Previous Year | 256.12 | 62.27 | 0.25 | 318.13 | 81.27 | 60.49 | 0.09 | 141.66 | 176.47 | 174.85 |
|---------------|--------|-------|------|--------|-------|-------|------|--------|--------|--------|

FY 2021-22

| Name of Assets                       | Gross Block            |                          |                           |                        | Depreciation and Amortization |                          |                           |                        | Net Block            |                      |
|--------------------------------------|------------------------|--------------------------|---------------------------|------------------------|-------------------------------|--------------------------|---------------------------|------------------------|----------------------|----------------------|
|                                      | Value as at 01-04-2021 | Addition during the year | Deduction during the year | Value as at 31-03-2022 | Value as at 01-04-2021        | Addition during the year | Deduction during the year | Value as at 31-03-2022 | WDV as on 31-03-2022 | WDV as on 31-03-2021 |
| <b>Property, Plant and Equipment</b> |                        |                          |                           |                        |                               |                          |                           |                        |                      |                      |
| Computer And Printer                 | 45.02                  | 0.00                     | 0.44                      | 44.58                  | 38.63                         | 3.04                     | 0.26                      | 41.41                  | 3.17                 | 6.39                 |
| Electrical Equipments                | 17.38                  | 0.00                     | 0.00                      | 17.38                  | 10.47                         | 1.79                     | 0.00                      | 12.26                  | 5.12                 | 6.91                 |
| Furniture And Fixtures               | 38.18                  | 0.29                     | 0.00                      | 38.47                  | 22.80                         | 4.02                     | 0.00                      | 26.82                  | 11.66                | 15.39                |
| Delivery van                         | 44.63                  | 0.00                     | 0.53                      | 44.10                  | 28.50                         | 5.00                     | 0.38                      | 33.12                  | 10.98                | 16.13                |
| Motor Car                            | 46.49                  | 0.00                     | 0.00                      | 46.49                  | 29.00                         | 5.46                     | 0.00                      | 34.46                  | 12.03                | 17.50                |
| Office Equipment                     | 35.36                  | 0.00                     | 0.00                      | 35.36                  | 28.10                         | 3.27                     | 0.00                      | 31.38                  | 3.99                 | 7.26                 |
| Plant & Machinery                    | 44.48                  | 0.00                     | 0.00                      | 44.48                  | 18.85                         | 4.64                     | 0.00                      | 23.49                  | 20.99                | 25.63                |
| <b>Total Tangible Assets</b>         | <b>271.56</b>          | <b>0.29</b>              | <b>0.97</b>               | <b>270.88</b>          | <b>176.35</b>                 | <b>27.22</b>             | <b>0.63</b>               | <b>202.94</b>          | <b>67.94</b>         | <b>95.21</b>         |
| Software-Intangible                  | 51.16                  | 8.25                     | 1.07                      | 58.33                  | 15.10                         | 10.95                    | 0.77                      | 25.28                  | 33.06                | 36.06                |
| <b>Total Intangible Assets</b>       | <b>51.16</b>           | <b>8.25</b>              | <b>1.07</b>               | <b>58.33</b>           | <b>15.10</b>                  | <b>10.95</b>             | <b>0.77</b>               | <b>25.28</b>           | <b>33.06</b>         | <b>36.06</b>         |
| <b>Total Assets</b>                  | <b>322.71</b>          | <b>8.54</b>              | <b>2.04</b>               | <b>329.21</b>          | <b>191.45</b>                 | <b>38.18</b>             | <b>1.41</b>               | <b>228.22</b>          | <b>101.00</b>        | <b>131.26</b>        |
| Previous Year                        | 318.13                 | 5.75                     | 1.17                      | 322.71                 | 141.66                        | 50.57                    | 0.78                      | 191.45                 | 131.26               | 176.47               |

FY2022-23

| Name of Assets                       | Gross Block            |                          |                           |                        | Depreciation and Amortization |                          |                           |                        | Net Block            |                      |
|--------------------------------------|------------------------|--------------------------|---------------------------|------------------------|-------------------------------|--------------------------|---------------------------|------------------------|----------------------|----------------------|
|                                      | Value as at 01-04-2022 | Addition during the year | Deduction during the year | Value as at 31-03-2023 | Value as at 01-04-2022        | Addition during the year | Deduction during the year | Value as at 31-03-2023 | WDV as on 31-03-2023 | WDV as on 31-03-2022 |
| <b>Property, Plant and Equipment</b> |                        |                          |                           |                        |                               |                          |                           |                        |                      |                      |

|                                |               |               |             |               |               |              |             |               |               |               |
|--------------------------------|---------------|---------------|-------------|---------------|---------------|--------------|-------------|---------------|---------------|---------------|
| Computer And Printer           | 44.58         |               |             | 44.58         | 41.41         | 0.72         | 0.00        | 42.13         | 2.46          | 3.17          |
| Electrical Equipments          | 17.38         |               |             | 17.38         | 12.26         | 1.33         | 0.00        | 13.58         | 3.80          | 5.12          |
| Furniture And Fixtures         | 38.47         |               |             | 38.47         | 26.82         | 3.02         | 0.00        | 29.84         | 8.64          | 11.66         |
| Delivery van                   | 44.10         | 29.64         | 1.48        | 72.26         | 33.12         | 5.54         | 1.24        | 37.43         | 34.84         | 10.98         |
| Motor Car                      | 46.49         | 139.94        | 2.08        | 184.35        | 34.46         | 13.26        | 1.65        | 46.07         | 138.28        | 12.03         |
| Office Equipment               | 35.36         |               |             | 35.36         | 31.38         | 1.74         | 0.00        | 33.12         | 2.25          | 3.99          |
| Plant & Machinery              | 44.48         | 1.99          |             | 46.47         | 23.49         | 4.10         | 0.00        | 27.59         | 18.88         | 20.99         |
| <b>Total Tangible Assets</b>   | <b>270.88</b> | <b>171.57</b> | <b>3.56</b> | <b>438.89</b> | <b>202.94</b> | <b>29.70</b> | <b>2.89</b> | <b>229.75</b> | <b>209.13</b> | <b>67.94</b>  |
| Software- Intangible           | 58.33         | 13.70         | 0.00        | 72.03         | 25.28         | 12.33        | 0.00        | 37.61         | 34.42         | 33.06         |
| <b>Total Intangible Assets</b> | <b>58.33</b>  | <b>13.70</b>  | <b>0.00</b> | <b>72.03</b>  | <b>25.28</b>  | <b>12.33</b> | <b>0.00</b> | <b>37.61</b>  | <b>34.42</b>  | <b>33.06</b>  |
| <b>Total Assets</b>            | <b>329.21</b> | <b>185.27</b> | <b>3.56</b> | <b>510.92</b> | <b>228.22</b> | <b>42.03</b> | <b>2.89</b> | <b>267.36</b> | <b>243.55</b> | <b>101.00</b> |
| <b>Previous Year</b>           | 322.71        | 8.54          | 2.04        | 329.21        | 191.45        | 38.18        | 1.41        | 228.22        | 101.00        | 131.26        |

Period January 21, 2024

| Name of Assets                       | Gross Block            |                          |                           | Depreciation and Amortization |                        |                          |                           | Net Block              |                      |                      |
|--------------------------------------|------------------------|--------------------------|---------------------------|-------------------------------|------------------------|--------------------------|---------------------------|------------------------|----------------------|----------------------|
|                                      | Value as at 01-04-2023 | Addition during the year | Deduction during the year | Value as at 21-01-2024        | Value as at 01-04-2023 | Addition during the year | Deduction during the year | Value as at 21-01-2024 | WDV as on 21-01-2024 | WDV as on 31-03-2023 |
| <b>Property, Plant and Equipment</b> |                        |                          |                           |                               |                        |                          |                           |                        |                      |                      |
| Computer And Printer                 | 44.58                  | 7.79                     | 0.00                      | 52.37                         | 42.13                  | 1.66                     |                           | 43.79                  | 8.59                 | 2.46                 |
| Electrical Equipments                | 17.38                  |                          |                           | 17.38                         | 13.58                  | 0.79                     |                           | 14.38                  | 3.00                 | 3.80                 |
| Furniture And Fixtures               | 38.47                  | 0.29                     |                           | 38.76                         | 29.84                  | 1.84                     |                           | 31.68                  | 7.09                 | 8.64                 |
| Delivery van                         | 72.26                  | 9.65                     | 2.39                      | 79.52                         | 37.43                  | 8.78                     | 2.12                      | 44.09                  | 35.42                | 34.84                |
| Motor Car                            | 184.35                 |                          | 2.32                      | 182.03                        | 46.07                  | 34.99                    | 2.05                      | 79.01                  | 103.02               | 138.28               |
| Office Equipment                     | 35.36                  | 1.17                     |                           | 36.53                         | 33.12                  | 0.38                     |                           | 33.50                  | 3.03                 | 2.25                 |
| Plant & Machinery                    | 46.47                  | 0.00                     | 0.00                      | 46.47                         | 27.59                  | 2.76                     | 0.00                      | 30.35                  | 16.12                | 18.88                |

|                                |               |              |             |               |               |              |             |               |               |               |
|--------------------------------|---------------|--------------|-------------|---------------|---------------|--------------|-------------|---------------|---------------|---------------|
| <b>Total Tangible Assets</b>   | <b>438.89</b> | <b>18.89</b> | <b>4.72</b> | <b>453.06</b> | <b>229.75</b> | <b>51.21</b> | <b>4.17</b> | <b>276.79</b> | <b>176.27</b> | <b>209.13</b> |
| Software-Intangible            | 72.03         | 10.26        | 0.00        | 82.29         | 37.61         | 10.38        | 0.00        | 47.99         | 34.30         | 34.42         |
| <b>Total Intangible Assets</b> | <b>72.03</b>  | <b>10.26</b> | <b>0.00</b> | <b>82.29</b>  | <b>37.61</b>  | <b>10.38</b> | <b>0.00</b> | <b>47.99</b>  | <b>34.30</b>  | <b>34.42</b>  |
| <b>Total Assets</b>            | <b>510.92</b> | <b>29.16</b> | <b>4.72</b> | <b>535.36</b> | <b>267.36</b> | <b>61.59</b> | <b>4.17</b> | <b>324.78</b> | <b>210.58</b> | <b>243.55</b> |
| <b>Previous Year</b>           | 329.21        | 185.27       | 3.56        | 510.92        | 228.22        | 42.03        | 2.89        | 267.36        | 243.55        | 101.00        |

Notes -

1. Motor Car in the books of the Company is in the name of Directors, however car used for company purpose and loan instalment, interest is being paid by the company, therefore depreciation has been taken by the company. The company has joint borrower of loan for the purpose of such Motor Car/Vehicle.
2. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – H**  
**RESTATED STANDALONE STATEMENT OF NON-CURRENT INVESTMENTS**

(Amount in Rs. Lakhs)

| Particulars   | As at       |             |             |             |
|---|-------------|-------------|-------------|-------------|
|   | 21-01-2024  | 31-03-2023  | 31-03-2022  | 31-03-2021  |
| <b>Non-Current Investment (At Cost)</b>                         |             |             |             |             |
| Investment in Unquoted Equity shares of Body Corporate          | 0.13        | 0.13        | 0.13        | 0.13        |
| Investment Others -Fixed Deposits                               | 0.00        | 0.00        | 0.00        | 0.00        |
| <b>Total</b>  | <b>0.13</b> | <b>0.13</b> | <b>0.13</b> | <b>0.13</b> |
| Aggregate amount of quoted investments market value             | NA          | NA          | NA          | NA          |
| Aggregate amount of unquoted investments                        | 0.13        | 0.13        | 0.13        | 0.13        |
| Aggregate provision made for diminution in value of investments | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> |

Notes:

1. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – I**  
**RESTATED STANDALONE STATEMENT OF LONG-TERM LOANS AND ADVANCES**

(Amount in Rs. Lakhs)

| Particulars   | As at       |             |             |             |
|---|-------------|-------------|-------------|-------------|
|   | 21-01-2024  | 31-03-2023  | 31-03-2022  | 31-03-2021  |
| <b>Unsecured, Considered Good unless otherwise stated</b> |             |             |             |             |
| Capital Advance   | 0.00        | 0.00        | 0.00        | 0.00        |
| Security Deposit  | 8.28        | 7.14        | 7.45        | 6.63        |
| Other Loans and Advances                                  | 0.00        | 0.00        | 0.00        | 0.00        |
| Loan & Advances to Related party                          | 0.00        | 0.00        | 0.00        | 0.00        |
| <b>Total</b>  | <b>8.28</b> | <b>7.14</b> | <b>7.45</b> | <b>6.63</b> |

Notes:

1. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – J**  
**RESTATED STANDALONE STATEMENT OF CURRENT INVESTMENT**

(Amount in Rs. Lakhs)

| Particulars  | As at       |             |             |             |
|--------------|-------------|-------------|-------------|-------------|
|              | 21-01-2024  | 31-03-2023  | 31-03-2022  | 31-03-2021  |
|              | 0.00        | 0.00        | 0.00        | 0.00        |
| <b>Total</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> |

Notes:

1. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – K**  
**RESTATED STANDALONE STATEMENT OF INVENTORIES**

(Amount in Lakhs Rs.)

| Particulars      | As at      |            |            |            |
|------------------|------------|------------|------------|------------|
|                  | 21-01-2024 | 31-03-2023 | 31-03-2022 | 31-03-2021 |
| Raw Materials    | 799.76     | 93.29      | 106.39     | 96.81      |
| Work in Progress | 0.00       | 0.00       | 0.00       | 0.00       |

|                |                |                |                |                |
|----------------|----------------|----------------|----------------|----------------|
| Finished Goods | 2956.97        | 2367.50        | 2018.42        | 1908.09        |
| <b>Total</b>   | <b>3756.73</b> | <b>2460.79</b> | <b>2124.81</b> | <b>2004.90</b> |

Note:-

1. Inventory has been physically verified by the management of the Company at the end of respective year.
2. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – L**  
**RESTATED STANDALONE STATEMENT OF TRADE RECEIVABLES**

(Amount in Rs. Lakhs )

| Particulars  | As at          |                |                |                |
|--|----------------|----------------|----------------|----------------|
|  | 21-01-2024     | 31-03-2023     | 31-03-2022     | 31-03-2021     |
| <b>Outstanding for a period exceeding six months (Unsecured and considered Good)</b>         |                |                |                |                |
| From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies. | 0.00           | 312.88         | 268.75         | 0.00           |
| Others   | 1584.80        | 1165.68        | 1340.03        | 2145.06        |
| <b>Outstanding for a period not exceeding 6 months (Unsecured and considered Good)</b>       |                |                |                |                |
| From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies. | 0.00           | 147.58         | 0.00           | 171.28         |
| Others   | 525.52         | 2659.53        | 1917.98        | 1014.70        |
| <b>Total</b>   | <b>2110.32</b> | <b>4285.66</b> | <b>3526.76</b> | <b>3331.04</b> |

1. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.
2. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
3. As on 21st January, 2024, Company is having disputed trade receivable having aggregate outstanding balance of Rs 415.21 Lakhs, which has been considered as disputed but against which no provision for bad and doubtful is required according to the management. Management believes that pursuant to closure of the legal proceedings, management will be able to recover at least the value at which these parties are recorded in Restated financial statement as above and do not see any material amount of less recovery.
4. Ageing of the Trade receivable, alongwith any amount involved in disputes, if any as required by Schedule III of Companies Act, 2013 is disclosed as below. Ageing of debtors is based on the date of transaction in case there is no credit period agreed at the time of Supply.

Trade Receivables ageing schedule as at 21st January 2024

(Rs. in Lakhs)

| Particulars   | Outstanding for following periods from due date of payment |                  |           |           |                   | Total   |
|---|--|------------------|-----------|-----------|-------------------|---------|
|   | Less than 6 months   | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years |         |
| (i) Undisputed Trade receivables -considered good     | 525.52   | 938.23           | 208.11    | 11.84     | 11.40             | 1695.11 |
| (i) Undisputed Trade receivables -considered doubtful | 0.00   | 0.00             | 0.00      | 0.00      | 0.00              | 0.00    |
| (iii) Disputed trade receivables considered good      | 0.00   | 0.00             | 36.07     | 92.14     | 287.00            | 415.21  |
| (iv) Disputed trade receivables considered doubtful   | 0.00   | 0.00             | 0.00      | 0.00      | 0.00              | 0.00    |

Trade Receivables ageing schedule as at 31st March, 2023

(Rs. in Lakhs)

| Particulars  | Outstanding for following periods from due date of payment |                  |           |           |                   |         |
|--|--|------------------|-----------|-----------|-------------------|---------|
|  | Less than 6 months   | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | Total   |
| (i) Undisputed Trade receivables - considered good     | 2807.10  | 552.90           | 211.78    | 188.82    | 17.59             | 3778.20 |
| (i) Undisputed Trade receivables - considered doubtful | 0.00   | 0.00             | 0.00      | 0.00      | 0.00              | 0.00    |
| (iii) Disputed trade receivables considered good       | 0.00   | 0.00             | 117.52    | 108.45    | 281.50            | 507.47  |
| (iv) Disputed trade receivables considered doubtful    | 0.00   | 0.00             | 0.00      | 0.00      | 0.00              | 0.00    |

Trade Receivables ageing schedule as at 31st March, 2022

(Rs. in Lakhs)

| Particulars  | Outstanding for following periods from due date of payment |                  |           |           |                   |         |
|--|--|------------------|-----------|-----------|-------------------|---------|
|  | Less than 6 months   | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | Total   |
| (i) Undisputed Trade receivables - considered good     | 1917.98  | 675.83           | 377.63    | 103.16    | 35.18             | 3109.78 |
| (i) Undisputed Trade receivables - considered doubtful | 0.00   | 0.00             | 0.00      | 0.00      | 0.00              | 0.00    |
| (iii) Disputed trade receivables considered good       | 0.00   | 0.00             | 345.63    | 44.23     | 27.12             | 416.98  |
| (iv) Disputed trade receivables considered doubtful    | 0.00   | 0.00             | 0.00      | 0.00      | 0.00              | 0.00    |

Trade Receivables ageing schedule as at 31st March, 2021

(Rs. in Lakhs)

| Particulars  | Outstanding for following periods from due date of payment |                  |           |           |                   |         |
|--|--|------------------|-----------|-----------|-------------------|---------|
|  | Less than 6 months   | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | Total   |
| (i) Undisputed Trade receivables - considered good     | 1185.98  | 1179.23          | 624.24    | 51.23     | 54.06             | 3094.74 |
| (i) Undisputed Trade receivables - considered doubtful | 0.00   | 0.00             | 0.00      | 0.00      | 0.00              | 0.00    |
| (iii) Disputed trade receivables considered good       | 0.00   | 0.00             | 58.90     | 50.29     | 127.11            | 236.30  |
| (iv) Disputed trade receivables considered doubtful    | 0.00   | 0.00             | 0.00      | 0.00      | 0.00              | 0.00    |

**ANNEXURE – M**  
**RESTATED STANDALONE STATEMENT OF CASH & CASH EQUIVALENTS**

(Amount in Rs. Lakhs )

| Particulars  | As at        |               |               |              |
|--|--------------|---------------|---------------|--------------|
|  | 21-01-2024   | 31-03-2023    | 31-03-2022    | 31-03-2021   |
| <b>Cash and Cash Equivalents: (as per Accounting Standard 3: Cash flow Statements)</b> |              |               |               |              |
| Balances with Banks in Current Accounts  | 6.47         | 164.73        | 388.50        | 48.15        |
| Cash on Hand (As certified and verified by Management)                                 | 10.71        | 21.29         | 2.17          | 5.94         |
| <u>Other Bank Balances</u>   |              |               |               |              |
| Fixed Deposits (Refer Note 1)  | 0.00         | 0.00          | 0.00          | 0.00         |
| <b>Total</b>   | <b>17.18</b> | <b>186.03</b> | <b>390.67</b> | <b>54.09</b> |

1. According to management, no fixed deposit is having maturity below 3 months, and accordingly basis of their maturity pattern, such fixed deposits shown in Current & Non-Current Investments.

2. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – N**  
**RESTATED STANDALONE STATEMENT OF SHORT-TERM LOANS AND ADVANCES**

(Amount in Rs. Lakhs )

| Particulars   | As at         |               |                |                |
|---|---------------|---------------|----------------|----------------|
|   | 21-01-2024    | 31-03-2023    | 31-03-2022     | 31-03-2021     |
| <b>Unsecured, Considered Good unless otherwise stated</b> |               |               |                |                |
| Security Deposit  | 5.12          | 3.83          | 3.83           | 3.04           |
| Advances to Vendors                                       | 75.47         | 94.32         | 64.38          | 75.84          |
| Loans and advances to related parties                     | 94.83         | 658.43        | 1226.24        | 996.05         |
| Loan to Staff   | 96.42         | 74.89         | 54.47          | 40.92          |
| Balance With Revenue Authorities                          | 38.95         | 0.02          | 0.05           | 0.00           |
| Income tax Advance & TDS net of Provision                 | 52.27         | 0.00          | 0.00           | 0.00           |
| Other Loan & Advances                                     | 35.76         | 124.25        | 51.35          | 73.30          |
| <b>Total</b>  | <b>398.82</b> | <b>955.75</b> | <b>1400.32</b> | <b>1189.15</b> |

1. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

2. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

**ANNEXURE – O**  
**RESTATED STANDALONE STATEMENT OF OTHER CURRENT ASSETS**

(Amount in Rs. Lakhs )

| Particulars          | As at         |               |              |               |
|----------------------|---------------|---------------|--------------|---------------|
|                      | 21-01-2024    | 31-03-2023    | 31-03-2022   | 31-03-2021    |
| Fixed Deposits       | 127.97        | 123.00        | 0.00         | 0.00          |
| Other Current Assets | 33.36         | 47.26         | 49.35        | 103.55        |
| Prepaid Expenses     | 19.28         | 5.77          | 5.34         | 4.36          |
| <b>Total</b>         | <b>180.60</b> | <b>176.03</b> | <b>54.69</b> | <b>107.91</b> |

1. According to management, fixed deposit is having maturity 3-12 months, and accordingly basis of their maturity pattern, such fixed deposits shown in Other Current Assets

2. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – P**  
**RESTATED STANDALONE STATEMENT OF REVENUE FROM OPERATIONS**

(Amount in Rs. Lakhs )

| Particulars   | for the Period/Year ended on |                |                |                |
|---|------------------------------|----------------|----------------|----------------|
|   | 21-01-2024                   | 31-03-2023     | 31-03-2022     | 31-03-2021     |
| (i) turnover of products manufactured by the issuer (net of excise Duty)                              | 5320.72                      | 7555.71        | 4309.05        | 3255.76        |
| (ii) turnover of products traded in by the issuer; and  | .                            | 0.00           | 0.00           | 0.00           |
| *(iii) turnover in respect of products not normally dealt in by the issuer but included in (ii) above | 0.00                         | 0.00           | 0.00           | 0.00           |
| (iv) turnover in respect of Services supplied by the issuer   | 0.00                         | 0.00           | 0.00           | 0.00           |
| <b>Total</b>  | <b>5320.72</b>               | <b>7555.71</b> | <b>4309.05</b> | <b>3255.76</b> |

\*As per information provided to us by the Issuer, there is no such item.

1. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – Q**  
**RESTATED STANDALONE STATEMENT OF OTHER OPERATING AND NON OPERATING INCOME**  
(Amount in Rs. Lakhs )

| Particulars                                  | for the Period/Year ended on |             |             |              |
|--|------------------------------|-------------|-------------|--------------|
|  | 21-01-2024                   | 31-03-2023  | 31-03-2022  | 31-03-2021   |
| <b>Related and Recurring Income:</b>         |                              |             |             |              |
| FDR Interest                                 | 5.04                         | 3.34        | 0.00        | 0.00         |
| Profit/(loss) on Sales of Assets             | 0.00                         | 1.22        | 1.27        | 0.26         |
| Foreign Exchange Gain/Loss                   | 0.73                         | 0.24        | 0.24        | 1.02         |
| Misc. Income                                 | 0.00                         | 0.00        | 0.09        | 11.13        |
| <b>Sub Total (a)</b>                         | <b>5.76</b>                  | <b>4.80</b> | <b>1.60</b> | <b>12.41</b> |
| <b>Related and Non-Recurring Income:</b>     |                              |             |             |              |
| Interest from Customer on Delayed payment    | 0.00                         | 0.00        | 0.00        | 0.00         |
| <b>Sub Total (b)</b>                         | <b>0.00</b>                  | <b>0.00</b> | <b>0.00</b> | <b>0.00</b>  |
| <b>Non-related and Non-Recurring Income:</b> |                              |             |             |              |
| Interest Received                            | 1.85                         | 0.16        | 1.50        | 2.80         |
| Dividend Income                              | 0.00                         | 0.10        | 0.05        | 0.00         |
| <b>Sub Total (c)</b>                         | <b>1.85</b>                  | <b>0.26</b> | <b>1.55</b> | <b>2.80</b>  |
| <b>Total (A+b+c)</b>                         | <b>7.62</b>                  | <b>5.07</b> | <b>3.15</b> | <b>15.21</b> |

1 The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – R**  
**RESTATED STANDALONE STATEMENT OF COST OF MATERIAL CONSUMED & PURCHASE OF STOCK IN TRADE**  
(Amount in Lakhs Rs.)

| Particulars                         | for the Period/Year ended on |                |                |                |
|-------------------------------------|------------------------------|----------------|----------------|----------------|
|                                     | 21-01-2024                   | 31-03-2023     | 31-03-2022     | 31-03-2021     |
| <b>Cost of Material Consumed</b>    |                              |                |                |                |
| Opening Stock of Raw Material       | 93.29                        | 106.39         | 96.81          | 51.65          |
| Add: Purchases of Raw Material      | 3133.12                      | 3515.14        | 1843.34        | 1237.99        |
| Add: Direct Expenses                | 396.71                       | 524.96         | 252.76         | 172.28         |
| Less: Closing Stock of Raw Material | 799.76                       | 93.29          | 106.39         | 96.81          |
| <b>Total</b>                        | <b>2823.35</b>               | <b>4053.20</b> | <b>2086.52</b> | <b>1365.11</b> |
| <b>Purchase of Stock in Trade</b>   |                              |                |                |                |
| Purchase of Stock in Trade          | 0.00                         | 0.00           | 0.00           | 0.00           |
| <b>Total</b>                        | <b>0.00</b>                  | <b>0.00</b>    | <b>0.00</b>    | <b>0.00</b>    |

1. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – S**  
**RESTATED STANDALONE STATEMENT OF CHANGES IN INVENTORIES**  
(Amt. in Lakh Rs.)

| Particulars | for the Period/Year ended on |  |  |  |
|-------------|------------------------------|--|--|--|
|-------------|------------------------------|--|--|--|



|                               | 21-01-2024      | 31-03-2023      | 31-03-2022      | 31-03-2021      |
|-------------------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Closing Inventories</b>    |                 |                 |                 |                 |
| Work in Progress              | 0.00            | 0.00            | 0.00            | 0.00            |
| Finished goods                | 2956.97         | 2367.50         | 2018.42         | 1908.09         |
| <b>Sub Total (A)</b>          | <b>2956.97</b>  | <b>2367.50</b>  | <b>2018.42</b>  | <b>1908.09</b>  |
| <b>Opening Inventories</b>    |                 |                 |                 |                 |
| Work in Progress              | 0.00            | 0.00            | 0.00            | 0.00            |
| Finished goods                | 2367.50         | 2018.42         | 1908.09         | 1765.05         |
| <b>Sub Total (B)</b>          | <b>2367.50</b>  | <b>2018.42</b>  | <b>1908.09</b>  | <b>1765.05</b>  |
| <b>Changes in Inventories</b> | <b>(589.47)</b> | <b>(349.08)</b> | <b>(110.33)</b> | <b>(143.04)</b> |

1. The Inventory has been physically verified on periodic basis by the management.

2. The above statement should be read with the significant accounting policies and notes to restated standalone statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – T**  
**RESTATED STANDALONE STATEMENT OF EMPLOYEE BENEFITS EXPENSES**

(Amount in Rs. Lakhs )

| Particulars                                   | for the Period/Year ended on |                |               |               |
|---|------------------------------|----------------|---------------|---------------|
|   | 21-01-2024                   | 31-03-2023     | 31-03-2022    | 31-03-2021    |
| Salary and Wages                              | 1163.96                      | 1243.93        | 857.96        | 639.22        |
| Contribution to Provident Fund and Other Fund | 49.86                        | 60.70          | 40.83         | 13.78         |
| Director Remuneration                         | 200.00                       | 150.00         | 84.00         | 60.00         |
| Staff Welfare Expenses                        | 32.81                        | 40.53          | 16.80         | 13.85         |
| <b>Total</b>                                  | <b>1446.64</b>               | <b>1495.16</b> | <b>999.60</b> | <b>726.84</b> |

**ANNEXURE – U**  
**RESTATED STANDALONE STATEMENT OF FINANCE COST**

(Amount in Rs. Lakhs )

| Particulars          | for the Period/Year ended on |               |               |               |
|----------------------|------------------------------|---------------|---------------|---------------|
|                      | 21-01-2024                   | 31-03-2023    | 31-03-2022    | 31-03-2021    |
| Interest expense     | 259.94                       | 264.04        | 284.26        | 349.98        |
| Other Borrowing cost | 7.08                         | 3.10          | 7.86          | 6.96          |
| <b>Total</b>         | <b>267.02</b>                | <b>267.13</b> | <b>292.12</b> | <b>356.94</b> |

**ANNEXURE – V**  
**RESTATED STANDALONE STATEMENT OF DEPRECIATION & AMORTISATION**

(Amount in Rs. Lakhs )

| Particulars                            | for the Period/Year ended on |              |              |              |
|--|------------------------------|--------------|--------------|--------------|
|  | 21-01-2024                   | 31-03-2023   | 31-03-2022   | 31-03-2021   |
| Depreciation and Amortization Expenses | 61.59                        | 42.03        | 38.18        | 50.57        |
| <b>Total</b>                           | <b>61.59</b>                 | <b>42.03</b> | <b>38.18</b> | <b>50.57</b> |

**ANNEXURE – W**  
**RESTATED STANDALONE STATEMENT OF OTHER EXPENSES**

(Amount in Rs. Lakhs )

| Particulars                 | for the Period/Year ended on |            |            |            |
|-----------------------------|------------------------------|------------|------------|------------|
|                             | 21-01-2024                   | 31-03-2023 | 31-03-2022 | 31-03-2021 |
| Rent, Rates & Taxes         | 188.17                       | 178.25     | 172.55     | 23.75      |
| Insurance Expenses          | 24.75                        | 23.58      | 15.77      | 17.28      |
| Professional And Legal Fees | 70.37                        | 43.85      | 29.45      | 86.97      |
| Discounts                   | 219.21                       | 233.36     | 119.05     | 48.89      |
| Auditors Fee                | 3.00                         | 2.00       | 1.00       | 0.00       |
| Miscellaneous Expenses      | 521.22                       | 486.10     | 381.77     | 243.28     |

| <b>Total</b>                          | <b>1026.72</b> | <b>967.14</b> | <b>719.58</b> | <b>420.17</b> |
|---------------------------------------|----------------|---------------|---------------|---------------|
| <b>Miscellaneous Expenses</b>         |                |               |               |               |
| Advertisement Expenses                | 1.41           | 0.24          | 0.25          | 0.11          |
| Bank Charges                          | 5.83           | 3.07          | 10.18         | 3.11          |
| Business & Promotion Exp              | 0.00           | 0.00          | 0.00          | 0.00          |
| Cleaning Charges                      | 0.00           | 0.00          | 0.00          | 0.00          |
| Canvassing Expenses                   | 4.55           | 11.18         | 7.44          | 6.46          |
| Computer and Printer Expenses         | 4.37           | 13.18         | 10.06         | 2.21          |
| Commission & Brokerage                | 69.75          | 87.38         | 72.14         | 27.89         |
| Court fees                            | 1.52           | 0.00          | 0.00          | 0.00          |
| Diesel Expenses                       | 31.54          | 38.41         | 26.31         | 32.90         |
| Cash theft                            | 0.00           | 0.00          | 0.00          | 9.16          |
| Donations                             | 12.05          | 0.00          | 0.00          | 0.00          |
| Electricity Charges                   | 13.48          | 14.70         | 12.38         | 10.20         |
| Export Expenses                       | 0.31           | 0.45          | 1.27          | 0.27          |
| Fastag Charges                        | 1.45           | 1.17          | 1.04          | 0.74          |
| Hotel Charges                         | 14.92          | 15.92         | 9.72          | 3.87          |
| Internet Charges                      | 9.30           | 8.71          | 0.00          | 7.03          |
| Godown Expenses                       | 15.70          | 17.08         | 3.83          | 12.20         |
| Interest paid on TDS & Service Tax    | 0.24           | 0.38          | 0.21          | 0.66          |
| Misc Expenses                         | 1.64           | 0.10          | 0.00          | 0.10          |
| Membership Exp                        | 0.00           | 0.09          | 0.01          | 0.05          |
| Office and Maintenance Charges        | 1.05           | 1.62          | 22.92         | 9.52          |
| Online sale charges                   | 0.00           | 0.00          | 1.55          | 2.37          |
| Postage Charges                       | 1.79           | 2.02          | 0.00          | 0.00          |
| Courier                               | 7.38           | 7.88          | 4.41          | 3.04          |
| Video Recording                       | 0.00           | 0.30          | 0.89          | 0.40          |
| Printing & Stationery                 | 5.95           | 5.94          | 2.28          | 2.85          |
| Professional Tax                      | 0.00           | 0.02          | 0.00          | 0.00          |
| Repairs And Maintances                | 32.34          | 30.64         | 24.88         | 13.88         |
| Preliminary Expenses                  | 20.33          | 0.00          | 0.00          | 0.00          |
| Recruitment Expenses                  | 2.91           | 8.33          | 4.97          | 2.45          |
| Sales Promotion                       | 80.27          | 30.13         | 15.67         | 11.29         |
| Software Development Charges          | 0.00           | 0.19          | 5.15          | 0.00          |
| Security Charges                      | 0.00           | 0.00          | 0.00          | 0.09          |
| Stamp Duty                            | 1.38           | 0.00          | 0.00          | 0.00          |
| Loss on Sale of Fixed Assets          | 0.14           | 0.00          | 0.00          | 0.00          |
| Sundry Expenses                       | 9.09           | 14.74         | 0.00          | 0.00          |
| Telephone Charges.                    | 5.46           | 6.85          | 6.99          | 7.08          |
| Travelling and Accommodation Expenses | 165.05         | 165.39        | 137.21        | 73.35         |
| <b>Sub Total</b>                      | <b>521.22</b>  | <b>486.10</b> | <b>381.77</b> | <b>243.28</b> |

**ANNEXURE – X**  
**RESTATED STANDALONE STATEMENT OF MANDATORY ACCOUNTING RATIOS**

*(Amount in Lakhs Rs. Except Per Share Data)*

| <b>Particulars</b>  | <b>As at</b>      |                   |                   |                   |
|---|-------------------|-------------------|-------------------|-------------------|
|   | <b>21-01-2024</b> | <b>31-03-2023</b> | <b>31-03-2022</b> | <b>31-03-2021</b> |
| Net Worth   | 1500.00           | 2281.92           | 1947.33           | 2091.10           |
| Restated Profit after tax   | 178.92            | 685.47            | 168.06            | 280.30            |
| Less: Prior Period Item   | 0.00              | 0.00              | 0.00              | 0.00              |
| Adjusted Profit after Tax (B)   | 178.92            | 685.47            | 168.06            | 280.30            |
| Number of Equity shares (Face Value Rs 10) outstanding as on the of Year (Refer Note 6) | 1,50,00,000       | 1,50,00,000       | 1,50,00,000       | 1,50,00,000       |

|   |             |             |             |             |
|---|-------------|-------------|-------------|-------------|
| Weighted Average Number of Equity shares (Face Value Rs 10) ( c)                              | 1,50,00,000 | 1,50,00,000 | 1,50,00,000 | 1,50,00,000 |
| Weighted Average Number of Equity shares (Face Value Rs 10) (D)                               | 1,50,00,000 | 1,50,00,000 | 1,50,00,000 | 1,50,00,000 |
| Current Assets (D)  | 6463.66     | 8064.25     | 7497.25     | 6687.08     |
| Current Liabilities (E)   | 4274.60     | 5302.80     | 5070.16     | 4693.47     |
| Face Value per Share (Refer Note 6)   | 10.00       | 10.00       | 10.00       | 10.00       |
| Restated Basic and Diluted Earnings Per Share (Rs.) (B/C) (Before Bonus) Refer Note 6         | 1.19        | 4.57        | 1.12        | 1.87        |
| Return on Net worth (%) (B/A)   | 11.93%      | 30.04%      | 8.63%       | 13.40%      |
| Net asset value per share (A/C) (Face Value of Rs. 10 Each) Based on actual number of shares  | 10.00       | 15.21       | 12.98       | 13.94       |
| Current Ratio (E/F)   | 1.51        | 1.52        | 1.48        | 1.42        |
| Restated Earnings Before Interest Tax Depreciation and Amortisation and Other Income (EBITDA) | 606.41      | 1386.20     | 605.82      | 879.71      |

Note:

1) The ratios have been computed as below:

(a) Basic earnings per share (Rs. ) - : Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year

(b) Diluted earnings per share (Rs. ) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS

(c) Return on net worth (%) - : Net profit after tax (as restated) / Net worth at the end of the period or year

(d) Net assets value per share - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

(e) EBITDA has been calculated as Profit before Tax+Depreciation+Interest Expenses-Other Income

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year. In case of Subdivision and Bonus issue, the event has been considered as if it had occurred at the beginning of restatement period.

3) Net worth for ratios mentioned is equals to Equity share capital + Reserves and surplus ( including, Securities Premium, General Reserve and surplus in statement of profit and loss).

4) The figures disclosed above are based on the restated summary statements.

5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

6. The Company have been formed pursuant to the conversion of the erstwhile LLP into the company, pursuant to which 1,50,00,000 were issued to the existing partners of the LLP on 21st January, 2024. For the purpose of ratio calculation, we have considered same number of shares outstanding preceding three years of Restatement Period.

**ANNEXURE – Y**

**RESTATED STANDALONE STATEMENT OF RELATED PARTY TRANSACTION**

(Amount in Rs. Lakhs)

**List of Related Parties as per AS - 18**

|  | <b>Names of related parties</b>     | <b>Nature of Relationship</b>               |
|--|-------------------------------------|---|
| Directors and Key Management Personnel (KMP) | Anil Jayantilal Rambhia             | Director (w.e.f. 21-.01-2024)               |
|  | Rakesh Jayantilal Rambhia           | Director & CFO (w.e.f. 21-.01-2024)         |
|  | Shilpa Anil Rambhia                 | Non-Executive Director (w.e.f. 07-.02-2024) |
|  | Shrenik Bakulesh Kotecha            | Independent Director (w.e.f. 05-03-2024)    |
|  | Punit Brij Behari Sexana            | Independent Director (w.e.f. 07-02-2024)    |
| Related Company/Firm                         | Chetana Publication Private Limited | Group Companies                             |
|  | Chetana Stationery                  |   |
|  | Chetana Book Depot                  |   |
|  | Achera Enterprise LLP               | Director are Partner in LLP                 |
|  | Egyan Edutainment LLP               |   |

|                  |                     |                         |
|------------------|---------------------|-------------------------|
|                  | Anil Rambhia HUF    | HUF of Directors        |
|                  | Rakesh Rambhia HUF  |                         |
|                  | JD Shah HUF         |                         |
|                  |                     | HUF of Mr. Anil Rambhia |
| Relatives of KMP | Aashna Rambhia      | Relatives of Director   |
|                  | Diva Rambhia        |                         |
|                  | Jania Rambhia       |                         |
|                  | Indumati Rambhia    |                         |
|                  | Surekha Rambhia     |                         |
|                  | Chetana Bharat Jain |                         |

| (i) Transactions with Current Capital Account |   | 21-Jan-24      | 31-Mar-23      | 31-Mar-22      | 31-Mar-21      |
|---|---|----------------|----------------|----------------|----------------|
| <b>1</b>                                      | <b>Anil Jayantilal Rambhia</b>                |                |                |                |                |
|   | Opening loan                                  | <b>260.17</b>  | <b>149.67</b>  | <b>415.00</b>  | <b>501.35</b>  |
|   | Remuneration                                  | 100.00         | 75.00          | 42.00          | 30.00          |
|   | Capital Introduced                            | 0.00           | 126.08         | 0.00           | 0.00           |
|   | Transfer of Unsecured loan in current account | 0.00           | 37.19          | 0.00           | 0.00           |
|   | Withdrawal                                    | -325.95        | -463.64        | -389.68        | -121.89        |
|   | Share of Profit                               | 119.74         | 335.88         | 82.35          | 137.35         |
|   | Adjustment of Opening Reserve                 |                |                |                | -131.81        |
|   | Closing balance(Dr)/Cr.                       | <b>153.96</b>  | <b>260.17</b>  | <b>149.67</b>  | <b>415.00</b>  |
| <b>2</b>                                      | <b>Rakesh Jayantilal Rambhia</b>              |                |                |                |                |
|   | <b>Opening loan</b>                           | <b>613.90</b>  | <b>408.65</b>  | <b>373.99</b>  | <b>395.66</b>  |
|   | Remuneration                                  | 100.00         | 75.00          | 42.00          | 30.00          |
|   | Capital Introduced                            | 0.00           | 67.25          | 0.00           | 0.00           |
|   | Transfer of Unsecured loan in current account | 0.00           | 0.00           | 0.00           | 0.00           |
|   | Withdrawal                                    | -679.69        | -272.88        | -89.69         | -57.21         |
|   | Share of Profit                               | 119.74         | 335.88         | 82.35          | 137.35         |
|   | Adjustment of Opening Reserve                 |                |                |                | -131.81        |
|   | Closing balance(Dr)/Cr.                       | <b>153.94</b>  | <b>613.90</b>  | <b>408.65</b>  | <b>373.99</b>  |
| <b>3</b>                                      | <b>Chetana Publication Private Limited</b>    |                |                |                |                |
|   | <b>Opening loan</b>                           | <b>1406.85</b> | <b>1388.02</b> | <b>1301.12</b> | <b>1327.76</b> |
|   | Capital Introduced                            | 0.00           | 25.73          | 86.65          | 0.00           |
|   | Withdrawal                                    | -1417.22       | -20.61         | -3.11          | -26.87         |
|   | Share of Profit                               | 3.58           | 13.71          | 3.36           | 5.61           |
|   | Adjustment of Opening Reserve                 |                |                |                | -5.38          |
|   | <b>Closing balance(Dr)/Cr.</b>                | <b>-6.79</b>   | <b>1406.85</b> | <b>1388.02</b> | <b>1301.12</b> |
| <b>4</b>                                      | <b>Shilpa Anil Rambhia</b>                    |                |                |                |                |
|   | Capital Introduced                            | 16.01          |                |                |                |
|   | Withdrawal                                    | 0.00           |                |                |                |
|   | Share of Profit                               | -10.69         |                |                |                |
|   | <b>Closing balance</b>                        | <b>5.32</b>    | <b>0.00</b>    | <b>0.00</b>    | <b>0.00</b>    |
| <b>5</b>                                      | <b>Aashna Rambhia</b>                         |                |                |                |                |
|   | Capital Introduced                            | 16.01          |                |                |                |
|   | Withdrawal                                    | 0.00           |                |                |                |
|   | Share of Profit                               | -10.69         |                |                |                |
|   | <b>Closing balance</b>                        | <b>5.32</b>    | <b>0.00</b>    | <b>0.00</b>    | <b>0.00</b>    |
| <b>6</b>                                      | <b>Diva Rambhia</b>                           |                |                |                |                |

|   |   |              |               |               |               |
|---|---|--------------|---------------|---------------|---------------|
|   | Capital Introduced                                      | 16.01        |               |               |               |
|   | Withdrawal  | 0.00         |               |               |               |
|   | Share of Profit   | -10.69       |               |               |               |
|   | <b>Closing balance</b>                                  | <b>5.32</b>  | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b>   |
| <b>7</b>                                      | <b>Jania Rambhia</b>                                    |              |               |               |               |
|   | Capital Introduced                                      | 48.03        |               |               |               |
|   | Withdrawal  | 0.00         |               |               |               |
|   | Share of Profit   | -32.07       |               |               |               |
|   | <b>Closing balance</b>                                  | <b>15.96</b> | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b>   |
| <b>(ii) Transactions with Director in KMP</b> |   |              |               |               |               |
| <b>1</b>                                      | <b>Anil Jayantilal Rambhia</b>                          |              |               |               |               |
|   | Dividend Paid   |              |               |               |               |
|   | <b>Loan Transactions</b>                                |              |               |               |               |
|   | Opening balance of Loan taken by the Company            | -            | 163.34        | 169.06        | 0.00          |
|   | Loan Taken by the Company                               |              | -             | -             | 167.00        |
|   | Loan Repaid by the Company                              |              | (170.65)      | (15.56)       | (1.21)        |
|   | Interest on Loan taken/Given                            |              | 7.97          | 10.76         | 3.27          |
|   | TDs on interest portion of loan                         |              | (0.66)        | (0.92)        |               |
|   | <b>Closing Balance (cr/(dr) )</b>                       | <b>-</b>     | <b>(0.00)</b> | <b>163.34</b> | <b>169.06</b> |
| <b>2</b>                                      | <b>Anil Jayantilal Rambhia- HUF</b>                     |              |               |               |               |
|   | Opening balance of Loan taken by the Company            | 71.76        | 68.96         | 62.27         | 55.64         |
|   | Loan Taken by the Company                               | 3,895.85     | 0.94          | -             | 6.65          |
|   | Loan Repaid by the Company                              | (3,967.61)   | (5.59)        | (0.03)        | (6.20)        |
|   | Interest on Loan taken/Given                            |              | 8.28          | 7.47          | 6.68          |
|   | TDs on interest portion of loan                         |              | (0.83)        | (0.75)        | (0.50)        |
|   | <b>Closing Balance (cr/(dr) )</b>                       | <b>-</b>     | <b>71.76</b>  | <b>68.96</b>  | <b>62.27</b>  |
| <b>3</b>                                      | <b>Rakesh Jayantilal Rambhia</b>                        |              |               |               |               |
|   | <b>Loan Transactions</b>                                |              |               |               |               |
|   | Opening balance of Loan taken by the Company            | 30.00        | 18.00         | -             | -             |
|   | Loan Taken by the Company                               | 10.00        | 12.00         | 18.00         | -             |
|   | Loan Repaid by the Company                              | (2.26)       | (1.998)       | -             | -             |
|   | Interest on Loan taken/Given                            | 2.26         | 1.998         | 0.00          | 0.00          |
|   | <b>Closing Balance (cr/(dr) )</b>                       | <b>40.00</b> | <b>30.00</b>  | <b>18.00</b>  | <b>-</b>      |
| <b>4</b>                                      | <b>Rakesh Jayantilal Rambhia- HUF</b>                   |              |               |               |               |
|   | Opening balance of Loan taken by the Company            | 59.42        | 53.63         | 48.42         | 43.19         |
|   | Loan Taken by the Company                               | 5,643.10     | -             | -             | 5.25          |
|   | Loan Repaid by the Company                              | (5,702.52)   | -             | (0.02)        | (4.81)        |
|   | Interest on Loan taken/Given                            |              | 6.44          | 5.81          | 5.18          |
|   | TDs on interest portion of loan                         |              | (0.64)        | (0.58)        | (0.39)        |
|   | <b>Closing Balance (cr/(dr) )</b>                       | <b>-</b>     | <b>59.42</b>  | <b>53.63</b>  | <b>48.42</b>  |
| <b>5</b>                                      | <b>Shilpa Anil Rambhia</b>                              |              |               |               |               |
|   | Opening balance of Loan & Advances given by the Company | (19.07)      | 19.68         | 35.58         | 38.18         |
|   | Advances given by the Company                           | (139.45)     | 33.40         | -             | 10.90         |
|   | Loan Return to the Company                              | 160.13       | (72.15)       | (15.90)       | (13.50)       |
|   | Interest on Loan taken/Given                            | (1.79)       | -             | -             | -             |

|   |   |               |                |                 |               |
|---|---|---------------|----------------|-----------------|---------------|
|   | TDs on interest portion of loan                         | 0.18          |                |                 | -             |
|   | <b>Closing Balance ((Cr)/Dr )</b>                       | <b>0.00</b>   | <b>(19.07)</b> | <b>19.68</b>    | <b>35.58</b>  |
|   | <b>Salary paid during the period</b>                    | <b>5.40</b>   | <b>7.20</b>    | <b>7.20</b>     | <b>4.80</b>   |
| <b>(iii) Transaction with Relatives of KMP and Enterprises in which KMP/Relatives of KMP can exercise significant influence</b> |   |               |                |                 |               |
| <b>1</b>  | <b>Chetana Book Depot</b>                               |               |                |                 |               |
|   | Opening balance of Loan & Advances given by the Company | 658.43        | 1,186.31       | 922.19          | 980.15        |
|   | Advances given by the Company                           | 196.28        | 537.66         | 778.07          | 266.38        |
|   | Loan Return to the Company                              | (767.16)      | (1,065.54)     | (513.95)        | (324.34)      |
|   | Interest on Loan taken/Given                            |               | -              | -               | -             |
|   | TDs on interest portion of loan                         |               |                |                 | -             |
|   | <b>Closing Balance ((Cr)/Dr )</b>                       | <b>87.56</b>  | <b>658.43</b>  | <b>1,186.31</b> | <b>922.19</b> |
|   | <b>Sales made during the period/year</b>                | <b>153.01</b> | <b>191.70</b>  | <b>97.47</b>    | <b>171.28</b> |
|   | <b>Rent paid during the period/year</b>                 | <b>153.00</b> | <b>150.00</b>  | <b>150.00</b>   |               |
| <b>2</b>  | <b>Chetana Stationery</b>                               |               |                |                 |               |
|   | Opening balance of Loan & Advances given by the Company | (68.03)       | (47.92)        | 38.28           | 0.00          |
|   | Advances given by the Company                           | (24.67)       | (107.49)       | 2.17            | 99.05         |
|   | Loan Return to the Company                              | 93.18         | 87.38          | (88.37)         | (60.77)       |
|   | Interest on Loan taken/Given                            |               | -              | -               | -             |
|   | TDs on interest portion of loan                         |               |                |                 | -             |
|   | <b>Closing Balance ((Cr)/Dr )</b>                       | <b>0.48</b>   | <b>(68.03)</b> | <b>(47.92)</b>  | <b>38.28</b>  |
| <b>3</b>  | <b>Achera Enterprise LLP</b>                            |               |                |                 |               |
|   | Opening balance of Loan & Advances given by the Company | -             | 20.25          | 20.10           | 0.00          |
|   | Advances given by the Company                           |               | -              | 0.15            | 20.10         |
|   | Loan Return to the Company                              |               | (20.25)        | -               | -             |
|   | <b>Closing Balance ((Cr)/Dr )</b>                       | <b>-</b>      | <b>-</b>       | <b>20.25</b>    | <b>20.10</b>  |
| <b>4</b>  | <b>Egyan Edutainment LLP</b>                            |               |                |                 |               |
|   | Opening balance of Loan & Advances given by the Company | -             | -              | 0.20            | 0.00          |
|   | Advances given by the Company                           |               | -              | -               | 0.20          |
|   | Loan Return to the Company                              |               | -              | (0.20)          | -             |
|   | <b>Closing Balance ((Cr)/Dr )</b>                       | <b>-</b>      | <b>-</b>       | <b>-</b>        | <b>0.20</b>   |
| <b>5</b>  | <b>Aashna Rambhia</b>                                   |               |                |                 |               |
|   | <b>Loan Transactions</b>                                |               |                |                 |               |
|   | Opening balance of Loan taken by the Company            | 51.70         | 51.70          | 35.64           | 30.54         |
|   | Loan Taken by the Company                               |               | -              | 14.20           | 5.35          |
|   | Loan Repaid by the Company                              | (55.89)       | -              | (3.18)          | (3.65)        |
|   | Interest on Loan taken/Given                            | 4.66          | -              | 5.60            | 3.67          |
|   | TDs on interest portion of loan                         | (0.47)        |                | (0.56)          | (0.27)        |
|   | <b>Closing Balance (cr)/(dr )</b>                       | <b>(0.00)</b> | <b>51.70</b>   | <b>51.70</b>    | <b>35.64</b>  |
| <b>6</b>  | <b>Divya Rambhia</b>                                    |               |                |                 |               |
|   | <b>Loan Transactions</b>                                |               |                |                 |               |
|   | Opening balance of Loan taken by the Company            | 2.94          | 3.07           | 2.07            | 2.04          |

|           |  |               |               |              |               |
|-----------|--|---------------|---------------|--------------|---------------|
|           | Loan Taken by the Company                    |               | -             | 11.00        | 0.25          |
|           | Loan Repaid by the Company                   | (2.94)        | (0.12)        | (10.00)      | (0.23)        |
|           | Interest on Loan taken/Given                 |               | -             | 0.00         | -             |
|           | TDs on interest portion of loan              | -             | -             | -            | -             |
|           | <b>Closing Balance (cr/(dr) )</b>            | <b>0.00</b>   | <b>2.94</b>   | <b>3.07</b>  | <b>2.07</b>   |
| <b>7</b>  | <b>Jania Rambhia</b>                         |               |               |              |               |
|           | <b>Loan Transactions</b>                     |               |               |              |               |
|           | Opening balance of Loan taken by the Company | 7.55          | 6.81          | 2.40         | 0.80          |
|           | Loan Taken by the Company                    | 20.00         | -             | 3.75         | 1.60          |
|           | Loan Repaid by the Company                   | (18.28)       | -             | -            | (0.09)        |
|           | Interest on Loan taken/Given                 | 0.81          | 0.82          | 0.74         | 0.10          |
|           | TDs on interest portion of loan              | (0.08)        | (0.08)        | (0.07)       | (0.01)        |
|           | <b>Closing Balance (cr/(dr) )</b>            | <b>10.00</b>  | <b>7.55</b>   | <b>6.81</b>  | <b>2.40</b>   |
|           | <b>Salary paid during the period</b>         | <b>1.20</b>   | <b>-</b>      | <b>-</b>     | <b>-</b>      |
| <b>8</b>  | <b>Indumati Rambhia</b>                      |               |               |              |               |
|           | <b>Loan Transactions</b>                     |               |               |              |               |
|           | Opening balance of Loan taken by the Company | 104.71        | 94.50         | 162.50       | 153.95        |
|           | Loan Taken by the Company                    |               | -             | 5.60         | -             |
|           | Loan Repaid by the Company                   | (113.20)      | -             | (80.37)      | -             |
|           | Interest on Loan taken/Given                 | 9.44          | 11.34         | 0.01         | 9.24          |
|           | TDs on interest portion of loan              | (0.94)        | (1.13)        | (0.75)       | (0.69)        |
|           | <b>Closing Balance (cr/(dr) )</b>            | <b>(0.00)</b> | <b>104.71</b> | <b>94.50</b> | <b>162.50</b> |
| <b>9</b>  | <b>Surekha Rambhia</b>                       |               |               |              |               |
|           | <b>Loan Transactions</b>                     |               |               |              |               |
|           | Opening balance of Loan taken by the Company | 5.97          | 64.91         | 44.41        | 42.90         |
|           | Loan Taken by the Company                    | 139.75        | 6.75          | 14.55        | 13.80         |
|           | Loan Repaid by the Company                   | (145.72)      | (73.12)       | (0.42)       | (16.80)       |
|           | Interest on Loan taken/Given                 |               | 8.25          | 7.08         | 4.88          |
|           | TDs on interest portion of loan              |               | (0.82)        | (0.71)       | (0.37)        |
|           | <b>Closing Balance (cr/(dr) )</b>            | <b>-</b>      | <b>5.97</b>   | <b>64.91</b> | <b>44.41</b>  |
|           | <b>Salary paid during the period</b>         | <b>5.40</b>   | <b>7.20</b>   | <b>7.20</b>  | <b>4.80</b>   |
| <b>10</b> | <b>JD Shah HUF</b>                           |               |               |              |               |
|           | <b>Loan Transactions</b>                     |               |               |              |               |
|           | Opening balance of Loan taken by the Company | 47.18         | 42.58         | 38.45        | 34.58         |
|           | Loan Taken by the Company                    |               | -             | -            | 3.90          |
|           | Loan Repaid by the Company                   | (51.01)       | -             | (0.03)       | (3.86)        |
|           | Interest on Loan taken/Given                 | 4.25          | 5.11          | 4.61         | 4.15          |
|           | TDs on interest portion of loan              | (0.43)        | (0.51)        | (0.46)       | (0.31)        |
|           | <b>Closing Balance (cr/(dr) )</b>            | <b>(0.00)</b> | <b>47.18</b>  | <b>42.58</b> | <b>38.45</b>  |
| <b>11</b> | <b>Chetana Bharat Jain</b>                   |               |               |              |               |
|           | <b>Loan Transactions</b>                     |               |               |              |               |
|           | Opening balance of Loan taken by the Company | 1.00          | 1.00          | 1.00         | 1.00          |
|           | Loan Taken by the Company                    |               | -             | -            | -             |
|           | Loan Repaid by the Company                   | (1.08)        | (0.08)        | (0.08)       | (0.08)        |
|           | Interest on Loan taken/Given                 | 0.09          | 0.09          | 0.09         | 0.09          |
|           | TDs on interest portion of loan              | (0.01)        | (0.01)        | (0.01)       | (0.01)        |
|           | <b>Closing Balance (cr/(dr) )</b>            | <b>0.00</b>   | <b>1.00</b>   | <b>1.00</b>  | <b>1.00</b>   |

|           |  |             |              |              |             |
|-----------|--|-------------|--------------|--------------|-------------|
|           | <b>Commission paid during the period</b> | <b>4.88</b> | <b>12.50</b> | <b>14.00</b> | <b>4.75</b> |
| <b>12</b> | <b>Learning Leap LLP</b>                 |             |              |              |             |
|           | <b>Investment made</b>                   |             |              |              |             |
|           | Capital Introduced                       | 0.60        |              |              |             |
|           | Capital withdrawal                       | (0.60)      |              |              |             |
|           | <b>Closing Balance (cr/(dr) )</b>        | <b>-</b>    |              |              |             |

**ANNEXURE – Z**  
**RESTATED STANDALONE STATEMENT OF CAPITALISATION**

*(Amount in Rs. Lakhs )*

| Particulars                            | Pre Issue      | Post Issue* |
|--|----------------|-------------|
|  | 21-01-2024     |             |
| <b>Debt</b>                            |                |             |
| Short Term Debt                        | 3062.15        | -           |
| Long Term Debt                         | 1023.03        | -           |
| <b>Total Debt</b>                      | <b>4085.18</b> | <b>-</b>    |
| <b>Shareholders' Fund (Equity)</b>     |                |             |
| Share Capital                          | 1500.00        | -           |
| Reserves & Surplus                     | 0.00           | -           |
| Less: Miscellaneous Expenses not w/off | 0.00           | -           |
| Total Shareholders' Fund (Equity)      | 1500.00        | -           |
| <b>Long Term Debt/Equity</b>           | <b>0.68</b>    | <b>-</b>    |
| <b>Total Debt/Equity</b>               | <b>2.72</b>    | <b>-</b>    |

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes instalment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but includes instalment of term loans repayable within 12 months grouped under other current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 21/01/2024.

\* The corresponding post issue figures are not determinable at this stage.



**ANNEXURE – AA**  
**RESTATED STANDALONE STATEMENT OF TAX SHELTER**

(Amount in Rs. Lakhs)

| Particulars   | for the period/year ended on |               |               |               |
|---|------------------------------|---------------|---------------|---------------|
|   | 21-01-2024                   | 31-03-2023    | 31-03-2022    | 31-03-2021    |
| A Profit before taxes as restated                                   | 292.50                       | 1085.20       | 286.54        | 494.37        |
| B Less : Income Taxable in Other than Business Head                 |                              |               |               | (2.80)        |
| C Net Taxable Income Under Business Head                            | 292.50                       | 1085.20       | 286.54        | 491.58        |
| B Tax Rate Applicable %   | 34.94                        | 34.94         | 34.94         | 34.94         |
| <b>C Tax Impact (A*B)</b>   | <b>102.21</b>                | <b>379.21</b> | <b>100.13</b> | <b>171.78</b> |
| Adjustments:  |                              |               |               |               |
| D Income Taxable Under House Property                               | 0.00                         | 0.00          | 0.00          | 2.80          |
| Less: Deductions  | 0.00                         | 0.00          | 0.00          | 0.00          |
| Net Taxable Income Under House Property                             | 0.00                         | 0.00          | 0.00          | 2.80          |
| <b>D Permanent Differences</b>                                      |                              |               |               |               |
| Expenses disallowed due to non-deduction of TDS                     | 0.00                         | 0.38          | 0.21          | 0.63          |
| Expenses disallowed Under Section 37 of the IT Act 1961             | 12.05                        |               | 0.00          | 0.00          |
| Expenses disallowed   | 0.00                         | 0.00          | 5.05          | 10.81         |
| <b>Total Permanent Differences</b>                                  | <b>12.05</b>                 | <b>0.38</b>   | <b>5.25</b>   | <b>11.44</b>  |
| <b>E Timing Difference</b>  |                              |               |               |               |
| Difference between tax depreciation and book depreciation           | 9.02                         | 0.19          | 4.09          | 8.45          |
| Expenses Disallowed Under Section 43 B                              | 0.00                         | 0.00          | 0.40          | 0.00          |
| <b>Total Timing Differences</b>                                     | <b>9.02</b>                  | <b>0.19</b>   | <b>4.50</b>   | <b>8.45</b>   |
| Set off of Carried forwarded Business Losses                        | 0.00                         | 0.00          | 0.00          | 0.00          |
| F Net Adjustment (F) = (D+E)  | 21.07                        | 0.57          | 9.75          | 22.69         |
| G Tax Expenses/ (Saving) thereon (F*B)                              | 7.36                         | 0.20          | 3.41          | 7.93          |
| H Tax Liability, After Considering the effect of Adjustment (C +G)  | 109.57                       | 379.41        | 103.54        | 179.70        |
| I Book Profit as per MAT *  | Opted for                    | Opted for     | Opted for     | Opted for     |
| J MAT Rate (%)  | 115BAA                       | 115BAA        | 115BAA        | 115BAA        |
| K Tax liability as per MAT (I*J)                                    | NA                           | NA            | NA            | NA            |
| L Current Tax being Higher of H or K                                | 109.57                       | 379.41        | 103.54        | 179.70        |
| M Interest U/s 234A, B and C of Income Tax Act                      | 0.00                         | 17.14         | 11.59         | 12.56         |
| N Total Tax expenses (L+M+N)  | 109.57                       | 396.55        | 115.13        | 192.26        |
| P Tax Paid Under (Normal/MAT) in Income Tax Return Filed by Company | Normal                       | Normal        | Normal        | Normal        |

\* MAT refers to Minimum Alternative Tax as referred to in section 115 JB of the Income Tax Act, 1961

Notes -

1. The aforesaid statement of tax shelters has been prepared as per the restated Summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax returns/Provisional computation of total income of respective years as stated above.

2. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – AB**  
**RESTATED STANDALONE STATEMENT OF CONTINGENT LIABILITIES**

(Amount in Rs. Lakhs )

| Particulars  | As at       |             |             |             |
|--|-------------|-------------|-------------|-------------|
|  | 21-01-2024  | 31-03-2023  | 31-03-2022  | 31-03-2021  |
| <b>Contingent liabilities in respect of:</b>   | -           | -           | -           | -           |
| Claims against the company not acknowledged as debts   | -           | -           | -           | -           |
| Guarantees given on Behalf of the Company  |             |             |             |             |
| Guarantees given on Behalf of the Subsidiary Company   |             |             |             |             |
| TDS Defaults with respect to Delay filing fee, Short Deduction and Interest thereon            | 0.75        | 0.09        | 0.02        | 0.01        |
| Estimated amount of contracts remaining to be executed on capital account and not provided for | -           |             |             |             |
| Income Tax Outstanding Demand  | 8.68        | 8.68        | 8.68        | 7.98        |
| Service Tax Demand   |             |             |             |             |
| <b>Total</b>   | <b>9.43</b> | <b>8.77</b> | <b>8.70</b> | <b>8.00</b> |

1. The above statement should be read with the significant accounting policies and notes to restated statements of assets and liabilities, Statement of profits and losses and Statement of cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – AC**  
**RESTATED STANDALONE STATEMENT OF OTHER FINANCIAL RATIO**

| Sr. No. | Ratio                                     | 21-Jan-24 | 31-Mar-23 | 31-Mar-22 | 31-Mar-21 | Changes in  | Changes in   | Changes in   |
|---------|---|-----------|-----------|-----------|-----------|-------------|--------------|--------------|
|         |   |           |           |           |           | Ratio (%)   | Ratio (%)    | Ratio (%)    |
|         |   |           |           |           |           | 21.01.24v/s | 31.03.23 v/s | 31.03.22 v/s |
|         |   |           |           |           |           | 31.03.23    | 31.03.22     | 31.03.21     |
| 1       | Current Ratio (No of Times)               | 1.51      | 1.52      | 1.48      | 1.42      | -1%         | 3%           | 4%           |
| 2       | Debt Equity Ratio (No of Times)           | 2.72      | 1.88      | 1.99      | 1.67      | 45%         | -5%          | 19%          |
| 3       | Debt Service Coverage Ratio (No of Times) | 1.14      | 3.40      | 1.73      | 1.92      | -66%        | 96%          | -10%         |
| 4       | Return On Equity Ratio (%)                | 9.46%     | 32.42%    | 8.32%     | 13.85%    | -71%        | 289%         | -40%         |
| 5       | Inventory Turnover Ratio (In Days)        | 411       | 226       | 381       | 571       | 82%         | -41%         | -33%         |

|    |   |        |        |       |        |      |      |      |
|----|---|--------|--------|-------|--------|------|------|------|
| 6  | Trade Receivable Turnover Ratio (In Days) | 177    | 189    | 290   | 347    | -6%  | -35% | -16% |
| 7  | Trade Payable Turnover Ratio (In Days)    | 96     | 100    | 166   | 159    | -4%  | -40% | 5%   |
| 8  | Net Capital Turnover Ratio (No Of Times)# | 2.15   | 2.91   | 1.95  | 1.63   | -26% | 49%  | 19%  |
| 9  | Net Profit Ratio (%)                      | 3.36%  | 9.07%  | 3.90% | 8.61%  | -63% | 133% | -55% |
| 10 | Return On Capital Employed (%)            | 10.02% | 20.55% | 9.94% | 15.26% | -51% | 107% | -35% |
| 11 | Return On Investment/Total Assets (%)     | 2.68%  | 8.24%  | 2.21% | 4.11%  | -68% | 273% | -46% |

All Ratio Except Ratio Sr. No 5,6, and 7, for the period ended 21st January, 2024 is not annualized

Details of numerator and denominator for the above ratio are as under

(1) Current Ratio = Current Assets / Current Liabilities.

(2) Debt- equity ratio = Total debt / Shareholders' equity.

(3) Debt service coverage ratio = (Net Profit After Tax+Depreciation+Interest)/(Principal + Interest).

(4) Return on equity ratio= Net profit after taxes / Avg Shareholder's Equity.

(5) Inventory turnover ratio=Cost of goods sold or sales/Average inventory.

(6) Trade receivables turnover ratio= Revenue from Operations /Average trade receivables.

(7) Trade payables turnover ratio=Purchase/Average trade payables.

(8) Net Capital turnover ratio=Net sales/Average working capital.

(9) Net profit ratio=Net profit after taxes/Total Revenue.

(10) Return on capital employed=Earnings before interest and taxes/Capital employed.

(11) Return on investment/Total Assets=PAT/Total Assets.

**Variance Analysis for the FY 2021-22**

| Sr. No. | Ratio                                  | Variance | Reason for Variance Above 25%   |
|---------|--|----------|---|
| 1       | Return On Equity Ratio (%)             | -40%     | Decrease in Profit as compared to Previous year.  |
| 2       | Inventory Turnover Ratio (In Days)     | -33%     | Cost of Goods Sold increase while keeping the average inventory holding at level, therefore inventory Turnover holding days decreased |
| 3       | Net Profit Ratio (%)                   | -55%     | Decrease in Profit % as compared to Previous year.  |
| 4       | Return On Capital Employed (%)         | -35%     | Decrease in Profit as compared to Previous year.  |
| 5       | Return On Investment/ Total Assets (%) | -46%     | Decrease in Profit as compared increase in Capital Employed as Compared to Previous year.   |

**Variance Analysis for the FY 2022-23**

| Sr. No. | Ratio | Variance | Reason for Variance Above 25% |
|---------|-------|----------|-------------------------------|
|---------|-------|----------|-------------------------------|

|   |   |      |   |
|---|---|------|---|
| 1 | Debt Service Coverage Ratio (No of Times) | 96%  | Increase in profit coupled with decrease in debt obligation.  |
| 2 | Return On Equity Ratio (%)                | 289% | Increase in Profit as compared to Previous year.  |
| 3 | Inventory Turnover Ratio (In Days)        | -41% | Cost of Goods Sold increase whereas no such corresponding increase in average inventory holding level, therefore inventory Turnover holding days decreased                |
| 4 | Trade Receivable Turnover Ratio (In Days) | -35% | Increase in credit sales whereas no such corresponding increase in average Accounts receivable holding level, therefore Trade receivable Turnover holding days decreased. |
| 5 | Trade Payable Turnover Ratio (In Days)    | -40% | Increase in credit Purchase whereas no such corresponding increase in average Accounts payables holding level, therefore Trade payables Turnover holding days decreased.  |
| 6 | Net Capital Turnover Ratio (No Of Times)# | 49%  | Increase in turnover whereas no such corresponding increase in average working capital level, therefore Net working capital ratio improved.                               |
| 7 | Net Profit Ratio (%)                      | 133% | Increase in Profit % as compared to Previous year.  |
| 8 | Return On Capital Employed (%)            | 107% | Increase in Profit as compared to Previous year.  |
| 9 | Return On Investment/ Total Assets (%)    | 273% | Increase in Profit as compared to Previous year.  |

*Variance Analysis for the period January 21, 2024*

| Sr. No. | Ratio                                     | Variance | Reason for Variance Above 25%   |
|---------|---|----------|---|
| 1       | Debt Equity Ratio (No of Times)           | 45%      | Increase in Shareholder fund whereas no such corresponding increase in Total debt, therefore the ratio improved.                            |
| 2       | Debt Service Coverage Ratio (No of Times) | -66%     | The ratio is not comparable as the net operating income is not for the full year.   |
| 3       | Return On Equity Ratio (%)                | -71%     | The ratio is not comparable as the net operating income is not for the full year.   |
| 4       | Inventory Turnover Ratio (In Days)        | 82%      | Average Inventory holding increased more aggressively as on the end of current period ended 21st Jan 2024, resulted in deteriorating ratio. |
| 5       | Net Profit Ratio (%)                      | -63%     | The ratio is not comparable as the net operating income is not for the full year.   |
| 6       | Return On Capital Employed (%)            | -51%     | The ratio is not comparable as the net operating income is not for the full year.   |
| 7       | Return On Investment/Total Assets (%)     | -68%     | The ratio is not comparable as the net operating income is not for the full year.   |

## Annexure – AD

## Other Notes-

1. The title deeds of all immovable properties are held in the name of the Company. Accordingly, there are no Immovable Properties which were not held in name of the Company as on 21st January, 2024, except as disclosed in Annexure "G"

2. The Company has not utilised the borrowings received from banks and financial institutions for the purpose other than for which it was taken during the period of restatement.

3. Foreign Exchange earnings, expenditures and Hedge and unhedged status of Balance receivable and payable is as under:-

| Particulars  | For the Period/Year ended on |            |            |            |
|--|------------------------------|------------|------------|------------|
|  | 21-01-2024                   | 31-03-2023 | 31-03-2022 | 31-03-2021 |
| <b>1. CIF Value of Imports</b>   |                              |            |            |            |
| Raw Material   | -                            | -          | -          | -          |
| Traded Goods   | -                            | -          | -          | -          |
| Capital Goods/ Stores & Spare Parts  | -                            | -          | -          | -          |
| <b>2. Expenditure in Foreign Currency</b>  |                              |            |            |            |
| In respect of Business Promotion, Repair & Maintenance & Profession Consultancy & Other Misce Expenses |                              |            |            |            |
| - In respect of Foreign Travelling.  | -                            | -          | -          | -          |
| <b>3. Earnings in Foreign Currency</b>   |                              |            |            |            |
| Exports (FOB Value)  | 8.66                         | 13.52      | 4.70       | 9.80       |

## 4. Disclosure Regarding Derivative Instruments And Unhedged Foreign Currency Exposure

(₹ in Lakhs)

| Disclosure of Unhedged Balances:                        | For the Period/Year ended on |            |            |            |
|---|------------------------------|------------|------------|------------|
|   | 21-01-2024                   | 31-03-2023 | 31-03-2022 | 31-03-2021 |
| <b>Trade payables (including payables for capital):</b> |                              |            |            |            |
| In USD  | -                            | -          | -          | -          |
| In INR  | -                            | -          | -          | -          |
| <b>Trade Receivable</b>                                 |                              |            |            |            |
| In USD  | 0.12                         | 0.12       | 0.12       | 0.10       |
| In INR  | 7.82                         | 7.95       | 8.53       | 6.75       |
| <b>Borrowings:</b>                                      |                              |            |            |            |
| In USD  | -                            | -          | -          | -          |
| In INR  | -                            | -          | -          | -          |
| <b>Interest accrued but not due</b>                     |                              |            |            |            |
| In USD  | -                            | -          | -          | -          |
| In INR  | -                            | -          | -          | -          |

## 5. Details of CSR

CSR Provisions were not applicable to the Company (Erstwhile LLP) during the period of restatement (₹ in Lakhs)

| Particulars  | For the Period / Year Ended On |            |            |            |
|--|--------------------------------|------------|------------|------------|
|  | 21-01-2024                     | 31-03-2023 | 31-03-2022 | 31-03-2021 |
| <b>a).</b> Amount Required to be spent during the year | NA                             | NA         | NA         | NA         |
| <b>b).</b> Amount of expenditure incurred,             | NA                             | NA         | NA         | NA         |
| <b>c).</b> Shortfall at the end of the year,           | NA                             | NA         | NA         | NA         |
| <b>d).</b> Total of previous years shortfall           | NA                             | NA         | NA         | NA         |
| <b>e).</b> Reasons for shortfall                       | NA                             | NA         | NA         | NA         |
| <b>f).</b> Nature of CSR Activities                    | NA                             | NA         | NA         | NA         |

## 6. Amount Paid to Statutory Auditors –

|            | 21-01-2024 | 31-03-2023 | 31-03-2022 | 31-03-2021 |
|------------|------------|------------|------------|------------|
| Audit Fees | 3.00       | 2.00       | 1.00       | 0.00       |

|                              |      |      |      |      |
|------------------------------|------|------|------|------|
| Taxation                     | 0.00 | 0.00 | 0.00 | 0.00 |
| Certificates/ Other services | 0.00 | 0.00 | 0.00 | 0.00 |
| Reimbursement of Expenses    | 0.00 | 0.00 | 0.00 | 0.00 |

7. The disclosures required under Ind AS 19 “Employee Benefits” notified in the Companies (Indian Accounting Standards) Rules, 2015 are as given below:

| Particulars  | 21-01-2024                    | 31-03-2023        | 31-03-2022        | 31-03-2021        |
|--|-------------------------------|-------------------|-------------------|-------------------|
| <b>1.The amounts recognized in the Balance Sheet are as follows:</b>                                       |                               |                   |                   |                   |
| Present value of unfunded obligations Recognized   | 35.21                         | 32.89             | 23.17             | 16.41             |
| <b>Net Liability</b>   | <b>35.21</b>                  | <b>32.89</b>      | <b>23.17</b>      | <b>16.41</b>      |
| <b>2.The amounts recognized in the Profit &amp; Loss A/c are as follows:</b>                               |                               |                   |                   |                   |
| Current Service Cost   | 9.15                          | 9.84              | 9.06              | 10.17             |
| Interest on Defined Benefit Obligation   | 4.73                          | 3.72              | 3.03              | 3.36              |
| Expected Return on Plan Assets   | (3.21)                        | (3.29)            | (3.02)            | (3.04)            |
| Net actuarial losses (gains) recognised in the year  | 12.16                         | 8.03              | 1.79              | (11.55)           |
| Total, Included in “Salaries, Allowances & Welfare”  | <b>22.83</b>                  | <b>18.30</b>      | <b>10.85</b>      | <b>(1.06)</b>     |
| <b>3.Changes in the present value of defined benefit obligation:</b>                                       |                               |                   |                   |                   |
| Defined benefit obligation as at the beginning of the year/period Net of Fair Value of Opening Plan Assets | 32.89                         | 23.17             | 16.41             | 22.20             |
| Service cost   | 9.15                          | 9.84              | 9.06              | 10.17             |
| Interest cost  | 4.73                          | 3.72              | 3.03              | 3.36              |
| Expected Return on Plan Assets   | (3.21)                        | (3.29)            | (3.02)            | (3.04)            |
| Net actuarial losses (gains) recognised in the year  | 12.16                         | 8.03              | 1.79              | (11.55)           |
| Contribution made by the Company   | (20.51)                       | (8.58)            | (4.09)            | (4.73)            |
| <b>Defined benefit obligation as at the end of the year/period</b>   | <b>35.21</b>                  | <b>32.89</b>      | <b>23.17</b>      | <b>16.41</b>      |
| <b>Benefit Description</b>   |                               |                   |                   |                   |
| Benefit type:  | Gratuity Valuation as per Act |                   |                   |                   |
| Retirement Age:  | <b>58 years</b>               | <b>58 years</b>   | <b>58 years</b>   | <b>58 years</b>   |
| Vesting Period:  | <b>5 years</b>                | <b>5 years</b>    | <b>5 years</b>    | <b>5 years</b>    |
| <b>The principal actuarial assumptions for the above are:</b>  |                               |                   |                   |                   |
| Future Salary Rise:  | <b>10.00% P.A</b>             | <b>10.00% P.A</b> | <b>10.00% P.A</b> | <b>10.00% P.A</b> |
| Discount rate per annum:   | <b>7.18% P.A</b>              | <b>7.29% P.A</b>  | <b>5.66% P.A</b>  | <b>5.18% P.A</b>  |
| Attrition Rate:  | 10% Per Annum                 |                   |                   |                   |
| Mortality Rate:  | IALM 2012-14 Ultimate         |                   |                   |                   |

- 8 **Additional regulatory information**  
a **Compliance with approved scheme of arrangements**  
Company is not engaged in any scheme of arrangements.  
b **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 January 21, 2024 and for the year ended March 31, 2023, 2022 & 2021.

**c Utilisation of borrowed funds**

During the period ended on January 21, 2024 and for the year ended March 31, 2023, 2022 & 2021, the Company has not advanced or Loans 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 January 21, 2024 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.

**d 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.

**9 Material Regroupings:**

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

**10 Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits**

Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

**11 Re-grouping/re-classification of amounts**

The figures have been grouped and classified wherever they were necessary.

**12 Director Personal Expenses**

There are no direct personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

**13 Pending registration / satisfaction of charges with ROC**

As on the 21st January 2024, there is no charge pending for creation or satisfaction at MCA portal.

14. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

15 The Company has not been declared wilful defaulter by any Banks or any other Financial Institution at any time during the period of restatement.

16. The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the period of restatement.

17. The Company did not have any material transactions with companies struck-off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the financial period ended on January 21, 2024.

18. During the period of restatement, The Company has not traded or invested in Crypto Currency or Virtual Currency during the year.

19. As on 21st January, 2024, the Company does not have any charges for which registration or satisfaction is yet to be done with Registrar of Companies (ROC) beyond the statutory period.

20. During the period of restatement, the Company has no such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in tax assessments under Income Tax Act, 1961.

21. Disclosures related to Micro, Small and Medium Enterprises.

Management is in the process of compiling information from its suppliers regarding their status under the MSEMSE act, who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2003 and hence disclosure, if any, of the amount unpaid as at the year-end together with the interest paid/payable as required has been given to the extent information available;

The details relating to Micro, Small and medium enterprise disclosed as under :

| SN | Particulars   | 21-01-2024 | 31-03-2023 |
|----|---|------------|------------|
| 1  | The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year  | -          | -          |
| 2  | The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;  | -          | -          |
| 3  | The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;  | -          | -          |
| 4  | The amount of interest accrued and remaining unpaid at the end of each accounting year; and   | -          | -          |
| 5  | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | -          | -          |

22. No dividend were declared and paid by the company during the restated period:

23. Figures have been rounded off to the multiple of lakhs. Previous year's figures have been regrouped, recast and rearranged wherever necessary to make them comparable with the current year figures.



**OTHER FINANCIAL INFORMATION**

The audited financial statements of our Company as at and for the period January 21, 2024 and for the year ended March 31, 2023 March 31, 2022 and March 31, 2021 and their respective Audit reports thereon (Audited Financial Statements) are available at [www.chetanaeducation.com](http://www.chetanaeducation.com).

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) Red Herring Prospectus (iii) Prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below: -

| <b>Particular</b>   | <b>21/01/2024</b> | <b>31/03/2023</b> | <b>31/03/2022</b> | <b>31/03/2021</b> |
|---|-------------------|-------------------|-------------------|-------------------|
| Profit After Tax (Rs. in lakhs)   | 178.92            | 685.47            | 168.06            | 280.30            |
| Basic & Diluted Earnings per Share (Based in Weighted Average Number of Shares)*        | 1.19              | 4.57              | 1.12              | 1.87              |
| Return on Net Worth (%)   | 11.93             | 30.04             | 8.63              | 13.40             |
| NAV per Equity Shares (Based on Actual Number of Shares)                                | 10.00             | 15.21             | 12.98             | 13.94             |
| NAV per Equity Shares (Based on Weighted Average Number of Shares - With Bonus Effect)* | 10.00             | 15.21             | 12.98             | 13.94             |
| Earnings before interest, tax, depreciation and amortization (EBITDA)                   | 606.41            | 1386.20           | 605.82            | 879.71            |

STATEMENT OF FINANCIAL INDEBTEDNESS

Date: Mar 22, 2024

To,  
The Board of Directors,  
**Chetana Education Limited**  
4<sup>th</sup> Floor, B wing, Building E, Trade Link  
Senapati Bapat Marg, Kamala Mill Compound  
Mumbai, Maharashtra, India

Dear Sirs,

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of **Chetna Education Limited** and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on 21st January, 2024 are mentioned below.

**A. SECURED LOANS**

**STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY**

| Name of Lender                          | Loan/ Agreement A/c No./Ref. No. | Purpose                   | Sanctioned Amount (Rs. In Lakhs) | Rate of interest | Primary & Collateral Security   | Re-Payment Schedule  | Outstanding amount as on 21.01.2024 (Rs. In Lakhs) |
|---|----------------------------------|---------------------------|----------------------------------|------------------|---|--|--|
| The Saraswat Co-op Bank                 | 91000000028023                   | Working Capital Term Loan | 540                              | 9.25%            | <b>Principal Security:</b> Hypothecation of Current Assets- Debtors above 90 Days<br><b>Collateral Security:</b> Refer Note 1 & 2 | Repayable in 36 Monthly instalment after moratorium period of 24 Month | 540.00   |
| ICICI Bank (Mercedes Benz MH01-EF-1714) | 47035508                         | Purchase of Vehicle       | 90                               | 8.50%            | <b>Principal Security:</b> Hypothecation Vehicle no. Benz MH01-EF-1714  | Repayable in 60 equated monthly instalments of Rs. 1.85 Lacs           | 74.98  |

|  |                            |                            |       |                               |  |   |                |
|--|----------------------------|----------------------------|-------|-------------------------------|--|---|----------------|
| Axis Bank<br>(Mercedes Benz<br>MH47-AN-<br>9664) | UCR000408554543            | Purchase<br>of<br>Vehicle  | 34.85 | 9.75%                         | <b>Principal Security:</b><br>Hypothecation of<br>Vehicle MH47-<br>AN-9664                                       | Repayable in 60<br>equated monthly<br>instalments of Rs.<br>0.74 Lacs | 29.55          |
| Kotak Mahindra<br>Bank (MH04-<br>LE-5483)        | LCV-2306369                | Purchase<br>of<br>Vehicle  | 8.79  | 9.30%                         | <b>Principal Security:</b><br>Hypothecation of<br>Vehicle MH04-LE-<br>5483                                       | Repayable in 54<br>equated monthly<br>instalments of Rs.<br>0.20 Lacs | 6.81           |
| Kotak Mahindra<br>Bank (MH04-<br>LE-5442)        | LCV-2301924                | Purchase<br>of<br>Vehicle  | 14.65 | 9.00%                         | <b>Principal Security:</b><br>Hypothecation of<br>Vehicle MH04-LE-<br>5442                                       | Repayable in 54<br>equated monthly<br>instalments of Rs.<br>0.33 Lacs | 11.34          |
| Kotak Mahindra<br>Bank (MH04-<br>LE-5441)        | LCV-2301943                | Purchase<br>of<br>Vehicle  | 14.65 | 9.00%                         | <b>Principal Security:</b><br>Hypothecation of<br>Vehicle MH04-LE-<br>5441                                       | Repayable in 54<br>equated monthly<br>instalments of Rs.<br>0.33 Lacs | 11.34          |
| Kotak Mahindra<br>Bank (MH04-<br>LY-0319)        | LCV-2787355                | Purchase<br>of<br>Vehicle  | 9.17  | 9.50%                         | <b>Principal Security:</b><br>Hypothecation of<br>Vehicle MH04-LY-<br>0319                                       | Repayable in 48<br>equated monthly<br>instalments of Rs.<br>0.23 Lacs | 9.17           |
| The Saraswat<br>Co-op Bank                       | SCB/CAD/AVN/22-<br>23/1438 | Cash<br>Credit<br>Facility | 3000  | 10.00%                        | <b>Hypothecation of<br/>Stock &amp; Debtors-<br/>180 days</b>  | On Demand<br>Repayable  | 1706.33        |
| ICICI Bank                                       | BLGMUMCAL110700            | Overdraft<br>facility      | 490   | Repo<br>6.50%+Spread<br>3.50% | Secured Against<br>Gala no. 101 to 104<br>on 1st floor,<br>Rajlaxmi<br>commercial<br>complex, Bhiwandi,<br>Thane | On Demand<br>Repayable  | 363.11         |
| <b>TOTAL (Fund Based)</b>                        |                            |                            |       |                               |  |   | <b>2752.63</b> |
| <b>TOTAL (Non-Fund Based)</b>                    |                            |                            |       |                               |  |   | <b>Nil</b>     |
| <b>GRAND TOTAL (Fund and Non-fund Based)</b>     |                            |                            |       |                               |  |   | <b>2752.63</b> |

**Note 1:** Collateral Security for the CC/GECL facility granted by Saraswat Co-op. Bank is as under -:

(A) Equitable Mortgage of Shops No G 016 & G 017 situated at Alok Nagari, G Wing, CTS No 1305, Near Agrawal Talim, Off Surya Hospital Pawale Chowk Road, Kasba Pethe Pune 411011 owned by Rakesh Rambhia & Anil Rambhia.

(B) Equitable Mortgage of property Situated at Flat No 801, 8th Floor, A Wing, Ansal Heights, G M Bhosale Marg, Worli, Mumbai - 400018 owned by Rakesh Rambhia & Surekha Rambhia.

(C) Fixed Deposits of Rs 120 Lakhs

**Note 2:** Further the All loan Secured by personal guarantee of A) Anil Rambhia, B) Rakesh Rambhia & Corporate Guarantee of A). Chetana Publications Private Limited, 2) Chetana Book Depot.

**B. UNSECURED LOANS- FROM Directors/Relative of Director**

| Name of Lender                            | Purpose       | Sanctioned Amount (Rs in Lakhs) | Rate of Interest | Re-Payment Schedule | 21-01-2024 (Rs. In Lakhs) |
|---|---------------|---------------------------------|------------------|---------------------|---------------------------|
| Anil Rambhia (Current account Loan)       | Business Loan | N.A.                            | 12.00%           | Payable on Demand   | 153.96                    |
| Rakesh Rambhia-                           | Business Loan | N.A.                            | 12.00%           | Payable on Demand   | 193.94                    |
| Jania Rakesh Rambhia Loan                 | Business Loan | N.A.                            | 12.00%           | Payable on Demand   | 25.96                     |
| Shilpa Rambhia (Current Account Loan)     | Business Loan | N.A.                            | 12.00%           | Payable on Demand   | 5.32                      |
| Aashna Rambhia (Current Account Loan)     | Business Loan | N.A.                            | 12.00%           | Payable on Demand   | 5.32                      |
| Divya Anil Rambhia (Current Account Loan) | Business Loan | N.A.                            | 12.00%           | Payable on Demand   | 5.32                      |
| <b>TOTAL</b>                              |               |                                 |                  |                     | <b>389.83</b>             |

**UNSECURED LOANS- FROM OTHERS**

| Name of Lender                        | Purpose       | Rate of Interest | Re-Payment Schedule | 21-01-2024 (Rs. In Lakhs) |
|---------------------------------------|---------------|------------------|---------------------|---------------------------|
| Hemalata Dinesh Savla                 | Business Loan | 9%               | Payable on Demand   | 5.10                      |
| Diya Bhavesh Shah                     | Business Loan | 9%               | Payable on Demand   | 51.02                     |
| Rajul B. Shah                         | Business Loan | 9%               | Payable on Demand   | 306.12                    |
| Sun Overseas (Bhaveshbhai-Walkeshwar) | Business Loan | 9%               | Payable on Demand   | 51.02                     |
| Bhavesh B Shah                        | Business Loan | 9%               | Payable on Demand   | 25.51                     |
| Fancybai Sohanlal Doshi               | Business Loan | 0%               | Payable on Demand   | 41.00                     |
| Snehlata Rajure - Loan                | Business Loan | 9%               | Payable on Demand   | 2.30                      |
| Darshana V Parekh                     | Business Loan | 12%              | Payable on Demand   | 25.00                     |
| Hema N Shah ( Babu)                   | Business Loan | 9%               | Payable on Demand   | 85.00                     |
| Jayantilal Bhavanji Gala              | Business Loan | 9%               | Payable on Demand   | 3.07                      |
| Premal Parikh Huf                     | Business Loan | 12%              | Payable on Demand   | 6.18                      |
| Premal Parikh                         | Business Loan | 12%              | Payable on Demand   | 6.18                      |
| Ramesh Premji                         | Business Loan | 12%              | Payable on Demand   | 8.00                      |
| Smita V. Parekh                       | Business Loan | 12%              | Payable on Demand   | 28.00                     |
| Meeta Thakur                          | Business Loan | 10%              | Payable on Demand   | 6.00                      |
| Prakash Thakur                        | Business Loan | 10%              | Payable on Demand   | 4.00                      |
| Roshan Thakur                         | Business Loan | 10%              | Payable on Demand   | 2.50                      |
| Jyoti Thakur                          | Business Loan | 10%              | Payable on Demand   | 5.50                      |
| Kanwal K. Thakur                      | Business Loan | 10%              | Payable on Demand   | 5.00                      |

|   |               |     |                   |                |
|---|---------------|-----|-------------------|----------------|
| Bhagwanti.K. Thakur                                 | Business Loan | 10% | Payable on Demand | 4.50           |
| Deepti Thakur                                       | Business Loan | 10% | Payable on Demand | 3.50           |
| Shyam Thakur  | Business Loan | 10% | Payable on Demand | 9.00           |
| Brijesh P Avichal                                   | Business Loan | 9%  | Payable on Demand | 28.57          |
| Priti P Avichal                                     | Business Loan | 9%  | Payable on Demand | 15.31          |
| Brijesh P. Avichal Huf                              | Business Loan | 9%  | Payable on Demand | 106.12         |
| Jignesh Shah (Hiravanti Shah)                       | Business Loan | 0%  | Payable on Demand | 5.77           |
| Jignesh Shah  | Business Loan | 0%  | Payable on Demand | 5.30           |
| Kaushik Pravin Gogri (C/O Nulith)                   | Business Loan | 9%  | Payable on Demand | 30.61          |
| Mayuri Kantilal Gosar                               | Business Loan | 9%  | Payable on Demand | 25.51          |
| Kantilal Chanabhai Gosar                            | Business Loan | 9%  | Payable on Demand | 25.51          |
| Pinkle Nimish Gandhi                                | Business Loan | 9%  | Payable on Demand | 6.50           |
| Pratibha T. Jhaveri                                 | Business Loan | 12% | Payable on Demand | 6.00           |
| Tejpal P. Jhaveri                                   | Business Loan | 12% | Payable on Demand | 4.00           |
| <b>TOTAL</b>  |               |     |                   | <b>942.71</b>  |
| <b>TOTAL Unsecured Loan</b>                         |               |     |                   | <b>1332.54</b> |
| <b>GRAND TOTAL (A+B) Secured and Unsecured Loan</b> |               |     |                   | <b>4085.18</b> |

Yours faithfully,

**For, Paresh Vora & Associates**  
**Chartered Accountants**  
**Firm Registration No: 118090W**

**CA Paresh Vora**  
**Partner**  
**M. No. 103963**  
**UDIN: 24103963BKBJFC7321**  
**Date: March 22, 2024**  
**Place: Mumbai**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS**

*You should read the following discussion in conjunction with our restated financial statements attached in the chapter titled “Financial Information of the Company” beginning on page 156. You should also read the section titled “Risk Factors” on page 30 and the section titled “Forward Looking Statements” on page 20 of this Draft Red Herring Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated financial Statements. Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditor dated June 14, 2023 which is included in this Draft Red Herring Prospectus under “Financial Statements”. The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

### **Business Overview**

We are a content-based company, specializing in educational book publishing for the CBSE/State Board curriculum catering to the K-12 segment. Additionally, we provide access to educational software for learning videos (for teachers and Students) accessible through QR (Quick Response) codes, backed by a comprehensive sales and distribution network. We currently focus on serving the Maharashtra State Board and Central Board of Secondary Education (CBSE), covering the spectrum of education books from early pre-primary learning to K-12 course. During the Fiscal year 2023, we sold over 6 million books, covering students across different standards ranging from pre-primary, primary, secondary, and higher secondary levels.

We have established a portfolio of over 700 titles as of 2023 with 15 distinct brands. Some of the names in our lineup include Master Key, Self-Study, Firefly, Bright Buddies, My Skill Book, Grade Me, QR series etc. Apart from publishing books, we are also involved in developing a range of digital content for enhanced understanding of topics for students and aim to make the content more viable for a better learning experience. We have over the years produced over 30,000 videos that can be accessed via QR codes, which could help transform traditional content into digital formats, facilitating the students for further self-studies post school and tutorials without any additional cost. This has been achieved through a strategic partnership with Allern Enterprises Private Limited, an Edtech company.

Chetana's network encompasses numerous schools, coaching classes and booksellers, supported by collaborations with different vendors in printing, paper sourcing, binding, lamination and packaging. Partnerships with over 400 contractual authors contributing to the content creation for the company. While we have strategically opted for partnerships with printers and binders in India, our decision to remain asset-light underscores our commitment to operational agility and cost optimization and absolute focus on content development for the education sector and effective sales and distribution.

Our company was incorporated as a Limited liability partnership during the year 2018 by our promoters Anil Jayantilal Rambhia and Rakesh Jayantilal Rambhia, with the vision to make its presence in the education sector. Our Company during the year 2018 purchased the Publication undertaking from M/s Chetana Book Depot (partnership firm of our promoters) founded by Late Shri Jayantilal D. Rambhia in 1975 and Chetana Publication, a partnership firm was set up in 1997 and converted into Chetana Publication Private Limited (our group company) in 2005. We have over the years established our presence across 18 states and Union Territories in India. We have developed a supply chain by rationalizing and integrating our procurement, manufacturing and logistic capabilities. Our outsourced print facilities and own distribution networks are supported by our logistics network, which as on January 2024, comprised of one centrally located warehouse in Bhiwandi, near Mumbai, Maharashtra supported by two C&F facilities catering to North and South India in Delhi and Karnataka respectively to allow coverage across India. Our paper purchases are integrated, which helps us to achieve economies of scale and improves our bargaining power with raw material suppliers.

As of January 2024, our distribution and sales network consists of over 500 distributors and dealers, and we have an in-house sales team working from our branches and marketing offices across India. We consider our schools, teachers

and students to be our “touch points” and our sales team is responsible for developing the relationships with our customers in our pre-primary, primary, secondary and higher secondary learning businesses. Along with marketing our content directly to educators and schools to place our products on prescribed and recommended reading lists, we also market our products directly to distributors and dealers.

Our Promoters namely Anil Jayantilal Rambhia and Rakesh Jayantilal Rambhia, bring over 30 and 25 years respectively of experience in the publishing industry. Anil Jayantilal Rambhia specializes in sales and marketing, while Rakesh Jayantilal Rambhia specializes in product innovation, systems integration and process optimisation, and looks after finance and accounts. Human capital is a strong focus for our Company, with our employee strength expanding to a team of over 400 employees. Additionally, in order to increase the focus towards marketing and sales, which is one of our key components, we have established a dedicated team of over 200 salesforce, which are further supported by our network of distributors and retailers. This extensive network not only promotes our products but also serves as a valuable feedback channel, contributing to our continuous improvement.

### Financial Snapshot

(All amounts in Rs. Lakhs)

| Key Financial Performance              | For the year        |                   |                   |                   |
|--|---------------------|-------------------|-------------------|-------------------|
|  | January 21,<br>2024 | March 31,<br>2023 | March 31,<br>2022 | March 31,<br>2021 |
| Revenue from operations <sup>(1)</sup> | 5320.72             | 7555.71           | 4309.05           | 3255.76           |
| EBITDA <sup>(2)</sup>                  | 606.41              | 1386.20           | 605.82            | 879.71            |
| EBITDA Margin <sup>(3)</sup>           | 11.40%              | 18.35%            | 14.06%            | 27.02%            |
| PAT                                    | 178.92              | 685.47            | 168.06            | 280.30            |
| PAT Margin <sup>(4)</sup>              | 3.36%               | 9.07%             | 3.90%             | 8.61%             |
| RoE(%) <sup>(5)</sup>                  | 9.46%               | 32.42%            | 8.32%             | 13.85%            |
| RoCE (%) <sup>(6)</sup>                | 10.02%              | 20.55%            | 9.94%             | 15.26%            |

Notes:

(1) Revenue from operation means revenue from sales, service and other operating revenues

(2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses

(3) ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations

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

(5) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

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

### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to Annexure IV of Restated Financial Statements beginning on page 156 of this Draft Red Herring Prospectus.

### Factors Affecting our Results of Operations

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in focus toward the Education industry, Digital learning, Government Policies on education;
3. Any change in government policies resulting in increase in taxes payable by us;
4. Our ability to retain our key managements persons and other employees;
5. Changes in laws and regulations that apply to the education industry in which we operate.
6. Our failure to keep pace with rapid changes in technology;
7. Our ability to grow our business;
8. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
9. General economic, political and other risks that are out of our control;
10. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
11. Company’s ability to successfully implement its growth strategy and expansion plans;

12. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
13. Inability to successfully obtain registrations in a timely manner or at all;
14. Occurrence of Environmental Problems & Uninsured Losses;
15. Conflicts of interest with affiliated companies, the promoter group and other related parties;
16. Any adverse legal proceedings initiated against our company or its promoters, directors and KMP's;
17. Concentration of ownership among our Promoters;
18. The performance of the financial markets in India and globally; and

#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of “Statement of Significant Accounting Policies”, please refer to Annexure IV of Restated Financial Statements beginning on page 156 of this Draft Red Herring Prospectus.

#### RESULTS OF OPERATIONS INFORMATION BASED ON THE RESTATED FINANCIAL INFORMATION

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the period ended January 21, 2024 and for the financial years ended on March 31, 2023, March 31, 2022 and March 31, 2021.

| Particulars   | For the financial year ended     |                   |                 |                   |                 |                   |                 |                   |
|---|----------------------------------|-------------------|-----------------|-------------------|-----------------|-------------------|-----------------|-------------------|
|   | For the period ending 21.01.2024 | % of Total Income | FY 2022-23      | % of Total Income | FY 2021-22      | % of Total Income | FY 2020-21      | % of Total Income |
| <b>Income</b>   |                                  |                   |                 |                   |                 |                   |                 |                   |
| Revenue From Operation  | 5,320.72                         | 99.86%            | 7,555.71        | 99.93%            | 4,309.05        | 99.93%            | 3,255.76        | 99.54%            |
| Other Income  | 7.62                             | 0.14%             | 5.07            | 0.07%             | 3.15            | 0.07%             | 15.21           | 0.46%             |
| <b>Total Income</b>   | <b>5,328.34</b>                  | <b>100.00%</b>    | <b>7,560.77</b> | <b>100.00%</b>    | <b>4,312.21</b> | <b>100.00%</b>    | <b>3,270.96</b> | <b>100.00%</b>    |
| <b>Expenses</b>   |                                  |                   |                 |                   |                 |                   |                 |                   |
| Cost of Material Consumed   | 2,823.35                         | 52.99%            | 4,053.20        | 53.61%            | 2,086.52        | 48.39%            | 1,365.11        | 41.73%            |
| Purchase cost   | -                                | 0.00%             | -               | 0.00%             | -               | 0.00%             | -               | 0.00%             |
| Changes in inventories of stock   | (589.47)                         | (11.06%)          | (349.08)        | (4.62%)           | (110.33)        | (2.56%)           | (143.04)        | (4.37%)           |
| Employee benefits expense   | 1,446.64                         | 27.15%            | 1,495.16        | 19.78%            | 999.60          | 23.18%            | 726.84          | 22.22%            |
| Finance costs   | 267.02                           | 5.01%             | 267.13          | 3.53%             | 292.12          | 6.77%             | 356.94          | 10.91%            |
| Depreciation and amortization expense                                       | 61.59                            | 1.16%             | 42.03           | 0.56%             | 38.18           | 0.89%             | 50.57           | 1.55%             |
| Other expenses  | 1,026.72                         | 19.27%            | 967.14          | 12.79%            | 719.58          | 16.69%            | 420.17          | 12.85%            |
| <b>Total Expenditure</b>  | <b>5,035.83</b>                  | <b>94.51%</b>     | <b>6,475.58</b> | <b>85.65%</b>     | <b>4,025.66</b> | <b>93.36%</b>     | <b>2,776.59</b> | <b>84.89%</b>     |
| <b>Profit/(Loss) Before Exceptional &amp; extraordinary items &amp; Tax</b> | <b>292.50</b>                    | <b>5.49%</b>      | <b>1,085.20</b> | <b>14.35%</b>     | <b>286.54</b>   | <b>6.64%</b>      | <b>494.37</b>   | <b>15.11%</b>     |
| Exceptional Item  | -                                | 0.00%             | -               | 0.00%             | -               | 0.00%             | -               | 0.00%             |
| <b>Profit/(Loss) Before Tax</b>   | <b>292.50</b>                    | <b>5.49%</b>      | <b>1,085.20</b> | <b>14.35%</b>     | <b>286.54</b>   | <b>6.64%</b>      | <b>494.37</b>   | <b>15.11%</b>     |
| <b>Tax Expense:</b>   |                                  |                   |                 |                   |                 |                   |                 |                   |
| Tax Expense for Current Year  | 109.57                           | 2.06%             | 396.55          | 5.24%             | 115.13          | 2.67%             | 192.26          | 5.88%             |
| Deferred Tax  | 4.01                             | 0.08%             | 3.18            | 0.04%             | 3.35            | 0.08%             | 21.81           | 0.67%             |
| <b>Net Current Tax Expenses</b>   | <b>113.59</b>                    | <b>2.13%</b>      | <b>399.73</b>   | <b>5.29%</b>      | <b>118.48</b>   | <b>2.75%</b>      | <b>214.07</b>   | <b>6.54%</b>      |
| <b>Profit/(Loss) for the Year</b>   | <b>178.92</b>                    | <b>3.36%</b>      | <b>685.47</b>   | <b>9.07%</b>      | <b>168.06</b>   | <b>3.90%</b>      | <b>280.30</b>   | <b>8.57%</b>      |

#### Revenue from Operations



Revenue from operations comprises Revenue from selling of Educational Books for the K-12 Segment of Maharashtra Board and CBSE board in the 18 States Domestically and Sri Lanka and UAE internationally.

**Other Income**

Other income includes (i) interest income on loans and advances; (ii) Interest on FD income; (iii) Scrap Sale; (iv) Dividend Income (v) Others.

**Expenses**

Our expenses comprise (i) purchases of stock-in-trade; (ii) Cost of material consumed; (iii) changes in inventories of finished goods and work-in-progress; (iv) employee benefits expense; (v) finance costs; (vi) depreciation and amortisation expense; and (vii) other expenses.

**Changes in Inventories of Finished Goods and Work-in Progress**

Changes in inventories of finished goods and work-in-progress denotes increase/ decrease in inventories of finished goods and work in progress between opening and closing dates of a reporting period.

**Employee Benefit Expense**

Employee benefit expenses primarily includes (i) salaries wages and other expenses; (ii) director remuneration (iii) contributions to statutory fund; and (iv) staff welfare expenses (v) gratuity expenses.

**Depreciation and Amortization expenses**

Depreciation and amortization expenses primarily include depreciation expenses on our plant machinery and equipment, office furniture and motor cars, delivery vans and computers.

**Other Expenses**

Other expenses comprise (i) auditor remuneration; (ii) electricity expenses; (iii) repairs and maintenance expenses; (iv) rent expenses; (v) internet charges; (vi) Godown expenses; (vii) Discounts expenses; (viii) insurance expenses; (ix) legal and professional expenses; (x) commission expenses; (xi) loss on sale of assets; (xii) rates & taxes; (xiii) travelling & conveyance expenses; (xiv) Software expenses; (xv) Export Expenses; (xvi) other miscellaneous expenses; (xvii) software expenses;

**For the Period ended January 21, 2024 (Based on Restated Financial Statements)**

**Total Income:**

Total income for the period ending January 21, 2024 stood at ₹ 5,328.34 Lakhs, which includes revenue from operation amounting to Rs. 5320.72 lakhs and other income of Rs. 7.62 lakhs.

**Revenue from Operations:**

During the period ending January 21, 2024 revenue from operations stood at ₹ 5,320.72 Lakhs. The revenue from operations includes the revenue from sale of Books to our customers.

**Other Income:**

During the period ending January 21, 2024, other income was ₹ 7.62 Lakhs. Major portion of the other income includes interest income and foreign exchange gain.

**Employee benefits expense:**

Our Company has incurred ₹ 1,446.64 Lakhs as Employee benefits expense for the period ending January 21, 2024.

**Cost of Material Consumed:**

During the period ending January 21, 2024, cost of material consumed stood at ₹ 2823.35 lakhs. This is the major portion of the total expenses of the company representing 52.99% of the total income of the Company.

**Changes in inventories of finished goods:**

During the period ending January 21, 2024, changes in inventories of finished goods was ₹ (589.47) lakhs

**Finance costs:**

Finance costs for the period ending January 21, 2024 was 267.02.

**Depreciation and Amortization Expenses:**

Depreciation for the period ending January 21, 2024 was ₹ 61.59 Lakhs.

**Other Expenses:**

Other Expenses for the period ending January 21, 2024 stood at ₹ 1026.72 Lakhs.

**Restated Profit before tax:**

The Company reported Restated profit before tax for period ending January 21, 2024 of ₹ 292.50 Lakhs.

**Restated profit after tax:**

The Company reported Restated profit after tax for period ending January 21, 2024 of ₹ 178.92 Lakhs.

**Comparison of Financial Year 2023 with Financial Year 2022 (Based on Restated Financial Statements)**

**Total Income**

Our total income has increased significantly by 75.33% to Rs. 7560.77 lakhs in Fiscal 2023 from Rs. 4312.21 lakhs in Fiscal 2022. The main reason of increase is the acquisition of the new customers and foraying into new books across the K-12 segment & opening of school's post Covid 19 pandemic. The revenue from sale of books increased to 7555.71 lakhs as against 4309.05 lakhs which represents an increase of 75.35%. The company sold over 62.73 lakhs books during the Fiscal year 2023 as against 31.13 lakhs books during the Fiscal year 2022 (net of books returned)

**Revenue from Operations**

Our total income has Increased significantly by 75.35% to Rs. 7555.71 lakhs in Fiscal 2023 from Rs. 4309.05 lakhs in Fiscal 2022. The main reason of increase is the acquisition of the new customers and foraying into new books across the K-12 segment & opening of school's post Covid 19 pandemic. The company sold over 62.73 lakhs books during the Fiscal year 2023 as against 31.13 lakhs books during the Fiscal year 2022 (net of books returned)

**Other Income**

Our other income was Rs. 3.15 lakhs in Fiscal 2022, which has been increased by 60.61% to Rs. 5.07 lakhs in Fiscal 2023. The main reason for such increase was due to increase in the interest on FD and loans and advances given by the company.

**Expenses**

Our total expenses have also increased significantly by 34.40% to Rs. 967.14 lakhs in Fiscal 2023 from Rs. 719.58 lakhs in Fiscal 2022. The main reason for increase in the total expenses was increase in the business of the Company due to which the cost of material consumed increase from Rs. 2086.52 lakhs to 4053.20 lakhs representing an increase of approximately 94.26%.

#### **Cost of Material Consumed**

The cost of material consumed increase from Rs. 2086.52 lakhs to 4053.20 lakhs representing an increase of approximately 94.26%. The main reason for increase in the cost of material consumed was due to increase in the revenue from the books sold by the company. The company sold over 62.73 lakhs books during the Fiscal year 2023 as against 31.13 lakhs books during the Fiscal year 2022 (net of books returned)

#### **Employee benefits expenses**

Employee benefit expenses increased by 49.58% from Rs. 999.59 lakhs in Fiscal 2022 to Rs. 1495.16 lakhs in Fiscal 2023. Such increase was due to new employees hired in the sales & marketing department to generate increased target of sales which lead to an increase in salary and wages by Rs. 385.97 lakhs. Also, there was increase in the director remuneration by Rs. 66 lakhs.

#### **Depreciation and amortization expenses**

Depreciation, amortisation and impairment expenses increased by 10.10% from Rs. 38.18 lakhs in Fiscal 2022 to Rs. 42.03 lakhs in Fiscal 2023. The company works on an asset light model hence the depreciation expenses are limited to the extend on 1-2% of the total income of the Company.

#### **Other expenses**

Other expenses increased by 34.40% from Rs. 719.59 lakhs in Fiscal 2022 to Rs. 967.14 lakhs in Fiscal 2023. The main reason for increase in the other expenses were the increase in discount amount and traveling expenses which increased from Rs. 119.05 lakhs to Rs. 233.36 lakhs and Rs. 137.21 lakhs to Rs. 165.39 lakhs respectively.

#### **Tax Expenses**

Current tax increased by 237.38% from Rs. 118.48 lakhs in Fiscal 2022 to Rs. 399.73 lakhs in Fiscal 2023. Such increase is the resulting factor of increased profits.

#### **Profit after Tax**

The increase in the PAT is the resultant value of the Increase in the revenue and expenses which has increased due the increased business volumes of the Company. The PAT of the company increased from Rs. 168.06 lakhs to Rs. 685.47 lakhs representing an increase of 307.86%. The main reason for increase were the increase in the revenue from operation by 75.35%, although the gross margins reduced from 54.13% to 50.98% but the increase in other expenses were only 35.23% which leads to increase in the Profit of the Company.

#### **Comparison of Financial Year 2022 with Financial Year 2021 (Based on Restated Financial Statements)**

##### **Total Income**

Our total income has increased significantly by 31.83% to Rs. 4312.21 lakhs in Fiscal 2022 from Rs. 3270.96 lakhs in Fiscal 2021. The main reason of increase was gradual opening of schools in certain geographies during different waves of Covid 19 pandemic and resultant. Our revenue from operations increased by 32.35% to Rs. 4309.05 lakhs in Fiscal 2022 from Rs. 3255.76 lakhs in Fiscal 2021. The increase in sale was also affected due to the Company entering to the consigning and forwarding agreement for the sale of its products during the 2021 and 2022, and expansion of the QR code books.

##### **Revenue from Operations**

Our revenue from operations increased by 32.35% to Rs. 4309.05 lakhs in Fiscal 2022 from Rs. 3255.76 lakhs in Fiscal 2021. The main reason of increase is the acquisition of the new customers and foraying into new books across the K-12 segment. The increase in sale was affected due to the Company entering to the consigning and forwarding agreement for the sale of its products during the 2021 and 2022, and expansion of the QR code books.

#### **Other Income**

Our other income was 15.21 in Fiscal 2021, which has been decreased by 79.26% to Rs. 3.15 lakhs in Fiscal 2022. The reason for the decrease was due to decrease in sale of scrap and write back of Debtors recovery.

#### **Expenses**

Our total expenses have also increased significantly by 44.99% to Rs. 4025.66 lakhs in Fiscal 2022 from Rs. 2776.59 lakhs in Fiscal 2021. The main reason for increase in the total expenses was increase in the business of the Company due to which the cost of material consumed increase from Rs. 1365.11 lakhs to 2086.52 lakhs representing an increase of approximately 52.85%

#### **Cost of Material Consumed**

The cost of material consumed increase from Rs. 1365.11 lakhs to 2086.52 lakhs representing an increase of approximately 52.85%. The main reason for increase in the cost of material consumed was due to increase in the revenue from the books sold by the company. The increase in sale was affected due to the Company entering to the consigning and forwarding agreement for the sale of its products during the 2021 and 2022, and expansion of the QR code books.

#### **Employee benefits expenses**

Employee benefit expenses increased by 37.53% from Rs.726.84 lakhs in Fiscal 2021 to Rs. 999.60 lakhs in Fiscal 2022. Such increase was due to increase in Salary expenses from Rs 639.22 Lakhs in Fiscal 2021 to Rs 857.96 Lakhs in Fiscal 2022 on account of increased resources.

#### **Depreciation and amortization expenses**

Depreciation, amortisation and impairment expenses decreased by 24.50% from Rs. 50.57 lakhs in Fiscal 2021 to Rs. 38.18 lakhs in Fiscal 2022. The company works on an asset light model hence the depreciation expenses are limited to the extend on 1-2% of the total income of the Company.

#### **Other expenses**

Other expenses increased by 71.26% from Rs. 420.17 lakhs in Fiscal 2021 to Rs. 719.58 lakhs in Fiscal 2022. The main reason for increase in the other expenses were the increase in discount amount, rent rates and Taxes and traveling expenses which increased from Rs. 48.89 lakhs to Rs. 119.05 lakhs, increased from Rs. 23.75 lakhs to Rs. 172.55 lakhs and Rs. 73.35 lakhs to Rs. 137.21 lakhs respectively.

#### **Tax Expenses**

Current tax decreased by 44.65% from Rs. 214.07 lakhs in Fiscal 2021 as compared to Rs. 118.48 lakhs in Fiscal 2022 due to the decrease in the profit before tax of the company.

#### **Profit after Tax**

The PAT of the company decreased from Rs. 280.30 lakhs to Rs. 168.06 lakhs representing a decrease of 40.04%. The main reason for decrease were the reduction in gross margins which reduced from 62.46% to 54.13%.

#### **Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:**

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

**1. *Unusual or infrequent events or transactions***

There has not been any unusual trend on account of our business activity. Except as disclosed in this Draft Red Herring Prospectus, there are no unusual or infrequent events or transactions in our Company.

**2. *Significant economic changes that materially affected or are likely to affect income from continuing operations.***

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

**3. *Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.***

Apart from the risks as disclosed under Section “**Risk Factors**” beginning on page 30 of the Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. *Future changes in relationship between costs and revenues***

Other than as described in the sections “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 30, 108 and 211 respectively of this Red Herring Prospectus, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

**5. *Total turnover of each major industry segment in which our Company operates***

Our business activity primarily falls within a single business and geographical segment, i.e., Educational Book Publishing for CBSE/State Board curriculum for K-12 segment in print and digital medium, as disclosed in “**Restated Financial Statements**” on page 156 of this Red Herring Prospectus, we do not follow any other segment reporting.

**6. *Status of any publicly announced New Products or Business Segment***

Except as disclosed in the Chapter “**Our Business**”, our Company has not announced any new product or service.

**7. *Seasonality of business***

Our business are seasonal in nature and depends upon the academic cycle in the country, hence subject to seasonality. For further information, see “**Industry Overview**” and “**Our Business**” on pages 96 and 108 of this Red Herring Prospectus, respectively.

**8. *Dependence on single or few customers***

Our company does not have any major dependence on any single or limited number of customers. For the period ended January 21, 2024 and for the FY 22-23, 21-22 and FY 20-21 our top 10 customers contributed to approximately 9.50%, 14.24%, 20.89%, and 22.99% of our revenue from operations. For further information, see “**Risk Factors**” on page 30 of this Red Herring Prospectus.

**9. *Competitive conditions***

Competitive conditions are as described under the Chapters “**Industry Overview**” and “**Our Business**” beginning on pages 96 and 108 respectively of this Red Herring Prospectus.

**10. Details of material developments after the date of last balance sheet i.e. January 21, 2024.**

After the date of last Balance sheet i.e., January 21, 2024, the following material events have occurred after the last audited period:

1. We have appointed Anil Jayantilal Rambhia as Chairman and Managing Director of the Company for a term of 3 year with effect from February 07, 2024 by board in its meeting held on February 06, 2024 and confirmed by shareholders vide Extra Ordinary General Meeting held on February 07, 2024.
2. We have appointed to Rakesh Jayantilal Rambhia as Whole Time Director for a term of 3 year with effect from February 07, 2024 by board in its meeting held on February 06, 2024 and confirmed by shareholders vide Extra Ordinary General Meeting held on February 07, 2024.
3. We have appointed Rakesh Jayantilal Rambhia as CFO of the Company with effect from February 07, 2024 approved by the Board Resolution Vide Board Meeting held on February 06, 2024.
4. We have appointed Punit Saxena as Non-executive independent director for a term of 5 year with effect from February 07, 2024 by board in its meeting held on February 06, 2024 and confirmed by shareholders by way of Ordinary Resolution vide Extra Ordinary General Meeting held on February 07, 2024
5. We have appointed Shrenik Bakulesh Kotecha as non-executive independent director for a term of 5 year with effect from March 05, 2024 by board in its meeting held on March 04, 2024 and confirmed by shareholders by way of Ordinary Resolution vide Extra Ordinary General Meeting held on March 05, 2024.
6. We have increased the authorized share capital from 20.00 crore divided into 2,00,00,000 Equity Shares of Rs. 10/- each to 21.00 crore divided into 2,10,00,000 Equity Shares of Rs. 10/- each vide Extra Ordinary general Meeting held on March 05, 2024.
7. We have altered the Article of Association of the Company via Special Resolution passed in the Extra Ordinary general Meeting held on March 05, 2024.
8. We have passed a Board resolution in the meeting of Board of Directors dated March 04, 2024 authorizing the Board of Directors to raise funds by making an Initial Public Offering.
9. We have passed a special resolution in the Extra Ordinary General meeting dated March 05, 2024 authorizing the Board of Directors to raise funds by making an Initial Public Offering.
10. Our Company has approved the Restated Financial Statements for the period ended January 21, 2024 and for the financial year ended March 31, 2023, 2022 and 2021 in the Board meeting dated March 16, 2024
11. We have appointed Jignasha Jitendra Fofandi as Company Secretary & Compliance officer w.e.f. March 18, 2024 approved by the Board Resolution vide Board resolution dated March 18, 2024.
12. Resignation of Rakesh Jayantilal Rambhia from the position of Chief Financial Officer of the Company w.e.f. June 05, 2024 approved by the Board Resolution vide Board resolution dated June 05, 2024
13. We have appointed Prasad Ramakant Lad as Chief Financial officer w.e.f. June 06, 2024 approved by the Board Resolution vide Board resolution dated June 06, 2024

**CAPITALISATION STATEMENT**

(Amt. Rs. in Lacs)

| Particulars                            | Pre Issue      | Post Issue* |
|--|----------------|-------------|
|  | 21-01-2024     |             |
| <b>Debt</b>                            |                |             |
| Short Term Debt                        | 3062.15        | -           |
| Long Term Debt                         | 1023.03        | -           |
| <b>Total Debt</b>                      | <b>4085.18</b> | <b>-</b>    |
| <b>Shareholders' Fund (Equity)</b>     |                |             |
| Share Capital                          | 1500.00        | -           |
| Reserves & Surplus                     | 0.00           | -           |
| Less: Miscellaneous Expenses not w/off | 0.00           | -           |
| Total Shareholders' Fund (Equity)      | 1500.00        | -           |
| <b>Long Term Debt/Equity</b>           | <b>0.68</b>    | <b>-</b>    |
| <b>Total Debt/Equity</b>               | <b>2.72</b>    | <b>-</b>    |

**"Notes:***As per the Restated Financial Statement*

*The Corresponding Post IPO capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement."*

## **SECTION VII – LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

*Our Company, our Directors and our Promoters are subject to various legal proceedings from time to time, mostly arising in the ordinary course of our business. Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) disciplinary action including penalty imposed by SEBI or stock exchanges in the last five financial years including outstanding action; (iv) claims relating to direct and indirect taxes; and (v) Material Litigation (as defined below); involving our Company, Directors or Promoters.*

*Our Board of Directors, in its meeting held on March 18, 2024, determined that outstanding litigation involving our Company, its directors and its promoters, shall be considered material (“**Material Litigation**”) if:*

- a. the aggregate monetary claim made by or against the Company, Directors, or Promoters, as the case may be, in any such pending litigation or arbitration proceeding is in excess of 5% of the profit after tax of the Company, in the most recently completed Financial Year as per the Restated Financial Statements; or*
- b. in such litigation the monetary liability is not quantifiable, or which does not fulfil the threshold specified in (a) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company.*

*Our Board of Directors, in its meeting held on March 18, 2024, determined that outstanding dues to the small-scale undertakings and other creditors exceeding 5% of the Company’s trade payables for the last audited Restated Financial Statements shall be considered material dues for the company for the purpose of disclosure in Draft Red Herring Prospectus. (“**Material Dues**”).*

*Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI (ICDR) Regulations have been disclosed on our website at [www.chetanaeducation.com](http://www.chetanaeducation.com).*

*Our Company, its Directors and its Promoters are not Willful Defaulters and there have been no violations of securities laws in the past or pending against them.*

#### **A. LITIGATION INVOLVING THE COMPANY**

##### **a) Criminal proceedings against the Company**

1. A criminal appeal bearing no. Criminal Appeal/ 50/2021 has been registered before the Ld. Metropolitan Magistrate Court, Girgaon Hon’ble Session Court, Mumbai (“Ld. Court”) bearing no. dated March 1, 2021 by Ashok Chiplunkar (“Plaintiff”), against our Company under section 138 of Negotiable Instrument Act, 1881 for Challenging the order dated 08.02.2021 passed by Ld. Metropolitan Magistrate 14th Court Girgaon Amounting to Rs. 18,32,865/- This case has been filed against an order which was passed in favour of our Company. The last hearing in the matter was held on June 10, 2024
2. A criminal appeal bearing no. Criminal Appeal/51/2021 has been registered before the Hon’ble Session Court, Mumbai Ld. Metropolitan Magistrate Court, Girgaon (“Ld. Court”) bearing no. dated March 1, 2021 by Ashok Chiplunkar (“Plaintiff”), against our Company under section 138 of Negotiable Instrument Act, 1881 for Challenging the order dated 08.02.2021 passed by Ld. Metropolitan Magistrate 14th Court Girgaon Amounting to Rs. 5,00,000 This case has been filed against an order which was passed in favour of our Company. The last hearing in the matter was held on June 10, 2024.

##### **b) Criminal proceedings filed by the Company**

1. A case bearing no. SC/700025/2024 was filed by our Company against Mr. Indrajeet Jadhav (“Defendant”) before the Ld. Addl. Chief Metropolitan Magistrate Court, Bhoiwada, Dadar, Mumbai (“Ld. Court”) under section 138 of Negotiable Instrument Act, 1881. The case relates to dishonor of cheque’s amounting of Rs.40, 760/- due to



“insufficient funds”. The subject matter is pending adjudication before Ld. Court and the next date of hearing is July 20, 2024.

2. A case bearing no. SC/700040/2024 was filed by our Company against Mr. Gorakhnath Vitthal More. (“**Defendant**”) before the Ld. Addl. Chief Metropolitan Magistrate Court, Bhoiwada, Dadar, Mumbai (“**Ld. Court**”) under section 138 of Negotiable Instrument Act, 1881. The case relates to dishonor of cheque’s amounting of Rs.20, 00,000/- due to “insufficient funds”. The subject matter is pending adjudication before Ld. Court and the next date of hearing is July 20, 2024.
3. A case bearing no. SC/700041/2024 was filed by our Company against HK Essentials Pvt. Ltd. & Ors. (“**Defendants**”) before the Ld. Addl. Chief Metropolitan Magistrate Court, Bhoiwada, Dadar, Mumbai (“**Ld. Court**”) under section 138 of Negotiable Instrument Act, 1881. The case relates to dishonor of cheque’s amounting of Rs.10, 00,000/- due to “Payment stopped by drawer”. The subject matter is pending adjudication before Ld. Court and the next date of hearing is July 20, 2024.
4. A case bearing no. SC/1400422/2023 was filed by our Company against Mrs. Nisha Jha (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”) under section 138 of Negotiable Instrument Act, 1881. The case relates to dishonor of cheque’s amounting of Rs. 25,000/- due to “*Payment stopped by drawer*”. The subject matter is pending adjudication before Ld. Court and the next date of hearing is October 21, 2024.
5. A case bearing no. SC/1400064/2024 was filed by our Company against Chate Learning Solutions Private Limited & Ors. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”) under section 138 of Negotiable Instrument Act, 1881. The case relates to dishonor of cheque’s amounting of Rs.3, 84,000/- due to “insufficient funds”. The subject matter is pending adjudication before Ld. Court and the next date of hearing is July 12, 2024.
6. A summary case bearing no. SC/1400384 of 2023 was filed by our Company against Star Classes and Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.1, 10,432/- due to “insufficient funds”. The case is pending for adjudication before Ld. Court with next date of hearing on June 24, 2024.
7. A summary case bearing no. SC/1400385 of 2023 was filed by our Company against Smart Book and Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.6, 00,000/- due to “*No Advice*”. The case is pending for adjudication before Ld. Court with next date of hearing on August 23, 2024.
8. A summary case bearing no. SC/1400386 of 2023 was filed by our Company against Dhruvs Coaching Centre and Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 50,000/- due to “*insufficient fund*”. The case is pending for adjudication before Ld. Court with next date of hearing on August 23, 2024.
9. A summary case bearing no. SC/1400410 of 2023 was filed by our Company against Shri Rajendra Suri Shaikshanik Sanstha and Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.3, 93,432/- due to “insufficient fund”. The case is pending for adjudication before Ld. Court with next date of hearing on October 21, 2024.

10. A case being Summary Cases SC/1400423 of 2023 was filed by our Company against School Needs Enterprises and Anr. (“**Defendants**”) before the Ld. ACJM Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.2, 29,161/- due to “insufficient fund”. The case is pending for adjudication before Ld. Court with next date of hearing on October 21, 2024.
11. A case bearing no. SS/1406589/2021 was filed by our Company against Smt. M B Daroda English Schools and Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”) under section 138 of Negotiable Instrument Act, 1881. The case relates to dishonor of cheque’s amounting of Rs. 52,533/- due to “*insufficient funds*”. The subject matter is pending adjudication before Ld. Court and the next date of hearing is July 22, 2024.
12. A summary suit bearing no. SS/1401497/2019 was filed by our Company against Mukul Choudhry (“**Defendant**”), before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 50,000/- due to “*payment stopped by drawer*”, the subject matter is pending adjudication before Ld. Court and the next date of hearing is October 16, 2024.
13. A case bearing no. SC/1400463/2022 was filed by our Company against Smt. Nikhil D Kumbhar (“**Defendant**”) and Anr. before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 93,947/- due to “*Account Closed*”. The subject matter is pending adjudication before Ld. Court and the next date of hearing is July 10, 2024.
14. A case bearing no. SC/1400305/2023 was filed by our Company against Mr. Mane Shahaji Ganapatrao (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 40,970/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is July 08, 2024.
15. A case bearing no. SC/1400002/2022 was filed by our Company against Scholars Educare & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque’s amounting Rs. 58,503/- due to “*drawers signature not as per mandate*”. The subject matter is pending adjudication before Ld. Court and the next date of hearing is August 05, 2024.
16. A case bearing no. SS/1400649/2020 was filed by our Company against M/s. Siddhi Stores & Drama Dresses & Ors. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 6, 00,000/- due to “*insufficient funds*”. Then on receiving the notice by our company, defendant completed part payment of Rs.2, 50, 000 related to the dishonored cheque but still the left amount is unpaid. The case is pending adjudication before Ld. Court and the next date of hearing is June 26, 2024.
17. A case bearing no. SC/1400055/2021 was filed by our Company against Mr. Satendra Kumar (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 3, 96,316 due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is July 22, 2024.
18. A case bearing no. SS/1404659/2021 was filed by our Company against Tulja Bhavani English School & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 21,260 due to

“*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is October 16, 2024.

19. A case bearing no. SS/1406543/2021 was filed by our Company against Mr. Mahendra Kumara Prasad (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 29,017 due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is July 25, 2024.
20. A case bearing no. SC/1400023/2022 was filed by our Company against Mr. Mahesh Sunil Palve (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 60,260 due to “*account closed*”. The case is pending adjudication before Ld. Court and the next date of hearing is October 23, 2024.
21. A case bearing no. SC/1400496/2022 was filed by our Company against Mr. Muthu Mudaliar (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 64,626 due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is June 14, 2024.
22. A case bearing no. SC/1400189/2022 was filed by our Company against Narayan Book Distributors & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 61,051 due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is July 10, 2024.
23. A case bearing no. SS/1400586/19 was filed by our Company against Nitin Dilip Potdar (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 1, 56,511/- due to “*Payment stopped by drawer*”. The case is pending adjudication before Ld. Court and the next date of hearing is June 24, 2024.
24. A case bearing no. SC/700577/2022 was filed by our Company against Rajasthan Educational Store & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Dadar Bhoiwada (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 87,464/- due to “*Payment stopped by drawer*”. The case is pending adjudication before Ld. Court and the next date of hearing is July 27, 2024.
25. A court case bearing no. SS/1402107/2019 was filed by our Company against Thanjay Book House & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 3, 11,922/- due to “*exceeds arrangement*” The case is pending adjudication before Ld. Court and the next date of hearing is October 24, 2024.
26. A case bearing no. SC/1400277/2023 was filed by our Company against Trinity Book Depot & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 1, 19,023 /- due to “*Payment stopped by drawer*”. The case is pending adjudication before Ld. Court and the next date of hearing is October 21, 2024.

27. A case SS/1400650/2020 was filed by our Company against Shanket Learning Solutions Pvt. Ltd. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 1, 88,544/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is June 24, 2024.
28. A case bearing no. SS/1402108/2019 was filed by our Company against Mr. Ittira Chetan Ponnappa (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 2, 06,424/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is July 31, 2024.
29. A case bearing no. SS/1400795/2020 was filed by our Company against Tamil Munetra Sangam (TMS) & Ors. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 3, 07,793/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is July 25, 2024.
30. A case bearing no. SS/1406523/2021 was filed by our Company against Kshitij Bahuuddeshiya Shikshan Sanshta & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 2, 22,247/- due to “*account dormat*” The case is pending adjudication before Ld. Court and the next date of hearing is June 12, 2024.
31. A case bearing no. SS/1400796/2020 was filed by our Company against Star Learning Resources & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 4, 50,000/- due to “*account closed and exceeds arrangement*” The case is pending adjudication before Ld. Court and the next date of hearing is July 22, 2024.
32. A case bearing no. SS/1400598/2020 was filed by our Company against Ranjan Traders & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 4, 00,000/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is July 12, 2024.
33. A case bearing no. SS/1400297/2019 was filed by our Company against Vyankatesh Agencies & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 3, 44,896/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is July 10, 2024.
34. A case bearing no. SS/1406405/2021 was filed by our Company against St. Xavier Education Society Nashik & Ors. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 3, 22,782/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is June 24, 2024.
35. A case bearing no. SS/1400229/2022 was filed by our Company against Mr. Rahul Mohan Chiplunkar (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 1, 17,082/- due to

- “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is August 31, 2024.
36. A case bearing no. SS/1406558/2021 was filed by our Company against Mr. Aniket Sakharam Gade (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 1, 73,213/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is June 12, 2024.
37. A case bearing no. SS/1406440/2021 was filed by our Company against Anjaneya Book House & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 2, 00,000/- due to “*exceeds arrangement*” The case is pending adjudication before Ld. Court and the next date of hearing is July 25, 2024.
38. A case bearing no. SS/1406524/2021 was filed by our Company against Ankit Enterprises & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 58,473/- due to “*Payment stopped by drawer*” The case is pending adjudication before Ld. Court and the next date of hearing is June 12, 2024.
39. A case bearing no. SS/1406400/2021 was filed by our Company against Mr. Basavraj Birajdar (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs.3, 04,329/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is August 23, 2024.
40. A case bearing no. SS/1400789/2020 was filed by our Company against Black Stone Books & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 4, 00,000/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is October 16, 2024.
41. A case bearing no. SS/1406402/2021 was filed by our Company against Brothers Trading Co. & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 3, 33,812/- due to “*account does not exist*” The case is pending adjudication before Ld. Court and the next date of hearing is June 12, 2024.
42. A case bearing no. SS/1400942/2020 was filed by our Company against Mr. Ramesh Dnayaneshwar Nikot (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 54,137/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is June 26, 2024.
43. A case bearing no. SC/1400022/2022 was filed by our Company against Mr. Mohammad Zaheer Ahmed (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.1, 00,000/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is July 15, 2024.

44. A case bearing no. SC/1400001/2022 was filed by our Company against Future & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.4, 06,813/- due to “*exceeds arrangement*” The case is pending adjudication before Ld. Court and the next date of hearing is July 27, 2024.
45. A case bearing no. SC/700516/2022 was filed by our Company against Goyal & Co. & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Dadar, Bhiwada (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.30, 449/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is August 28, 2024.
46. A case bearing no. SC/1400176/2022 was filed by our Company against Green Pear Publisher & Distributors & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.1, 43, 212/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is July 15, 2024.
47. A case bearing no. SS/1404767/2021 was filed by our Company against Siddhivinayak Bahuddesiya Sevabhai Sanst Georai & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.74, 600/- due to “*no such account*” The case is pending adjudication before Ld. Court and the next date of hearing is October 23, 2024.
48. A case bearing no. SC/1400393/2023 was filed by our Company against Gnyanodaya M P School & Ors. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.80, 000/- due to “*account blocked.*” The case is pending adjudication before Ld. Court and the next date of hearing is August 05, 2024.
49. A case bearing no. SC/1400230/2022 was filed by our Company against Mr. Rohidas Shivaji Patil & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.1, 50, 000/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is August 16 2024,
50. A case bearing no.SC/1400042/2023 was filed by our Company against Khosla Enterprises & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.1, 00,000/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is July 08, 2024.
51. A case bearing no. SC/1400276/2022 was filed by our Company against Jotsna Ganpat Sambare (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.10, 000/- due to “*not arranged*” The case is pending adjudication before Ld. Court and the next date of hearing is October 21, 2024.
52. A case bearing no. SS/1406544/2021 was filed by our Company against Laksh Education and Charitable Trust & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.2, 65,358/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is August 16, 2024.

53. A case bearing no. SS/1407091/2021 was filed by our Company against Shrinivas Kishanlal Vyas (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.1, 80,000/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is August 30, 2024.
54. A case bearing no. SC/1400245/2023 was filed by our Company against MD Jadhav Public School Bhose & Ors. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.37, 041/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is July 26, 2024.
55. A case bearing no. SS/1406489/2021 was filed by our Company against Mama Marys Books & Stationery & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.8, 27,573/- due to “*Payment stopped by drawer*” The case is pending adjudication before Ld. Court and the next date of hearing is July 02, 2024.
56. A case bearing no. SS/1400544/2019 was filed by our Company against Jamkar Book Center & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.6, 01,689/- due to “*exceeds arrangement*” The case is pending adjudication before Ld. Court and the next date of hearing is June 12, 2024.
57. A case bearing no. SS/1401030/2019 was filed by our Company against Amit Books & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.15, 17, 188/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is July 12, 2024.
58. A case bearing no. SS/1406403/2021 was filed by our Company against Bubna Book Center and Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.88, 680/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is June 24, 2024.
59. A case bearing no. SS/1400625/2020 was filed by our Company against Classic Book Distributors & Ors. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.3, 07,622/- due to “*exceeds arrangement*” The case is pending adjudication before Ld. Court and the next date of hearing is August 23, 2024.
60. A case bearing no. SS/1406429/2021 was filed by our Company against Mr. Navnath Baban Kadlag (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 65,000/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is July 02, 2024.
61. A case bearing no. SS/1400639/2020 was filed by our Company against Dayananda Vidyalaya & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.3, 14,119/- due to

“*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is July 10, 2024.

62. A case bearing no. SC/1400328/2022 was filed by our Company against Ayesha Abid Pathan (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.58, 000/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is June 24, 2024.
63. A case SS/1400317/2020 was filed by our Company against Mr. Rajendra M. Joglekar (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.2, 00, 000/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is June 26, 2024.
64. A case bearing no. SS/1400797/2020 was filed by our Company against Khurana Book Center & Ors. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.1, 50, 000/- due to “*contact drawer*”. The case is pending adjudication before Ld. Court and the next date of hearing is June 12, 2024.
65. A case bearing no. SS/1400295/2019 was filed by our Company against Ambika General Stores & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.87, 408/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is August 05, 2024.
66. A case bearing no. SS/1406557/2021 was filed by our Company against Ankit Sakharm Gade (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.78, 092/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is October 21, 2024.
67. A case bearing no. SC/1400009/2021 was filed by our Company against Anjaneya Book House & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs.2, 00,000/- due to “*insufficient funds*” and “*contact drawer*” respectively. The case is pending adjudication before Ld. Court and the next date of hearing is August 12, 2024.
68. A case bearing no. SS/1406399/2021 was filed by our Company against Books World & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.12, 61,104/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is July 10, 2024.
69. A case bearing no. SS/1404768/2021 was filed by our Company against Mr. Navnath Baban Kadlag (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.15, 000/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is July 02, 2024.
70. A case bearing no. SS/1406238/2021 was filed by our Company against Mr. Navnath Baban Kadlag (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.15, 000/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is July 02, 2024.



71. A case bearing no. SC/1400251/2023 was filed by our Company against Mr. Bajirao Mhatugude (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.48, 768/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is October 21, 2024.
72. A case bearing no. SC/1400304/2023 was filed by our Company against Gnyanodaya M P School & Ors. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs.1, 20,000/- due to “*account blocked*”. The case is pending adjudication before Ld. Court and the next date of hearing is October 18, 2024.
73. A case bearing no. SS/1401007/2017 was filed by our Company against Hanifa Traders & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs.10, 00,000/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is September 23, 2024.
74. A case bearing no. SC/700910/2023 was filed by Our Company against Jayant Enterprises & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Dadar Bhoiwada (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.83, 844/- due to “*no such account*”. The case is pending adjudication before Ld. Court and the next date of hearing is June 20, 2024.
75. A case bearing no. SS/1400247/2022 was filed by our Company against Mr. Rohidas Shivaji Patil (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs.1, 50,000/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is August 16, 2024.
76. A case bearing no. SS/1400043/2023 was filed by our Company against Khosla Enterprises & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs.4, 00,000/- due to “*account closed*”. The case is pending adjudication before Ld. Court and the next date of hearing is July 29, 2024.
77. A case bearing no. SS/1400062/2023 was filed by our Company against Khosla Enterprises & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs.1, 00,000/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is July 08, 2024.
78. A case bearing no. SS/1406488/2021 was filed by our Company against Mrs. Usha Vincent Correa (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.3, 26,000/- due to “*payment stopped by drawer*”. The case is pending adjudication before Ld. Court and the next date of hearing is July 02, 2024.
79. A case bearing no. SS/1400597/2020 was filed by our Company against Sri Raghvendra Matriculation School & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.50, 000/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is July 10, 2024.
80. A case bearing no. SS/1400599/2020 was filed by our Company against Sri Raghvendra Higher Secondary School & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.55, 273/- due to

“*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is June 26, 2024.

81. A case bearing no. SC/1400058/2021 was filed by our Company against Mr. Nazim Karim Tamboli (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.1, 50,000/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is August 23, 2024.
82. A case bearing no. SS/1406379/2021 was filed by our Company against Navnath Baban Kadlag (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 15,000/- due to “*payment stopped by drawer*”. The case is pending adjudication before Ld. Court and the next date of hearing is July 02, 2024.
83. A case bearing no. SS/1406542/2021 was filed by Our Company against Target Book Center & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 3, 14,941/- due to “*account closed*”. The case is pending adjudication before Ld. Court and the next date of hearing is July 25, 2024.
84. A case bearing no. SS/1401498/2019 was filed by Our Company against Mr. Shrikant Horkate (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 23,000/- due to “*account closed*”. The case is pending adjudication before Ld. Court and the next date of hearing is October 16, 2024.
85. A case bearing no. SC/1400177/2022 was filed by our Company against Shekhawati Book Depot & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 58,362/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is August 23, 2024.
86. A case bearing no. SC/1400190/2022 was filed by our Company against Shrishti Enterprises & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 8, 83,921/- due to “*payment stopped by drawer*”. The case is pending adjudication before Ld. Court and the next date of hearing is June 24, 2024.
87. A case bearing no. SS/1400237/2019 was filed by our Company against Siddeshwar Enterprises & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 49,799/- due to “*exceed arrangement*”. The case is pending adjudication before Ld. Court and the next date of hearing is August 14, 2024.
88. A case bearing no. SS/1400512/2018 was filed by our Company against Stationers Mart & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 4, 26,282/- due to “*payment stopped by drawer*”. The case is pending adjudication before Ld. Court and the next date of hearing is October 14, 2024.
89. A case bearing no. SC/1400204/2022 was filed by our Company against Somnath Tryambak Bendarge (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 27,000/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is June 11, 2024.

90. A case bearing no. SS/1400083/2020 was filed by our Company against Arham Book Depot & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 89,874/- due to “*payment stopped by drawer*”. The case is pending adjudication before Ld. Court and the next date of hearing is October 16, 2024.
91. A case bearing no. SS/1400941/2020 was filed by our Company against Ashish Vidharthi Vastu Bhandar & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 50,000/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is October 18, 2024.
92. A case bearing no. SC/1400275/2022 was filed by our Company against Girija Govind Patil (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 15,000/- due to “*other reasons*”. The case is pending adjudication before Ld. Court and the next date of hearing is August 16, 2024.
93. A case bearing no. SS/1406346/2021 was filed by our Company against Mahesh Gunderao Patil (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 1, 51,157/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is August 31, 2024.
94. A case bearing no. SS/1407089/2021 was filed by our Company against Mr. Mohammed Zaheer Ahmed (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 1, 04,415/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is July 15, 2024.
95. A case bearing no. SS/1400148/2022 was filed by our Company against Mr. Ramkesh Yadav (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 1, 95,393/- due to “*required information not legible correct*”. The case is pending adjudication before Ld. Court and the next date of hearing is October 21, 2024.
96. A case bearing no. SS/1406559/2021 was filed by our Company against New College Book House & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 26,665/- due to “*payment stopped by drawer*”. The case is pending adjudication before Ld. Court and the next date of hearing is October 16, 2024.
97. A case bearing no. SS/1400543/2019 was filed by our Company against Amit Books & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 5, 00,000/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is July 12, 2024.
98. A case bearing no. SS/1401045/2019 was filed by our Company against Bubna Book Centre & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 1, 50,000/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is June 24, 2024.

99. A case bearing no. SS/1403626/2015 was filed by our Company against Mr. Sanjay Babulal Khairnar (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Ballard Estate, Mumbai (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 20,000/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is June 24, 2024.
100. A case bearing no. SS/1400141/2019 was filed by our Company against Pratibha Books Promoters & Distributors & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.27, 55,000/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is June 24, 2024.
101. A case SS/1400288/2018 was filed by our Company against Mr. Suresh Kumar N (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.4, 80, 700/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is September 23, 2024.
102. A case SS/1400139/2019 was filed by our Company against Mr. Somnath Kale (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.24, 478/- due to “*drawer’s signature differs*” The case is pending adjudication before Ld. Court and the next date of hearing is August 05, 2024.
103. A case SS/1406247/2021 was filed by our Company against Riddhi Siddhi Book Depot & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque’s amounting Rs.3, 64,645/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is June 14, 2024.
104. A case bearing no. SS/255/21 was filed by our Company against M/s. Sarvoday Books Agency & Anr. (“**Defendants**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheques amounting Rs. 2, 28,009/- due to “*insufficient funds*” The case is pending adjudication before Ld. Court and the next date of hearing is July 25, 2024.
105. A case bearing no. SS/1401095/2019 was filed by our Company against Ambika Book Center (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.1, 92,930/- due to “*payment stopped by drawer*”. The case is pending adjudication before Ld. Court and the next date of hearing is June 28, 2024.
106. A case bearing no. SS/1400027/2024 was filed by our Company against Mrs. Yasmin Latif Khan (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.15,000/- due to “*payment stopped by drawer*”. The case is pending adjudication before Ld. Court and the next date of hearing is July 12, 2024
107. A case bearing no. SS/1400063/2024 was filed by our Company against Shri Sai Education Shanstha (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.40, 000/- due to “*insufficient funds*”. The case is pending adjudication before Ld. Court and the next date of hearing is July 12, 2024
108. A case bearing no. Summary/1400167/2024 was filed by our Company against Mr. Yadav Ranjeet Rajendra Prasad (“**Defendant**”) before the Ld. Metropolitan Magistrate Court, Girgaon (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs.200000/- due to

“Funds Insufficient”. The case is pending adjudication before Ld. Court and the next date of hearing is August 13, 2024.

109. A case bearing no. Summary/700257/2024 was filed by our Company against Mr. Sagar Arjun Sirsat (“**Defendant**”) before the Ld. Metropolitan Magistrate 7<sup>th</sup> Court, Bhoiwada, Mumbai (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 55173/- due to “Funds Insufficient”. The case is pending adjudication before Ld. Court and the next date of hearing is July 20, 2024.

110. A case bearing no. Summary/700092/2024 was filed by our Company against Dilip Dhodi Education Trustand others (“**Defendant**”) before the Ld. Metropolitan Magistrate 7<sup>th</sup> Court, Bhoiwada, Mumbai (“**Ld. Court**”), under section 138 of Negotiable Instruments Act, 1881. The case relates to dishonor of cheque amounting Rs. 100000/- due to “Funds Insufficient”. The case is pending adjudication before Ld. Court and the next date of hearing is August 28, 2024.

**c) Actions by statutory and regulatory authorities against the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

**d) Tax Proceedings**

The details pertaining to **Direct Tax** matters are as below:

| <b>Sr. No.</b> | <b>Assessment Year</b> | <b>Amount involved<br/>(Rs.)</b> |
|----------------|------------------------|----------------------------------|
| 1.             | 2018-19                | 6,87,000 <sup>(1)</sup>          |

1. Notice has been issued under section 154 of the income tax act 1961, dated June 09, 2023 for which the demand raised is pending.

**e) Other pending material litigations against the Company**

As on the date of this Draft Red Herring Prospectus, there are no other pending material litigations initiated against our Company.

**f) Other pending material litigations filed by the Company**

- i. A commercial suit bearing no CS/286/22 has been filed by our Company against MT Educare Limited & Ors. (“**Defendants**”) before the Hon’ble City Civil Court, Mumbai (“**Hon’ble Court**”), the defendants has placed orders from our company on credit, and our company fulfilled the delivery of the orders on-time but there was only part payment made by the defendants and an amount of Rs.42,70,491 along with 18% interest is still pending. The case is pending for adjudication before the Hon’ble Court and the next date of hearing is July 01, 2024.

**B. LITIGATIONS INVOLVING THE DIRECTORS/PROMOTERS OF THE COMPANY**

**a) Criminal proceedings against the Directors/Promoters of the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Directors/Promoters of our Company

**b) Criminal proceedings filed by the Directors/Promoters of the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings filed by the Directors/Promoters of our Company

**c) Actions by statutory and regulatory authorities against the Directors/promoters of the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Directors/Promoters of our Company

**d) Tax Proceedings:**

The details pertaining to **Direct Tax** matters are as follows: Nil

The details pertaining to **Indirect Tax** are as follows: NIL

**e) Other pending material litigations against the Directors/Promoters of the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding other pending material litigation initiated against the Directors/Promoters of the Company

**f) Other pending material litigation filed by the Directors/Promoters of the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding other pending material litigation filed by the Directors/Promoters of the Company

**C. LITIGATION INVOLVING THE GROUP COMPANIES WHICH CAN HAVE A MATERIAL IMPACT ON OUR COMPANY**

**a) Criminal proceedings against the group companies of the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigation initiated against the group companies of the Company which can have a material impact on our company.

**b) Criminal proceedings filed by the group companies of the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigation initiated by our group company which can have a material impact on our company.

**c) Actions by statutory and regulatory authorities against the group companies of the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the group companies of the Company which can have a material impact on our company.

**d) Tax Proceedings**

As on the date of this Draft Red Herring Prospectus, there are no Direct tax proceeding initiated against our group Company which can have a material impact on our company.

Except as mentioned below there are no indirect tax matters initiated against our group Company which can have a material impact on our company:

| Sr. No. | Name of the Group Company      | Financial Year | Amount involved (Rs.) |
|---------|--------------------------------|----------------|-----------------------|
| 1.      | Chetana Publications Pvt. Ltd. | 2018-19        | 75,02,299*            |

\* As per notice dated December 28, 2023 issued due to input tax credit wrongly availed or utilized, there has been tax liability and penalty imposed. For this the company has filed reply with the GST department dated February 28, 2024. Later order was issued dated March 13, 2024 against which the company has filed application for rectification of order dated May 22, 2024.

**e) Other pending material litigation against the group companies of the company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding other pending material litigation initiated against the group companies of the Company.

**f) Other pending material litigation filed by the group companies of the company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding other pending material litigation filed by the group companies of the Company.

**AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:**

The Board of Directors of our Company considers dues exceeding 5% of our Company's trade payables as per the last Restated financial statements, to small scale undertakings and other creditors, as material dues for our Company.

As per Restated Financial Statements, the trade payables of our Company as on January 21, 2024 were Rs. 808.77 lakhs. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds Rs. 40.44 lakhs as on January 21, 2024. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on March 18, 2024. As on January 21, 2024, there are 2 creditors to each of whom our Company owes amounts exceeding 5% of our Company's total trade payables and the aggregate outstanding dues to them being approximately Rs. 649.57 lakhs.

As per the above materiality policy, the outstanding amount owned to small scale undertakings and material creditors as on January 21, 2024, by our Company is as follows:

| <b>Material Creditors</b>            | <b>Number of Cases</b> | <b>Amount Involved<br/>(₹ in Lakhs)</b> |
|--------------------------------------|------------------------|---|
| Micro, Small and Medium Enterprises* | -                      | -                                       |
| Material Creditors                   | 2                      | 649.57                                  |
| Other Creditors                      | 52                     | 159.20                                  |
| <b>Total</b>                         | <b>54</b>              | <b>808.77</b>                           |

*\*Entities that are identified as "Micro, Small and Medium Enterprises" under the Restated Financial Statements are considered as micro small and medium enterprises.*

The details pertaining to amounts due towards material creditors are available on the website of our Company at [www.chetanaeducation.com](http://www.chetanaeducation.com).

**MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE:**

Except as disclosed in Chapter titled "*Management's Discussion & Analysis of Financial Conditions & Results of Operations*" beginning on page 211 of this Draft Red Herring Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date

## **GOVERNMENT AND OTHER APPROVALS**

*Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the issue or continue our business activities and except as mentioned below, no further approvals are required for carrying on our present or proposed business activities.*

*In view of the approvals listed below, we can undertake this issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.*

*The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.*

*The Company has got following licenses / registrations / approvals /consents / permissions from the Government and various other Government agencies required for its present business.*

*For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled ‘Key Industry Regulations and Policies’ on page no. 120 of this Draft Red Herring Prospectus.*

### **I. APPROVALS FOR THE ISSUE**

The following approvals have been obtained or will be obtained in connection with the Issue

#### **Corporate Approvals:**

- a. Our Board, pursuant to its resolution dated March 04, 2024 authorized the Issue subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and such other authorities as may be necessary;
- b. The shareholders of our Company have, pursuant to their resolution passed at the Extra-Ordinary general meeting of our Company held on March 05, 2024 under Section 62(1)(c) of the Companies Act, 2013, authorized the Issue;
- c. Our Board approved this Draft Red Herring Prospectus pursuant to its resolution dated June 11, 2024.

#### **Approval from the Stock Exchange:**

- a. In-principle approval dated [●] from the [●] or using the name of the Exchange in the issue documents for listing of the equity shares issued by our Company pursuant to the issue.

#### **Agreements with NSDL and CDSL:**

- a. The company has entered into an agreement dated March 12, 2024 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent for the dematerialization of its shares.
- b. Similarly, the Company has also entered into an agreement dated March 06, 2024 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent for the dematerialization of its shares.
- c. The Company’s International Securities Identification Number is INE0U1T01012

### **II. INCORPORATION RELATED APPROVALS**



| Sr No. | Nature of Registration/License | CIN/LLP Identification Number | Applicable Laws     | Issuing Authority              | Date of Issue    | Date of Expiry        |
|--------|--------------------------------|-------------------------------|---------------------|--------------------------------|------------------|-----------------------|
| 1.     | Certificate of Incorporation   | U58111MH2024PLC417778         | Companies Act, 2013 | Registrar of Companies, Mumbai | January 21, 2024 | Valid until cancelled |

### III. TAX RELATED APPROVALS

| Sr No. | Description   | Applicable Laws                         | Issuing Authority                          | Registration Number | Date of Issue     | Date of Expiry        |
|--------|---|---|--|---------------------|-------------------|-----------------------|
| 1.     | Permanent Account Number (PAN)                                    | Income Tax Act, 1961                    | Income Tax Department, Government of India | AALCC5961E          | January 21, 2024  | Valid until cancelled |
| 2.     | Tax Deduction Account Number (TAN)                                | Income Tax Act, 1961                    | Income Tax Department, Government of India | MUMC30792G          | January 21, 2024  | Valid until cancelled |
| 3.     | Certificate of Registration of Goods and Services Tax (Mumbai)    | Centre Goods and Services Tax Act, 2017 | Assistant Commissioner of State Tax        | 27AALCC5961E1ZH     | February 05, 2024 | Valid until cancelled |
| 4.     | Certificate of Registration of Goods and Services Tax (Karnataka) | Centre Goods and Services Tax Act, 2017 | Assistant Commissioner of State Tax        | 29AALCC5961E1ZD     | February 16, 2024 | Valid until cancelled |
| 5.     | Certificate of Registration of Goods and Services Tax (UP)        | Centre Goods and Services Tax Act, 2017 | Assistant Commissioner of State Tax        | 09AANFC1053G1ZK     | -                 | Valid until cancelled |

### IV. BUSINESS OPERATION RELATED APPROVALS

| Sr No. | Description                                 | Applicable Laws                                      | Issuing Authority  | Registration Number | Date of Issue    | Date of Expiry          |
|--------|---|--|--|---------------------|------------------|-------------------------|
| 1.     | Certificate of Importer-Exporter Code (IEC) | Foreign Trade (Development and Regulation) Act, 1992 | Ministry of Commerce & Industry, Office of the Additional Director General of Foreign Trade, Mumbai, Maharashtra | AALCC5961E          | January 23, 2024 | Valid till cancellation |

| Sr No. | Description   | Applicable Laws   | Issuing Authority                | Registration Number               | Date of Issue     | Date of Expiry          |
|--------|---|---|----------------------------------|-----------------------------------|-------------------|-------------------------|
| 4.     | Shop and Establishment Registration License (Trade Link, Senapati Bapat Marg ,Kamala Mills Compound, Mumbai – 400013, India ) | The Maharashtra Shops and Establishments Act, 2017                              | Chief Facilitator/Facilitator    | 820334898 / GS Ward/COMMERCIAL II | March 21, 2024    | Valid till cancellation |
| 5      | Professional Tax Registration Certificate   | Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975 | Professional Tax Officer, Mumbai | 99864760114P                      | February 13, 2024 | Valid till Cancelled    |
| 6      | Professional Tax Enrolment Certificate  | Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975 | Professional Tax Officer, Mumbai | 27522272663P                      | January 24, 2024  | Valid till Cancelled    |

**V. LABOUR RELATED APPROVALS**

| Sr. No. | Description  | Applicable Laws   | Issuing Authority                                       | Registration Number | Date of Issue    | Date of Expiry          |
|---------|--|---|---|---------------------|------------------|-------------------------|
| 1.      | Registration under Employees State Insurance Corporation | Employees State Insurance Act, 1948                               | Regional Office, Employee's State Insurance Corporation | 35000912370000999   | January 23, 2024 | Valid Till cancellation |
| 2.      | Registration under Employees' Provident Funds            | Employees (Provident Fund and Miscellaneous Provisions) Act, 1952 | Employees' Provident Fund Organisation                  | MHBAN3185512000     | January 21, 2024 | Valid till cancellation |

**VI. INTELLECTUAL PROPERTY RELATED APPROVALS**

*Trademark Detail :-*

| Sr No | Name Applied | Nature | Application Date | Intellectual Property Registration/Applicati on No. | Clas s | Present Status |
|-------|--------------|--------|------------------|---|--------|----------------|
| .     |              |        |                  |   |        |                |

|     |   |            |                   |                                     |    |              |
|-----|---|------------|-------------------|-------------------------------------|----|--------------|
| 1.  |    | Trade Mark | December 12, 2019 | Trademark Application No. 4376315   | 16 | Registered   |
| 2.  |    | Trademark  | December 12, 2019 | Trademark Application No. - 4376314 | 9  | Registered   |
| 3.  |    | Trademark  | December 12, 2019 | Trademark Application No. - 4376316 | 41 | Registered   |
| 4.  |    | Trademark  | December 12, 2019 | Trademark Application No. -4376317  | 42 | Registered   |
| 5.  |    | Trademark  | November 24, 2009 | Trademark No. - 1888011             | 16 | Registered   |
| 6.  |   | Trademark  | April 25, 2013    | Trademark Application No. - 2519655 | 16 | Registered   |
| 7.  |  | Trademark  | April 25, 2014    | Trademark Application No. - 2725279 | 16 | Registered   |
| 8.  |  | Trademark  | October, 06, 2016 | Trademark Application No. - 3381645 | 16 | Registered   |
| 9.  |  | Trademark  | October 06, 2016  | Trademark No. - 3381646             | 16 | Registered   |
| 10. |  | Trademark  | December 10, 2019 | Trademark No. - 4372874             | 16 | Registered   |
| 11. |  | Trademark  | December 31, 2020 | Trademark No. - 4803510             | 16 | Registered   |
| 12. |  | Trademark  | October 23, 2001  | Trademark No. - 1053934             | 16 | Registered * |

|     |   |           |                   |                       |      |                       |
|-----|---|-----------|-------------------|-----------------------|------|-----------------------|
| 13. |  | Trademark | December 10, 2019 | Trademark No. 4372875 | - 16 | Registered            |
| 14. |  | Trademark | December 03, 2020 | Trademark No. 4765843 | - 16 | Registered            |
| 15. |  | Trademark | October 29, 2023  | 6168071               | 16   | Objected              |
| 16. |  | Trademark | December 19, 2023 | 6225698               | 16   | Objected              |
| 17. |  | Trademark | October 10, 2023  | 6168070               | 16   | Accepted & Advertised |

\*The same is in the name of our promoters who have assigned to our company vide an assignment deed dated February 29, 2024 for business purposes.

| Sr No. | Name of Registration and Registration Number  | Nature    | Issue Date   | Issuing Authority   | Validity       |
|--------|---|-----------|--------------|---|----------------|
| 1.     | “BALBHARATI” exemption certificate for use of content of text book<br>Registration No. 2024MH0001 | Copyright | May 10, 2024 | Maharashtra State Bureau of Text Book Production And Curriculum Research, Pune Senapati Bapat Marg, Pune 411004 | April 30, 2025 |

**VII. THE DETAILS OF DOMAIN REGISTERED BY OUR COMPANY ARE: -**

| Sr. No. | Domain Name and ID  | Sponsoring Registrar and ID | Registrant Name, ID and Address | Creation Date    | Registry Expiry Date |
|---------|---|-----------------------------|---------------------------------|------------------|----------------------|
| 1.      | <a href="https://chetanaeducation.com/">https://chetanaeducation.com/</a> | PublicDomainRegistry.com    | Chetana Publication (India) LLP | October 26, 2021 | October 26, 2024     |

**VIII. APPLICATIONS MADE BY OUR COMPANY, PENDING APPROVAL**

Nil

**IX. MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY**

- The company is yet to apply for the change in the name of the approvals from Chetana Education LLP to Chetana Education Limited, pursuant to the conversion of the company from LLP to Company.

## **OUR GROUP COMPANY**

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group companies with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and other Companies as considered material by our Board. Further, pursuant to a resolution of our Board dated March 18, 2024 for the purpose of disclosure in relation to Group companies in connection with the Issue, a company shall be considered material and disclosed as a Group company if such company fulfils both the below mentioned conditions:

- i. Such company that forms part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations; and
- ii. our Company has entered into one or more transactions with such company during the preceding fiscal or audit period, which individually or cumulatively in value exceeds 10% of the total income of our Company for the last completed fiscal year as per the Restated Financial Information.

Based on the above, the following Companies are identified as our Group Companies:

1. Chetana Publications Private Limited

### **Details of our Group Companies:**

#### **1. Chetana Publications Private Limited**

Chetana Publications Private Limited was incorporated on August 19, 2002 as a private limited company under the Companies Act, 1956 with name “Chetana Publications Private Limited” pursuant to a certificate of incorporation issued by the Registrar of Companies, Mumbai, Maharashtra.

|                          |  |
|--------------------------|--|
| <b>CIN</b>               | U22210MH2002PTC136873  |
| <b>PAN</b>               | AACCC1262D   |
| <b>Registered Office</b> | 263/C Khatau Wadigoregaonkar Lane Girgam, Mumbai, Maharashtra, India, 400004 |

### **Financial Information**

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, basic earnings per share, diluted earnings per share and Net Asset Value, derived from the latest audited financial statements available on a standalone basis of our group companies are available on the website of our Company at [www.chetanaeducation.com](http://www.chetanaeducation.com)

It is clarified that such details available on our group companies’ websites do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Group Companies’ website, as mentioned above, would be doing so at their own risk.

### **Litigations**

Except as disclosed in the section “Outstanding litigations and material developments” on page 221. Our Group Companies have no litigation proceedings.

### **Common pursuits among Group Companies**

As on the date of this Draft Red Herring Prospectus, all our Group companies are engaged in the similar line of business related to our company i.e. book publication and educational industry business.

### **Nature and Extent of Interest of Group Companies**

a) **In the promotion of our Company:**

Our Group Companies does not have any interest in the promotion of our Company.

b) **In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Draft Red Herring Prospectus with stock exchange:**

Our Group Company does not have any interest in the properties acquired or proposed to be acquired by our Company in the past two years before filing the Draft Red Herring Prospectus with Stock Exchange.

c) **In transactions for acquisition of land, construction of building and supply of machinery:**

Our Group Companies does not have any interest in any transactions for the acquisition of land, construction of building or supply of machinery

**Related business transactions and their significance on the financial performance of our Company**

Other than the transactions disclosed in the section “*Restated Financial Statements-Related Party Transactions*” on page 192, there are no related business transactions between the Group Companies and our Company.

**Business interest of our Group Companies in our Company**

Except as disclosed in the section “*Other Financial Information-Related Party Transactions*” and “*History and certain Corporate Structure*” on page 192 and page 132 our Group Companies have no business interests in our Company.

**Confirmations**

1. None of our Group Companies have its equity shares listed on any stock exchange
2. Further, our Group Companies have not made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Red Herring Prospectus.

**Undertaking/ Confirmations by our Group Companies**

None of our Promoters or Promoter Group or Group companies or person in control of our Company has been:

- i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
- ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company have ever been a Promoters, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group companies/ Promoter Group entities have been declared as a wilful defaulter or economic offender by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

The information as required by the SEBI ICDR Regulations with regards to the Group companies, are also available on the website of our company i.e. [www.chetanaeducation.com](http://www.chetanaeducation.com)

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue:**

#### **Corporate Approvals:**

The Board of Directors, pursuant to a resolution passed at their meeting held on March 04, 2024 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting held on March 05, 2024 authorized the Issue.

#### **In-principle Approval:**

Our Company has obtained in-principle approval from the NSE Emerge for using its name in the Draft Red Herring Prospectus/Red Herring Prospectus/ Prospectus pursuant to an approval letter dated [●] NSE is the Designated Stock Exchange.

### **Prohibition by SEBI or other Governmental Authorities:**

We confirm that our Company, Promoters, Promoter Group and Directors have not been declared as wilful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group or Directors have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

- Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or persons in control of our Company are /were associated as promoter, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.
- None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as Promoter or Director.
- Neither our Promoters, nor Promoter Group, nor any of our Directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, nor Promoter Group nor our Directors, are Wilful Defaulters or fraudulent borrowers.

### **Association with Securities Market:**

Our Company, our Promoters, our Directors and our Promoter's Group, person(s) in control of the promoters or issuer, have not been prohibited from accessing the capital market 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.

### **Prohibition by RBI:**

Neither our Company, our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as a wilful defaulter or a fugitive economic offender or a fraudulent borrower and there has been no violation of any securities law committed by any of them in the past and

no such proceedings are pending against any of them except as details provided in the chapter "**Outstanding Litigations and Material Development**" beginning on page 221 of this Draft Red Herring Prospectus.

Neither our Company, our Promoters, our Directors, Group companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

#### **Prohibition with respect to wilful defaulters or a fraudulent borrower**

Neither our Company, our Promoters, our Directors, Group companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

#### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company, our Directors, our Promoters and members of Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

#### **Confirmations**

- i. Neither our company, nor any of its Promoters, Promoter Group or Directors are debarred from accessing the capital market by the Board.
- ii. Neither our promoters, nor any Directors of our company are a Promoter or director of any other company which is debarred from accessing the capital market by the Board
- iii. Neither our Company, nor our Promoters or our directors, is a Willful Defaulter or a fraudulent borrower.
- iv. Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.

#### **Eligibility for the Issue:**

Our Company has complied with the conditions of Regulation 230 of SEBI (ICDR) Regulations, 2018 for this Issue.

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Issue" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is more than 10 crore rupees but less than 25 crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "**NSE Emerge**").

#### **We confirm that:**

- a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the BRLM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled "**General Information – Underwriting**" beginning on page 60 of this Draft Red Herring Prospectus.
- b) In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.
- c) In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional



confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus.

- d) In accordance with Regulation 261 (1) of the SEBI (ICDR) Regulations, we hereby confirm that we shall enter into an agreement with the Book Running Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of NSE (NSE Emerge). For further details of the arrangement of market making please refer to section titled "**General Information – Details of the Market Making Arrangements for this Issue**" beginning on page 63 of this Draft Red Herring Prospectus.
- e) In accordance with Regulation 228(a) of the SEBI (ICDR) Regulations, our Company, its promoters, promoter group or directors are not debarred from accessing the capital markets by the Board.
- f) In accordance with Regulation 228(b) of the SEBI (ICDR) Regulations, the companies with which our promoters or directors are associated as a promoter or director are not debarred from accessing the capital markets by the Board.
- g) In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoter or directors is a wilful defaulter or a fraudulent borrower.
- h) In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer's promoter or directors is a fugitive economic offender.
- i) In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to Emerge Platform of NSE ("NSE Emerge") is the Designated Stock Exchange.
- j) In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, our Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.
- k) In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid-up.
- l) In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoter is already in dematerialised form.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

1. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated March 12, 2024 and National Securities Depository Limited dated March 06, 2024 for establishing connectivity.
2. Our Company has a website i.e. [www.chetanaeducation.com](http://www.chetanaeducation.com).
3. There has been no change in the promoters of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.
4. All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus.
5. There has been no change in the promoter(s) having significant change in control over the affairs of the Company in the one year preceding the date of filing application to Emerge Platform of NSE.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of NSE (NSE Emerge): -

1. Our Company was originally formed as a Limited Liability Partnership in the name and style of "Chetana Publications (India) LLP" under the provisions of the Limited Liability Partnership Act, 2008 on December 30, 2017 vide Certificate of Incorporation issued by Central Registration Centre, Registrar of Companies. Consequently, our name was changed to 'Chetana Education LLP', and a fresh certificate of incorporation dated October 17, 2021 was issued by the ROC Subsequently, our Company was converted into a public limited company under Companies Act with the name 'Chetana Education Limited' pursuant to a fresh certificate of incorporation dated January 21, 2024 was issued by the Registrar of Companies, Mumbai, Maharashtra, bearing CIN: U58111MH2024PLC417778.
2. As on the date of this Draft Red Herring Prospectus, the Company has a Paid-up Capital of Rs 1500.00 Lakhs and the Post Issue Capital will be of Rs. 2040.00 Lakhs which is less than Rs. 2500 lakhs.
3. The Company (along with the LLP converted into the company) confirms that it has track record of more than 3 years.
4. As on January 21, 2024, the Company has net tangible assets of ₹ 6615.98 Lakhs
5. The company/entity has operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive as on January 21, 2024 and March 31, 2023, 2022 and 2021.

**(In Rs. Lacs)**

| Particulars  | January 21,<br>2024 | March 31,<br>2023 | March 31, 2022 | March 31, 2021 |
|--|---------------------|-------------------|----------------|----------------|
| Net Worth  | 1500.00             | 2281.92           | 1947.33        | 2091.10        |
| Operating profit (earnings before interest, depreciation, Profit/(loss) from sale of Fixed Assets and tax) | 606.41              | 1386.20           | 605.82         | 879.71         |

6. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the Company;
  7. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies
  8. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016
  9. None of the Directors of our Company have been categorized as a Wilful Defaulter or fraudulent borrowers
  10. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
  11. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
  12. The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.
- 1) We confirm that:
- i. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the applicant company.

- ii. There is no default in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years.
- iii. There are no litigations record against the applicant, promoters/promoting company(ies), group companies, companies & promoted by the promoters/promoting company(ies) except as stated in the section titled **“Outstanding Litigation and Material Developments”** beginning on page 221 of this Draft Red Herring Prospectus.
- iv. There are no criminal cases/investigation/offences filed against the director of the company except as stated in the section titled **“Outstanding Litigation and Material Developments”** beginning on page 221 of this Draft Red Herring Prospectus.

**DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED 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 OFFER DOCUMENT, THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JUNE 11, 2024.**

The filing of this Draft Red Herring Prospectus does not, however, absolve our Company from any liabilities under Section 34, Section 35, Section 36 and Section 38 (1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the BRLM any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Mumbai, Maharashtra in terms of sections 26, 32 and 33 of the Companies Act, 2013.

**Statement on Price Information of Past Issues handled by Hem Securities Limited (SME IPO’s):**

| Sr. No. | Issue name               | Issue size (₹ in Cr.) | Issue Price (₹) | Listing date   | Openin g Price on listing date | +/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark] - 90 <sup>th</sup> calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark] -180 <sup>th</sup> calendar days from listing |
|---------|--------------------------|-----------------------|-----------------|----------------|--------------------------------|---|--|--|
| 1.      | Enfuse Solutions Limited | 22.44                 | 96.00           | March 22, 2024 | 115.00                         | 25.65% [1.08%]  | N.A.   | N.A.   |

| Sr. No. | Issue name                                | Issue size (₹ in Cr.) | Issue Price (₹) | Listing date   | Opening Price on listing date | +/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark] - 90 <sup>th</sup> calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark] - 180 <sup>th</sup> calendar days from listing |
|---------|---|-----------------------|-----------------|----------------|-------------------------------|---|--|---|
| 2.      | Aspire & Innovative Advertising Limited   | 21.97                 | 54.00           | April 03, 2024 | 56.50                         | 37.87% [0.18%]  | N.A.   | N.A.  |
| 3.      | Blue Pebble Limited                       | 18.14                 | 168.00          | April 03, 2024 | 199.00                        | 71.17% [0.18%]  | N.A.   | N.A.  |
| 4.      | Amkay Products Limited                    | 12.60                 | 55.00           | May 08, 2024   | 104.50                        | 15.91% [4.39%]  | N.A.   | N.A.  |
| 5.      | TGIF Agribusiness Limited                 | 6.39                  | 93.00           | May 15, 2024   | 150.00                        | N.A.  | N.A.   | N.A.  |
| 6.      | Energy-Mission Machineris (India) Limited | 41.15                 | 138.00          | May 16, 2024   | 366.00                        | N.A.  | N.A.   | N.A.  |
| 7.      | Aztec Fluids & Machinery Limited          | 24.12                 | 67.00           | May 17, 2024   | 90.00                         | N.A.  | N.A.   | N.A.  |
| 8.      | Premier Roadlines Limited                 | 40.36                 | 67.00           | May 17, 2024   | 87.00                         | N.A.  | N.A.   | N.A.  |
| 9.      | Vilas Transcore Limited                   | 95.26                 | 147.00          | June 03, 2024  | 215.00                        | N.A.  | N.A.   | N.A.  |
| 10.     | Aimtron Electronics Limited               | 87.02                 | 161.00          | June 06, 2024  | 241.00                        | N.A.  | N.A.   | N.A.  |

Source: Price Information [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

- 1) The scrip of Enfuse Solutions Limited, Aspire & Innovative Advertising Limited, Blue Pebble Limited & Amkay Products Limited have not completed its 90<sup>th</sup> day from the date of listing and TGIF Agribusiness Limited, Energy-Mission Machineris (India) Limited, Aztec Fluids & Machinery Limited, Premier Roadlines Limited, Vilas Transcore Limited & Aimtron Electronics Limited have not completed its 30<sup>th</sup> day from the date of listing.

**Summary statement of Disclosure:**

| Financial Year | Total no. of IPOs | Total amount of funds raised (₹ Cr.) | No. of IPOs trading at discount- 30 <sup>th</sup> calendar days from listing |                |               | No. of IPOs trading at Premium- 30 <sup>th</sup> calendar days from listing |                |               | No. of IPOs trading at discount- 180 <sup>th</sup> calendar days from listing |                |               | No. of IPOs trading at Premium- 180 <sup>th</sup> calendar days from listing |                |               |
|----------------|-------------------|--------------------------------------|--|----------------|---------------|---|----------------|---------------|---|----------------|---------------|--|----------------|---------------|
|                |                   |                                      | Over 50%   | Between 25-50% | Less than 25% | Over 50%  | Between 25-50% | Less than 25% | Over 50%  | Between 25-50% | Less than 25% | Over 50%   | Between 25-50% | Less than 25% |
| 2022-23        | 15 <sup>(1)</sup> | 220.57                               | -  | -              | -             | 6   | 6              | 3             | -   | -              | -             | 12   | -              | 3             |
| 2023-24        | 21 <sup>(2)</sup> | 680.45                               | -  | -              | 1             | 12  | 5              | 3             | -   | -              | 1             | 6  | 2              | 3             |
| 2024-25        | 9 <sup>(3)</sup>  | 347.01                               | -  | -              | -             | 1   | 2              | -             | -   | -              | -             | -  | -              | -             |

- 1) *The scrip of Krishna Defence and Allied Industries Limited was listed on April 6, 2022; Eighty Jewellers Limited was listed on April 13, 2022; Kesar India Limited was listed on July 12, 2022; Silicon Rental Solutions Limited was listed on October 10, 2022; Cargosol Logistics Limited was listed on October 10, 2022; Cargotrans Maritime Limited was listed on October 10, 2022; Concord Control Systems Limited was listed on October 10, 2022; Lloyds Luxuries Limited was listed on October 11, 2022; Vedant Asset Limited was listed on October 12, 2022; Baheti Recycling Industries Limited was listed on December 08, 2022; Chaman Metallics Limited was listed on January 16, 2023; Earthstahl & Alloys Limited was listed on February 08, 2023; Macfos Limited was listed on March 01, 2023; Systango Technologies Limited was listed on March 15, 2023 and Labelkraft Technologies Limited was listed on March 23, 2023;*
- 2) *The scrip of Vasa Denticity Limited was listed on June 02, 2023; Hemant Surgical Industries Limited was listed on June 05, 2023; Greenchef Appliances Limited was listed on July 06, 2023; Kaka Industries Limited was listed on July 19, 2023; Asarfi Hospital Limited was listed on July 26, 2023; Kahan Packaging Limited was listed on September 15, 2023; Madhusudan Masala Limited was listed on September 26, 2023; Saakshi Medtech And Panels Limited was listed on October 03, 2023; Arabian Petroleum Limited was listed on October 09, 2023, E Factor Experiences Limited was listed on October 09, 2023, Paragon Fine and Speciality Chemical Limited was listed on November 03, 2023, Deepak Chemtex Limited was listed on December 06, 2023, S J Logistics (India) Limited was listed on December 19, 2023, Siyaram Recycling Industries Limited was listed on December 21, 2023, Shanti Spintex Limited was listed on December 27, 2023, Shri Balaji Valve Components Limited was listed on January 03, 2024, New Swan Multitech Limited was listed on January 18, 2024, Harshdeep Hortico Limited was listed on February 05, 2024, Megatherm Induction Limited was listed on February 05, 2024, Sona Machinery Limited was listed on March 13, 2024 and Enfuse Solutions Limited was listed on March 22, 2024;*
- 3) *The scrip of Aspire & Innovative Advertising Limited was listed on April 03, 2024, Blue Pebble Limited was listed on April 03, 2024, Amkay Products Limited was listed on May 08, 2024, TGIF Agribusiness Limited was listed on May 15, 2024, Energy-Mission Machinerries (India) Limited was listed on May 16, 2024, Aztec Fluids & Machinery Limited was listed on May 17, 2024, Premier Roadlines Limited was listed on May 17, 2024, Vilas Transcore Limited was listed on June 03, 2024 and Aimtron Electronics Limited was listed on June 06, 2024.*

**Note:**

- a) Based on date of listing.
- b) BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
- c) Prices on BSE/NSE are considered for all of the above calculations.
- d) In case 30<sup>th</sup> /90<sup>th</sup> /180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- e) In case 30<sup>th</sup> /90<sup>th</sup> /180<sup>th</sup> day, scrips are not traded then last trading price has been considered.
- f) N.A. – Period not completed.
- g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the Book Running lead manager. Hence, disclosures pertaining to recent 10 issues handled by book running lead manager are provided.

**Track Record of past issues handled by Hem Securities Limited:**

For details regarding track record of BRLM to the 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 BRLM at: [www.hemsecurities.com](http://www.hemsecurities.com)

**Disclaimer from our Company and the Book Running Lead Manager:**

Our Company, its Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the agreement entered between the BRLM (Hem Securities Limited) and our Company on March 13, 2024 and the Underwriting Agreement dated March

13, 2024 entered into between the Underwriters and our Company and the Market Making Agreement dated March 13, 2024 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

**Note:**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

**Disclaimer in Respect of Jurisdiction:**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of Rs. 2,500.00 Lakhs and pension funds with a minimum corpus of Rs.2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Mumbai, Maharashtra only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**Disclaimer Clause of the SME Platform of NSE (NSE Emerge):**

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter [●] 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 draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoter, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

**Disclaimer Clause under Rule 144A of the U.S. Securities Act:**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

**Filing**

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

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

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 26 & 32 of the Companies Act, 2013 was filed to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be filed to the RoC through the electronic portal at <http://www.mca.gov.in>

**Listing:**

The Equity Shares of our Company are proposed to be listed on NSE Emerge. Our Company has obtained in-principle approval from NSE by way of its letter dated [●] for listing of equity shares on NSE Emerge (SME Platform of NSE).

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the NSE Emerge is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Red Herring Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of NSE (NSE Emerge) mentioned above are taken within three (3) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within Three (3) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

**Impersonation:**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- i. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- ii. Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- iii. Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013

**Consents:**

Consents in writing of (a) Our Directors, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Banker to the Company; (b) Book Running Lead Manager, Registrar to the Issue, Banker to the Issue (Sponsor Bank)\*, Legal Advisor to the Issue, Underwriter to the Issue\* and Market Maker to the Issue\* to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of filing of the Prospectus with the RoC.

*\*The aforesaid will be appointed prior to filing of Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. Paresh Vora & Associates, Chartered Accountants, Statutory Auditor and Peer Review Auditor of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and Restated financial statements as included in this Draft Red Herring Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

**Experts Opinion:**

Except for the reports in the section “*Financial Information of the Company*” and “*Statement of Special Tax Benefits*” on page 156 and page 92, Our company has not obtained any expert opinions except we have received consent from the Peer review Auditors of the Company to include their name as an expert in this Draft Red Herring Prospectus in relation to the (a) Peer review Auditors' reports on the restated Audited financial statements; and (b) Statement of Tax Benefits (c) Statement of Financial Indebtedness and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

**Fees, Brokerage and Selling Commission payable:**

The total fees payable to the Book Running Lead Manager will be as per the (i) Book Running Lead manager



Agreement dated March 13, 2024 with the Book Running Lead Manager Hem Securities Limited, (ii) the Underwriting Agreement dated March 13, 2024 with Underwriter and (iii) the Market Making Agreement dated March 13, 2024 with Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on Working Days from the date of the Prospectus until the Issue Closing Date.

**Fees Payable to the Registrar to the Issue:**

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue dated March 13, 2024 a copy of which is available for inspection at our Company's corporate Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

**Particulars regarding Public or Rights Issues during the last five (5) years:**

For detailed description please refer to section titled "*Capital Structure*" beginning on page 67 of this Draft Red Herring Prospectus.

**Previous issues of Equity Shares otherwise than for cash:**

For detailed description please refer to section titled "*Capital Structure*" beginning on page 67 of this Draft Red Herring Prospectus.

**Underwriting Commission, brokerage and selling commission on Previous Issues:**

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares in since incorporation.

**Particulars in regard to our Company and other listed subsidiaries/ associates under the same management within the meaning of Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:**

Neither our Company nor any other companies under the same management within the meaning of Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

**Performance vis-a-vis objects – Public/right issue of our Company:**

Except as stated in the chapter titled "*Capital Structure*" beginning on page 67 our Company has not undertaken any previous public or rights issue.

**Performance vis-a-vis objects - Last Issue of Subsidiary Companies:**

As on the date of this Draft Red Herring Prospectus, our Subsidiary Companies have not undertaken any public issue.

**Option to Subscribe:**

- a) Investors will get the allotment of specified securities in dematerialization form only.
- b) The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

**Outstanding Debentures or Bond Issues or Redeemable Preference Shares:**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Red Herring Prospectus.

### **Partly Paid-Up Shares**

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

### **Outstanding Convertible Instruments:**

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

### **Stock Market Data of the Equity Shares:**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

### **Mechanism for Redressal of Investor Grievances:**

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there are no investor complaints received during the three years preceding the filing of this Draft Red Herring Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Red Herring Prospectus.

Investors may contact the BRLM for any complaint pertaining to the Issue. All grievances, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Application Form was submitted, quoting the full name of the sole or first Applicant, Application Form number, Applicants’ DP ID, Client ID, PAN, address of the Applicant, number of Equity Shares applied for, date of Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Applicant shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. Our Company, BRLM and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

### **Disposal of Investor Grievances by our Company:**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Jignesha Jitendra Fofandi, as Company Secretary and the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

**Jignesha Jitendra Fofandi**  
**Company Secretary & Compliance Officer**  
**Chetana Education Limited**

**Address:** 401, E-Wing, B & C Block, Trade Link, Kamala Mill,  
Delisle Road, Mumbai, Mumbai City, Maharashtra, India, 400013.

**Tel. No.:** + 91 22-6245 6000

**Email:** [cs@chetanaeducation.com](mailto:cs@chetanaeducation.com)

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

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

Our Board by a resolution on March 18, 2024 constituted a Stakeholders Relationship Committee. For further details, please refer to section titled "*Our Management*" beginning on page 136 of this Draft Red Herring Prospectus.

**Status of Investor Complaints:**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

**Disposal of investor grievances by listed companies under the same management as our Company:**

We do not have any listed company under the same management.

**Tax Implications:**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled "*Statement of Special Tax Benefits*" beginning on page 92 of this Draft Red Herring Prospectus.

**Purchase of Property:**

Other than as disclosed in Section "*Our Business*" beginning on page 108 there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Red Herring Prospectus.

Except as stated elsewhere in this Draft Red Herring Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

**Capitalization of Reserves or Profits:**

Except as disclosed under section titled "*Capital Structure*" beginning on page 67 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

**Revaluation of Assets:**

Our Company has not revalued its assets since incorporation.

**Servicing Behaviour:**

Except as stated in this Draft Red Herring Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

**Payment or benefit to officers of our Company:**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled “*Our Management*” beginning on page 136 and chapter titled “*Financial Information*” beginning on page 156 none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

**Exemption from complying with any provisions of securities laws, if any:**

Not Applicable

## **SECTION VIII: ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Draft Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.*

*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 been also authorized to collect the Bid-cum-Application forms. Investor may visit the official website of the concerned for any information on operational utilization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

#### **Authority for the Issue**

The present Public Offer of upto 54,00,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on March 04, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on March 05, 2024 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our MOA and AOA and shall rank Pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, “*Main Provisions of Article of Association*”, beginning on page 304 of this Draft Red Herring Prospectus.

### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled “*Dividend Policy*” and “*Main Provisions of Article of Association*” beginning on page 155 and 304 respectively of this Draft Red Herring Prospectus.

### **Face Value and Issue Price**

The face value of each Equity Share is ₹10.00 and the Issue Price at the lower end of the Price Band is ₹[●] per Equity Share (“Floor Price”) and at the higher end of the Price Band is ₹[●] per Equity Share (“Cap Price”). The Anchor Investor Issue Price is ₹[●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the Book Running Lead Manager, and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and Marathi edition of [●], a regional newspaper each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company and in consultation with the Book Running Lead Manager, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process. At any given point of time there shall be only one denomination of 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. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Compliance with Disclosure and Accounting Norms**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- a) Right to receive dividend, if declared;
- b) Right to receive Annual Reports and notices to members;
- c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- d) Right to vote on a poll either in person or by proxy;
- e) Right to receive offer for rights shares and be allotted bonus shares, if announced;
- f) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- g) Right of free transferability of the Equity Shares; and
- h) Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled

“*Main Provisions of the Articles of Association*” beginning on page 304 of this Draft Red Herring Prospectus.

### **Minimum Application Value, Market Lot and Trading Lot**

As per regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being issued can be applied for in the dematerialized form only. In this context, two agreements shall be signed among our Company, the respective Depositories and Registrar to the Issue.

- Tripartite Agreement dated March 06, 2024 between NSDL, Our Company and Registrar to the Issue; and
- Tripartite Agreement dated March 12, 2024 between CDSL, Our Company and Registrar to the Issue;

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE (Emerge platform of NSE) from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allottees**

In accordance with Regulation 268 of SEBI (ICDR) Regulations, 2018 the minimum number of allottees in the 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 collected shall be unblocked forthwith.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Mumbai, Maharashtra.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on

the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

**Issue Program**

| <b>Event</b>   | <b>Indicative Date</b> |
|--|------------------------|
| Bid/ Issue Opening Date  | [●] <sup>1</sup>       |
| Bid/ Issue Closing Date  | [●] <sup>2,3</sup>     |
| Finalization of Basis of Allotment with the Designated Stock Exchange                                  | On or about [●]        |
| Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account* | On or about [●]        |
| Credit of Equity Shares to Demat Accounts of Allottees   | On or about [●]        |
| Commencement of Trading of The Equity Shares on the Stock Exchange                                     | On or about [●]        |

*The above time table is indicative and does not constitute any obligation on our Company. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on NSE 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.*

**Note** <sup>1</sup>Our Company, in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI (ICDR) Regulations.

<sup>2</sup>Our Company, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI (ICDR) Regulations.

<sup>3</sup>UPI mandate end time and date shall be at 5.00 p.m. on Bid/Issue Closing Date

\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into



by and between the Company and the relevant intermediaries, to the extent applicable.

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

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

On the Bid/ Issue Closing Date, the Bids shall be uploaded until:

- (i) 4.00 P.M. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 P.M. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the Book Running Lead Manager and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

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

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

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum-Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as

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

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid/ Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the Book Running Lead Manager, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the Book Running Lead Manager and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

#### **Minimum Subscription and Underwriting**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the Issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In terms of Regulation 272(2) of SEBI (ICDR) Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “*General Information - Underwriting*” on page 60 of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

#### **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase above ₹25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

If the Paid-up Capital of the company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares offered through this Issue are proposed to be listed on the NSE (Emerge platform of NSE), wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the Emerge platform of NSE.

For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker please refer to section titled “*General Information - Details of the Market Making Arrangements for this Issue*” on page 63 of this Draft Red Herring Prospectus.

### **Arrangements for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge platform of National Stock Exchange of India Limited.

### **As per the extent Guideline of the Government of India, OCBs cannot participate in this Issue**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

### **Allotment of Equity Shares in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

### **Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed under section titled “*Capital Structure*” beginning on page 67 of this Draft Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled “*Main Provisions of the Articles of Association*” beginning on page 304 of this Draft Red Herring Prospectus.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Red Herring Prospectus/ Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

#### **Withdrawal of the Issue**

Our Company in consultation with the Book Running Lead Manager, reserve the right to not to proceed with the Issue after the Bid/ Issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager through, the Registrar of the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.*

**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 or equal to ten crore rupees but less than twenty-five crore rupees, 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 NSE Emerge i.e. Emerge platform of NSE). For further details regarding the salient features and terms of such an issue please refer chapter titled “Terms of the Issue” and “Issue Procedure” on page 258 and 270 of this Draft Red Herring Prospectus

**Issue Structure:**

Initial Public Issue of upto 54,00,000 Equity Shares of ₹10 each (*the “Equity Shares”*) for cash at a price of ₹[●] per Equity Share (including a Share Premium of ₹[●] per Equity Share), aggregating up to ₹[●] Lakhs (*“the Issue”*) by the issuer Company (the “Company”).

The Issue comprises a reservation of upto [●] Equity Shares of ₹10 each for subscription by the designated Market Maker (*“the Market Maker Reservation Portion”*) and Net Issue to Public of upto [●] Equity Shares of ₹10 each (*“the Net Issue”*). The Issue and the Net Issue will constitute 26.47% and [●] %, respectively of the post Issue paid up equity share capital of the Company. The Issue is being made through the Book Building Process.

| Particulars of the Issue <sup>(2)</sup>           | Market Maker Reservation Portion | QIBs <sup>(1)</sup>  | Non-Institutional Investors  | Retail Individual Investors  |
|---|----------------------------------|--|--|--|
| Number of Equity Shares available for allocation  | Upto [●] Equity Shares           | Not more than [●] Equity Shares  | Not less than [●] Equity Shares  | Not less than [●] Equity Shares  |
| Percentage of Issue Size available for allocation | [●] of the Issue Size            | Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion. | Not less than 15.00% of the Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation. | Not less than 35.00% of the Issue or the Issue less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation. |
| Basis of Allotment <sup>(3)</sup>                 | Firm Allotment                   | Proportionate as follows (excluding the Anchor Investor Portion):<br>(a) Up to [●] Equity Shares shall be available for allocation on a  | Allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the                             | Allotment to each Retail Individual Bidder shall not be less than the maximum Bid lot, subject to availability of Equity Shares in the         |

| Particulars of the Issue <sup>(2)</sup> | Market Maker Reservation Portion  | QIBs <sup>(1)</sup>  | Non-Institutional Investors  | Retail Individual Investors  |
|---|---|--|--|--|
|   |   | <p>proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p> <p>Up to 60% of the QIB Portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price</p> | <p>availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For details, see “Issue Procedure” beginning on page 270 of this Draft Red Herring Prospectus.</p> | <p>Retail Portion and the remaining available Equity Shares is any, shall be allotted on proportionate basis. For details, see “Issue Procedure” beginning on page 270 of this Draft Red Herring Prospectus.</p> |
| <b>Mode of Allotment</b>                | Compulsorily in dematerialized form.  |  |  |  |
| <b>Minimum Bid Size</b>                 | [●] Equity Shares   | Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000  | Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000  | [●] Equity Shares  |
| <b>Maximum Bid Size</b>                 | [●] Equity Shares   | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits   | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits   | Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000   |
| <b>Trading Lot</b>                      | [●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.   | [●] Equity Shares and in multiples thereof   | [●] Equity Shares and in multiples thereof   | [●] Equity Shares and in multiples thereof   |
| <b>Terms of Payment</b>                 | Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in |  |  |  |

| Particulars of the Issue <sup>(2)</sup> | Market Maker Reservation Portion   | QIBs <sup>(1)</sup>  | Non-Institutional Investors   | Retail Individual Investors                                   |
|---|--|--|-------------------------------|---|
|   | the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup> |  |                               |   |
| <b>Mode of Bid</b>                      | Only through the ASBA process.   | Only through the ASBA process. (Except for Anchor investors) | Only through the ASBA process | Through ASBA Process via Banks or by using UPI ID for payment |

*This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.*

- <sup>(1)</sup> *Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.*
- <sup>(2)</sup> *In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post Issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.*
- <sup>(3)</sup> *Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.*
- <sup>(4)</sup> *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Bid-cum- Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.*

The Bids by FPIs with certain structures as described under “**Issue Procedure - Bids by FPIs**” on pages 270 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

### **Withdrawal of the Issue**

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (*one each in English and Hindi*) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Bid/Issue Closing Date and subsequently decides to undertake a public Issue of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) filing of the Red Herring Prospectus/ Prospectus with ROC.

**Issue Program**

| <b>Event</b>   | <b>Indicative Date</b> |
|--|------------------------|
| Bid/ Issue Opening Date  | [●] <sup>1</sup>       |
| Bid/ Issue Closing Date  | [●] <sup>2</sup>       |
| Finalization of Basis of Allotment with the Designated Stock Exchange                                  | On or about [●]        |
| Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account* | On or about [●]        |
| Credit of Equity Shares to Demat Accounts of Allottees   | On or about [●]        |
| Commencement of Trading of The Equity Shares on the Stock Exchange                                     | On or about [●]        |

*Note <sup>1</sup>Our Company, in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI (ICDR) Regulations.*

*<sup>2</sup>Our Company, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI (ICDR) Regulations.*

Applications and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Bid-Cum Application Form.

Standardization of cut-off time for uploading of applications on the Bid/ Issue Closing Date:

- a) A standard cut-off time of 3.00 P.M. for acceptance of applications.
- b) A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Manager to NSE within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the physical Bid-Cum Application form, for a particular applicant, the details as per physical Bid-Cum application form of that Applicant may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays).



## **ISSUE PROCEDURE**

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the “General Information Document”) which highlights the key rules, processes and procedures applicable to public Issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of Stock Exchange, the Company and the Book Running Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allotment; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its UPI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+3 days (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+3 days is applicable for a period of three months or launch of five main board public Issues, whichever is later (“UPI Phase II”), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public Issues and redressing investor grievances. This circular is effective for initial public Issues opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public Issue (opening on or after May 1, 2022) whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public Issue from existing 6 working days to 3 working days from the date of the closure of the Issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public Issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public Issue to three Working Days. Accordingly, the Issue will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to

time.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by SME Platform of National Stock Exchange of India Limited ("NSE EMERGE") to act as intermediaries for submitting Application Forms are provided on [www1.nseindia.com/emerge](http://www1.nseindia.com/emerge) For details on their designated branches for submitting Application Forms, please see the above mentioned website of Platform of National Stock Exchange of India Limited ("NSE EMERGE"). Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of Prospectus. Applicants are advised to make their independent investigations and ensure that their application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus and Red Herring Prospectus. Further, the Company and the LM are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for application in this Issue.

### **Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public Issue of inter alia, equity shares. Pursuant to the SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 ("Previous UPI Circulars") and the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public Issue closure to listing from three Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars and the Previous UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase has become applicable from January 1, 2019 until March 31, 2019 or floating of five main board public Issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing continued to be three Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public Issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public Issue closure to listing continues to be three Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all Issues opening on or after September 1, 2023 and on a mandatory basis for all Issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public Issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI

The Issue is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs Offering facility of making application in public Issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

## **PART A**

### **Book Building Procedure**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI (ICDR) Regulations, 2018, the 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 book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI (ICDR) Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

*Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.*

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the Book Running Lead Manager.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form,

or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Issue is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- i. RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- ii. RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

**Anchor Investors are not permitted to participate in the Issue through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the Book Running Lead Manager. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

| <b>Category</b>  | <b>Colour*</b> |
|--|----------------|
| Anchor Investor**  | [•]            |
| Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)                               | [•]            |
| Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA) | [•]            |

\*Excluding Electronic Bid cum Application Form

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the Book Running Lead Manager.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

| Sr. No. | Designated Intermediaries  |
|---------|--|
| 1.      | An SCSB, with whom the bank account to be blocked, is maintained   |
| 2.      | A syndicate member (or sub-syndicate member)   |
| 3.      | A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker') |
| 4.      | A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)   |
| 5.      | A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)                  |

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

|   |   |
|---|---|
| <b>For Applications submitted by Investors to SCSB</b>  | After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.  |
| <b>For applications submitted by investors to intermediaries other than SCSBs</b>                             | After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.  |
| <b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b> | After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account. |

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

#### **Availability of Draft Red Herring Prospectus and Bid Cum Application Forms**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the Book Running Lead Manager.

**Who can Bid?**

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies.

Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the Draft Red Herring Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: -Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Kartal. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations

3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

## **MAXIMUM AND MINIMUM APPLICATION SIZE**

### **1. For Retail Individual Bidders**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹2,00,000.

### **2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000 for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

The above information is given for the benefit of the Bidders. The Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

## **METHOD OF BIDDING PROCESS**

Our Company in consultation with the Book Running Lead Manager will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Marathi Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid/ Issue Opening Date. The Book Running Lead Manager and the SCSBs shall accept Bids from the Bidders during the Bid/ Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be published in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Marathi Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.

- b) During the Bid/ Issue Period, Retail Individual Bidders, should approach the Book Running Lead Manager or their authorized agents to register their Bids. The Book Running Lead Manager shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the Book Running Lead Manager (for the Bids to be submitted in the Specified Cities) to register their Bids.
- c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder/ Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a Book Running Lead Manager or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another Book Running Lead Manager or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- e) Except in relation to the Bids received from the Anchor Investors, the Book Running Lead Manager /the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form
- f) The Book Running Lead Manager shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “*Escrow Mechanism - Terms of payment and payment into the Escrow Accounts*” in the section “**Issue Procedure**” beginning on page 270 of this Draft Red Herring Prospectus
- h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form prior to uploading such Bids with the Stock Exchange.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount



allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the Book Running Lead Manager, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the Book Running Lead Manager, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e. The price of the specified securities Issued to an anchor investor shall not be lower than the price Issued to other applicants.

#### **Participation by Associates /Affiliates of Book Running Lead Manager and the Syndicate Members**

The Book Running 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 Book Running Lead Manager and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the Book Running Lead Manager nor any persons related to the Book Running Lead Manager (other than Mutual Funds sponsored by entities related to the Book Running Lead Manager), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

#### **Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Bidders**

1. Our Company and the Book Running Lead Manager shall declare the Bid/ Issue Opening Date and Bid/ Issue Closing Date in the Red Herring Prospectus to be file with the ROC and also publish the same in two national

newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.

2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/ Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Draft Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY ANCHOR INVESTORS:**

Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI

Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the Book Running Lead Manager.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹200.00 lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the Book Running Lead Manager, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to ₹ 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than ₹ 200.00 Lakhs but upto ₹ 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹ 100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than ₹ 2500.00 Lakhs:(i)minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto ₹ 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹ 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹ 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the Book Running Lead Manager before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
- 11) The Book Running Lead Manager, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the Book Running Lead Manager) will not participate in the Anchor

Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the Book Running Lead Manager and made available as part of the records of the Book Running Lead Manager for inspection by SEBI.

12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

13) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

#### **BIDS BY ELIGIBLE NRI'S:**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Book Running Lead Manager and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

- Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).
- Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

#### **BIDS BY FPI INCLUDING FII'S:**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of

Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

#### **BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

#### **BIDS BY HUF'S:**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

#### **BIDS BY MUTUAL FUNDS:**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

**BIDS BY SYSTEMATICALLY IMPORTANT NON BANKING FINANCIAL COMPANIES:**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

**BIDS BY LIMITED LIABILITY PARTNERSHIPS:**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

**BIDS BY INSURANCE COMPANIES:**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

**BIDS UNDER POWER OF ATTORNEY:**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney

or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form
- e) Our Company in consultation with the Book Running Lead Manager in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the Book Running Lead Manager may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

#### **BIDS BY PROVIDENT FUNDS / PENSION FUNDS:**

In case of Bids made by provident funds with minimum corpus of ₹25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

#### **BIDS BY BANKING COMPANY:**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt

/ corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

#### **BIDS BY SCSB'S:**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public Issues and clear demarcated funds should be available in such account for such Bid cum applications.

#### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Book Running Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

#### **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

#### **Terms of payment**

The entire Issue price of ₹[●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

#### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or



rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a) In case of resident Anchor Investors: **“CHETANA EDUCATION LIMITED – ANCHOR ACCOUNT – R”**
- b) In case of Non-Resident Anchor Investors: **“CHETANA EDUCATION LIMITED – ANCHOR ACCOUNT – NR”**

Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

#### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 5.00 p.m. of the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a) the applications accepted by them,
  - b) the applications uploaded by them
  - c) the applications accepted but not uploaded by them or
  - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,

- (i) The applications accepted by any Designated Intermediaries
- (ii) The applications uploaded by any Designated Intermediaries
- (iii) The applications accepted but not uploaded by any Designated Intermediaries

5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bankers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

| S. No. | Details*          |
|--------|-------------------|
| 1.     | Symbol            |
| 2.     | Intermediary Code |
| 3.     | Location Code     |
| 4.     | Application No.   |
| 5.     | Category          |
| 6.     | PAN               |
| 7.     | DP ID             |
| 8.     | Client ID         |
| 9.     | Quantity          |
| 10.    | Amount            |

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 5.00 p.m. on the Bid/Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the Book Running Lead Manager at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Issue Period.

#### **Withdrawal of Bids**

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company in consultation with the Book Running Lead Manager, shall finalise the Issue Price and the Anchor Investor Issue Price.
- b) The SEBI (ICDR) Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.

- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the Book Running Lead Manager and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the Red Herring Prospectus.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the Book Running Lead Manager, subject to compliance with the SEBI Regulations.

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

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

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

#### **Signing of Underwriting Agreement and Filing of Red Herring Prospectus/ Prospectus with RoC**

- a) Our company has entered into an Underwriting Agreement dated March 13, 2024.
- b) A copy of Red Herring Prospectus will be filed with the RoC and copy of Prospectus will be filed with RoC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after filing the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI (ICDR) Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

#### **ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:**

Our Company will issue a statutory advertisement after the filing of the Red Herring Prospectus/ Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall

indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

**GENERAL INSTRUCTIONS:**

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/Issue period and withdraw their Bids until Bid/Issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

**Do's:**

1. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed ₹ 2,00,000/- (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum

- Application Forms in a colour prescribed for another category of Applicant;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
  15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
  16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

### **Other instructions for the Bidders**

#### **Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

#### **Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

#### **Investor Grievance**

In case of any pre-Issue or post Issue related problems regarding demat credit/ refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

#### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

#### **Submission of Bids**

- a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the Draft Red Herring Prospectus.

### **GROUND OF TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the Draft Red Herring Prospectus;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the Draft Red Herring Prospectus;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the Draft Red Herring Prospectus and as per the instructions in the Draft Red Herring Prospectus and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the BID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM**



**APPLICATION FORM IS LIABLE TO BE REJECTED.**

**BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Draft Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the Book Running Lead Manager and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the Red Herring Prospectus.

**ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to Draft Red Herring Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.

**BASIS OF ALLOTMENT**

**a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

**b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

**c. For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI (ICDR) Regulations or Red Herring Prospectus / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
- In the event that Bids by Mutual Fund exceeds [●] % of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●] % of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●] % of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●] % of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below [●] % of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

**d. ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the Book Running Lead Manager, subject to compliance with the following requirements:
- i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
  - ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹ 2 crores;a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and

- in case of allocation above twenty five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty five crore rupees and an additional 10 such investors for every additional twenty five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the Book Running Lead Manager, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

**c) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:**

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

**d) In the event the Issue Price is lower than the Anchor Investor Allocation Price:**

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

**e) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:**

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding

off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares Issued, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Draft Red Herring Prospectus.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000/-Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director/ Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

### **Designated Date:**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 working days of the Bid/Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public Issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide

Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com).

#### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

#### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

#### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Issue Closing Date;
2. 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; and

3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **Right to Reject Applications**

In case of QIB Bidders, the Company in consultation with the Book Running Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

### **Impersonation**

*Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

#### **“Any person who-**

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

### **Undertakings by Our Company**

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within three working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within three Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoter 's contribution in full has already been brought in;
6. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
8. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue

Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;

9. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

#### **Utilization of Issue Proceeds**

The Board of Directors of our Company 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 referred above shall be disclosed and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- 5) Our Company shall not have recourse to 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.
- 6) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

#### **Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Tripartite Agreement dated March 06, 2024 between NSDL, the Company and the Registrar to the Issue;
- Tripartite Agreement dated March 12, 2024 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN: INE0U1T01012

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“FEMA”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“RBI”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”).

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the “FDI Policy”), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder 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 and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.



### **Investment conditions/ restrictions for overseas entities**

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management. (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/ statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

### **Investment by FPIs under Portfolio Investment Scheme (PIS)**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

### **Investment by NRI or OCI on repatriation basis**

The purchase/ sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

### **Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore

transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

**The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.**

## **SECTION IX - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY**

*Pursuant to Schedule I of the Companies Act, and the SEBI (ICDR) Regulations, the main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.*

*The following regulations comprised in the Articles of Association were adopted pursuant to the member's special resolution passed at the Extra Ordinary General Meeting held on March 05, 2024. In substitution for, and to the entire exclusion of, the earlier regulation comprised in the extant Articles of Association of the Company.*

### **INTERPRETATION**

- I 1. In these regulations-
  - b. "the Act" means the Companies Act, 2013,
  - c. "the seal" means the common seal of the company.
2. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

### **SHARE CAPITAL AND VARIATION OF RIGHTS**

- II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
2.
  - i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,-
    - a. one certificate for all his shares without payment of any charges; or
    - b. several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
  - ii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid - up thereon.
  - iii. In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
3.
  - i. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
  - ii. The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any

fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5.
  - i. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
  - ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
  - iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6.
  - i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
  - ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *Pari-passu* therewith.
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

#### **LIEN**

9.
  - i. The company shall have a first and paramount lien
    - a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
    - b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:  
Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
  - ii. The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
  - iii. That fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.
10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: Provided that no sale shall be made-
  - a. unless a sum in respect of which the lien exists is presently payable; or
  - b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11.
  - i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof
  - ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
  - iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
12.
  - i. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
  - ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

### **CALLS ON SHARES**

13.
  - i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:  
  
Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
  - ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
  - iii. A call may be revoked or postponed at the discretion of the Board.
  - iv. That any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits
14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. 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.  
  
The Board shall be at liberty to waive payment of any such interest wholly or in part.
17.
  - i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
  - ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
18. The Board -

- a. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him and
- b. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

#### **TRANSFER OF SHARES**

19.
  - i. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
  - ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
  - iii. That a common form of transfer shall be used
20.
  - i. The Board may, subject to the right of appeal conferred by section 58 decline to register—
  - ii. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - iii. any transfer of shares on which the company has a lien.
21. The Board may decline to recognise any instrument of transfer unless—
  - a. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - b. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - c. the instrument of transfer is in respect of only one class of shares.

That registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Issuer on any account whatsoever

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

#### **TRANSMISSION OF SHARES**

23.
  - i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares
  - ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
  - iii. That a common form of transmission shall be used

24.
  - i. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-
    - a. to be registered himself as holder of the share; or
    - b. to make such transfer of the share as the deceased or insolvent member could have made.
  - ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
25.
  - i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
  - ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
  - iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

#### **FORFEITURE OF SHARES**

27. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
28. The notice aforesaid shall-
  - a. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - b. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
30.
  - i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
  - ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

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 non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **ALTERATION OF CAPITAL**

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-
  - i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; and
  - iv. cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
  - v. Permission for sub-division/ consolidation of share certificates
36. Where shares are converted into stock,—
  - 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.



- the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
  - such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.
37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law-
- it share capital;
  - any capital redemption reserve account; or
  - any share premium account.

### **CAPITALISATION OF PROFITS**

38. The company in general meeting may, upon the recommendation of the Board, resolve-
- i. 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
  - ii. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
  - iii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards-
    - a. paying up any amounts for the time being unpaid on any shares held by such members respectively;
    - b. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
    - c. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
  - iv. 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;
  - v. The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
39. i. Whenever such a resolution as aforesaid shall have been passed, the Board shall-
- a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all
  - b. allotments and issues of fully paid shares if any; and
  - c. generally, do all acts and things required to give effect thereto.
- ii. The Board shall have power-
- a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application

thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

- iii. Any agreement made under such authority shall be effective and binding on such members

#### **BUY-BACK OF SHARES**

- 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.

#### **GENERAL MEETINGS**

- 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 may be called by the Board.

#### **PROCEEDINGS AT GENERAL MEETINGS**

- 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.

#### **ADJOURNMENT OF MEETING**

- 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.

#### **VOTING RIGHTS**

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,
  - i. on a show of hands, every member present in person shall have one vote;
  - ii. and 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.
  - iii. That option or right to call of shares shall not be given to any person except with the sanction of the Issuer in general meetings
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. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
52. Any business other than that upon which a poll has been demanded maybe proceeded with, pending the taking of the poll.
53. 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
54.
  - i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
  - ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

#### **PROXY**

55. 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.
56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105
57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### **BOARD OF DIRECTORS**

58. 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 following are the First Directors of the Company:

1. Anil Jayantilal Rambhia
2. Rakesh Jayantilal Rambhia
3. Shilpa Anil Rambhia

59. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

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-

- in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- in connection with the business of the company.

60. The Board may pay all expenses incurred in getting up and registering the company.

61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

62. 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.

63. 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.

- 64.
- i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
  - ii. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

#### **PROCEEDINGS OF THE BOARD**

65. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

- 66.
- i. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
  - ii. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

67. 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.
68. i. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
69. 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.
70. i. A committee may elect a Chairperson of its meetings.
- ii. If no such Chairperson is elected, or if at any meeting the 72 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.
71. 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.
72. 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.
73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

**CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR  
CHIEF FINANCIAL OFFICER**

74. 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
75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by

its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **THE SEAL**

76. i. The Board shall provide for the safe custody of the seal.
- ii. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### **DIVIDENDS AND RESERVE**

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
78. 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.
79. i. The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- ii. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
80. i. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- ii. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- iii. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. That there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.
81. 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.
82. 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.

- ii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
83. 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.
84. 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.
85. No dividend shall bear interest against the company.

#### **ACCOUNTS**

86. i. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- ii. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### **WINDING UP**

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder-
- i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
  - ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
  - iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### **INDEMNITY**

88. 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.

#### **OTHERS**

**89. A. ESOP** The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow under Employee Stock Option Scheme (ESOP) or any other scheme if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act the Rules and applicable guidelines made there under by whatever name called.

#### **B. DEMATERIALISATION OF SECURITIES**

(i) Notwithstanding anything contained in these Articles the Company shall be entitled to dematerialise its shares debentures and other securities and rematerialize its shares debentures or other securities held in the depositories and or offer its securities in dematerialized form.

(ii) Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. If a person opts to hold his security with a Depository the Company shall intimate such Depository the details of allotment of the security and on receipt of the information the Depository shall enter in its records the name of the allottee as the Beneficial Owner of the Security.

(iii) Save as herein otherwise provided the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares interest premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognise any benami trust or equity or equitable contingent or other claim to or interest in such shares debentures or other securities as the case may be on the part of any other person whether or not it shall have express or implied notice thereof.

(iv) In the case of transfer of shares debentures or other securities where the Company has not issued any certificates and where such shares debentures or other securities are being held in an electronic and fungible form the provisions of the Depositories Act shall apply.

(v) Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the byelaws of the Depository and the Company in that behalf.

(vi) Except as specifically provided in these Articles the provisions relating to Page 16 of 17 Joint holders of shares calls lien on shares forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act.

Provided that nothing contained in Article 62 shall apply to the transfer of shares debentures or other marketable securities effected by the transferor and the transferee both of whom are entered as beneficial owners in the record of the depository.

### **C. OPERATION OF BANK ACCOUNTS**

The Directors shall have the power to open bank accounts to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments make endorsements draw and accept negotiable instruments hundies and bills or may authorise any other person or persons to exercise such powers.

### **D. SECRECY**

Subject to the provisions of law of land and the act every manager auditor trustee member of a committee officer servant agent accountant or other persons employed in the business of the company shall if so required by the Board of Directors before entering upon his duties sign declaration pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the directors or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these presents.



## **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Prospectus, will be filed with the Registrar of Companies. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the corporate office between 10 a.m. and 5 p.m. on all Working Days from the date of this Draft Red Herring Prospectus until the Issue Closing Date.

### **Material Contracts**

1. Issue Agreement dated March 13, 2024 between our Company and the Book Running Lead Manager to the Issue.
2. Registrar Agreement dated March 13, 2024 executed between our Company and the Registrar to the Issue.
3. Banker to the Issue and Sponsor Bank Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Underwriting Agreement dated March 13, 2024 between our Company, Book Running Lead Manager and Underwriter.
5. Market Making Agreement dated March 13, 2024 between our Company, Book Running Lead Manager and Market Maker.
6. Tripartite Agreement dated March 12, 2024 among CDSL, the Company and the Registrar to the Issue.
7. Tripartite Agreement dated March 06, 2024 among NSDL, the Company and the Registrar to the Issue.
8. Syndicate Agreement dated [●] between the Company, BRLM and Syndicate Members.

### **Material Documents**

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation of Limited Liability Partnership dated December 12, 2017 issued by Ministry of Corporate Affairs, Registrar, Mumbai, Maharashtra.
3. Certificate of Incorporation pursuant to the Conversion of Limited Liability Partnership into the Company dated January 21, 2024 issued by the Registrar of Companies Mumbai, Maharashtra.
4. Copy of the Board Resolution dated March 04, 2024 authorizing the Issue and other related matters.
5. Copy of Shareholder's Resolution dated March 05, 2024 authorizing the Issue and other related matters.
6. Copies of Audited Financial Statements of our Company for the four months' period ended January 21, 2024 and financial year ended March 31, 2023, 2022 and 2021.
7. Copies of the Restated Financial Statement of our Company for the four months' period ended January 21, 2024 and financial year ended March 31, 2023, 2022 and 2021.
8. Copy of the Statement of Possible Special Tax Benefits dated March 16, 2024 from the Statutory Auditor.
9. Certificate on KPI's issued by Statutory Auditor dated March 16, 2024.
10. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Statutory Auditor of the Company, Market Maker, Underwriter, Bankers to our Company, Banker to the Issue/ Sponsor Bank, Syndicate Member, Promoter of our Company, Directors of our Company, Company Secretary and Compliance Officer and Chief Financial Officer, as referred to, in their respective capacities.
11. Board Resolution dated for approval of Draft Red Herring Prospectus June 11, 2024 and dated [●] for approval of Red Herring Prospectus and dated [●] for approval of Prospectus.
12. Due Diligence Certificate from Book Running Lead Manager dated June 11, 2024.
13. Approval from NSE vide letter dated [●] to use the name of NSE in the offer Documents for listing of Equity Shares on the SME Platform of National Stock Exchange of India Limited.

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>   | <b>Signature</b> |
|---|------------------|
| <b>Anil Jayantilal Rambhia</b><br>Chairman & Managing Director<br>DIN: 00332241 | Sd/-             |

Date: June 11, 2024

Place: Mumbai Maharashtra

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>  | <b>Signature</b> |
|--|------------------|
| <b>Rakesh Jayantilal Rambhia</b><br>Whole-time Director<br>DIN: 00332208 | Sd/-             |

Date: June 11, 2024

Place: Mumbai, Maharashtra

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>                                    | <b>Signature</b> |
|--|------------------|
| Shilpa Anil Rambhia<br>Non-Executive Director<br>DIN: 00333355 | Sd/-             |

Date: June 11, 2024

Place: Mumbai Maharashtra

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>                                       | <b>Signature</b> |
|---|------------------|
| Shrenik Bakulesh Kotecha<br>Independent Director<br>DIN: 01727660 | Sd/-             |

Date: June 11, 2024

Place: Mumbai, Maharashtra

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>                           | <b>Signature</b> |
|---|------------------|
| Punit Saxena<br>Independent Director<br>DIN: 01057161 | Sd/-             |

Date: June 11, 2024

Place: Mumbai, Maharashtra

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY:**

| <b>Name and Designation</b>   | <b>Signature</b> |
|---|------------------|
| Jignesha Jitendra Fofandi<br>Company Secretary & Compliance Officer<br>M No. A72393 | Sd/-             |

Date: June 11, 2024

Place: Mumbai, Maharashtra

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>  | <b>Signature</b> |
|--|------------------|
| Prasad Ramakant Lad<br>Chief Financial Officer<br>PAN : ADUPL3197J | Sd/-             |

Date: June 11, 2024

Place: Mumbai, Maharashtra